

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Balance sheet as at March 31, 2024

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

| Particulars | | Notes | As at Mar 31, 2024 | As at Mar 31, 2023 | As at Mar 31, 2022 |
|-------------------------------|---|-------|-----------------------|-----------------------|-----------------------|
| Assets | | | | | |
| 1 | Non-current assets | | | | |
| (a) | Property, plant and equipment | 2 (a) | 1,032.58 | 1,059.68 | 1,104.24 |
| (b) | Right to use of Assets | 2 (c) | 63.74 | 72.26 | 79.61 |
| (c) | Capital work-in-progress | 2 (b) | 18.036 | 2.01 | 1.49 |
| (d) | Financial Assets | | | | |
| | (i) Investments | 3 | - | - | 0.01 |
| | (ii) Others financial assets | 4 | 16.74 | 17.11 | 89.98 |
| | (iii) Other non-current assets | 5 | 1.01 | 5.28 | 5.00 |
| (e) | Deferred tax assets (net) | 6 | 190.30 | - | - |
| | Total non-current assets | | 1,322.40 | 1,156.34 | 1,280.33 |
| 2 | Current assets | | | | |
| (a) | Inventories | 7 | 254.34 | 390.18 | 423.25 |
| (b) | Financial Assets | | | | |
| | (i) Trade receivables | 8 | 279.53 | 260.85 | 268.78 |
| | (ii) Cash and cash equivalents | 9 | 2.33 | 97.69 | 74.04 |
| | (iii) Bank balances other than (ii) above | 10 | 0.57 | 802.24 | 442.24 |
| | (iv) Others financial assets | 11 | 12.55 | 37.44 | 58.66 |
| (c) | Other current assets | 12 | 164.98 | 165.01 | 281.50 |
| | Total current assets | | 714.30 | 1,753.41 | 1,548.47 |
| | Total assets | | 2,036.70 | 2,909.74 | 2,828.79 |
| Equity and liabilities | | | | | |
| 1 | Equity | | | | |
| (a) | Equity Share capital | 13 | 0.05 | 11.51 | 11.51 |
| (b) | Other equity | 14 | 251.35 | (6,158.40) | (6,266.31) |
| | Total equity | | 251.40 | (6,146.89) | (6,254.79) |
| 2 | Non-current liabilities | | | | |
| (a) | Financial Liabilities | | | | |
| | (i) Borrowings | 15 | 1,406.70 | 5,580.17 | 5,580.17 |
| | (ii) Lease liabilities | 16 | 0.80 | - | 3.41 |
| (b) | Provision | 17 | 62.28 | 62.92 | 70.69 |
| | Total non-current liabilities | | 1,469.78 | 5,643.09 | 5,654.27 |
| 3 | Current liabilities | | | | |
| (a) | Financial Liabilities | | | | |
| | (i) Borrowings | 18 | - | 2,693.07 | 2,693.07 |
| | (ii) Lease liabilities | | 0.80 | 3.98 | 7.93 |
| | (iii) Trade and other payables | 19 | | | |
| | -total outstanding dues of micro and small enterprises | 19 | 7.85 | 13.51 | 21.70 |
| | -total outstanding dues of creditors other than micro small enterprises | 19 | 156.13 | 430.32 | 439.42 |
| | (iv) Other financial liabilities | 20 | 18.84 | 113.47 | 108.45 |
| (b) | Other current liabilities | 21 | 109.58 | 133.59 | 145.83 |
| (c) | Provisions | 22 | 22.32 | 25.59 | 12.91 |
| | Total current liabilities | | 315.52 | 3,413.54 | 3,429.31 |
| | Total equity and liabilities | | 2,036.70 | 2,909.74 | 2,828.79 |

Material accounting policies

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Notes to the financial statements

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The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For E.A. Patil & Associates LLP
Chartered Accountants
Firm registration no. 117371W / W100092

For and on behalf of Board of Directors of
Sharon Bio-Medicine Limited.

CA Ujwal N. Landge
Partner
Membership No: 108231

Mukesh Kumar Singh
Wholtime Director
DIN: 10186380

Jayant Vasudeo Rao
Director
DIN: 03627850

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai
Date : May 29, 2024

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Statement of Profit and Loss Account for the Year ended March 31, 2024***(Amount in INR millions, except for share data unless otherwise stated)*

| Particulars | | Note No. | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|-------------|---|----------|---------------------------------|---------------------------------|
| I | INCOME | | | |
| (a) | Revenue from Operations | 23 | 1,902.25 | 1,922.16 |
| (b) | Other Income | 24 | 639.77 | 44.56 |
| | Total Income | | 2,542.03 | 1,966.72 |
| II | EXPENSES | | | |
| (a) | Cost of Materials Consumed | 25 | 786.58 | 887.00 |
| (b) | Changes in Inventories of finished goods, work-in-progress and Stock-in-trade | 26 | 51.15 | 41.97 |
| (c) | Employee benefit expense | 27 | 357.91 | 332.93 |
| (d) | Depreciation and amortisation expense | 28 | 97.00 | 94.02 |
| (e) | Finance costs | 29 | 103.38 | 0.62 |
| (f) | Other expenses | 30 | 432.32 | 506.05 |
| | Total Expenses | | 1,828.33 | 1,862.59 |
| III | Profit/(loss) before tax | | 713.69 | 104.13 |
| IV | Less: Tax Expense | 31 | | |
| (a) | Current tax | | - | - |
| (b) | Deferred tax charge | | 190.30 | - |
| V | Profit for the year | | 903.99 | 104.13 |
| VI | Other Comprehensive Income | | | |
| | Actuarial Gain on Gratuity & Leave Encashment | 32 | 9.70 | 3.78 |
| | Total Other Comprehensive Income | | 9.70 | 3.78 |
| VII | Total Comprehensive Income for the period (Comprising Profit (Loss)) | | 913.69 | 107.91 |
| VIII | Earnings Per Equity Share: | | | |
| | Basic and diluted [nominal value of INR 2 per share] | 33 | 38,108.60 | 4,500.62 |

Material accounting policies

1

Notes to the financial statements

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For E.A. Patil & Associates LLP

Chartered Accountants

Firm registration no. 117371W / W100092

For and on behalf of Board of Directors of

Sharon Bio-Medicine Limited.

CA Ujwal N. Landge

Partner

Membership No: 108231

Mukesh Kumar Singh

Wholetime Director

DIN: 10186380

Jayant Vasudeo Rao

Director

DIN: 03627850

Rakhi Makhloga

Company Secretary

M.No.: A48812

Place: Navi Mumbai

Date : May 29, 2024

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Cash Flow Statement For the year ended March 31, 2024

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

| Sr. No | Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|----------|--|------------------------------|------------------------------|
| A | Cash Flow From Operating Activities | | |
| | Net Profit / (Loss) Before Tax | 713.69 | 190.05 |
| | Adjustments for : | | |
| | Depreciation / amortisation | 97.00 | 100.96 |
| | Loss/(Gain) on sale of fixed assets | 0.21 | - |
| | Expected Credit Loss reversal | 20.76 | (1.38) |
| | Liability written back | (588.74) | (2.47) |
| | Unrealised (gain) / loss on foreign exchange | (4.19) | 1.09 |
| | Assets Written Off | 23.03 | - |
| | Interest Expense (Lease Asset) | 0.07 | - |
| | Interest Expense | 103.29 | 0.57 |
| | Interest income | (9.00) | (22.33) |
| | Loss on sale of MEIS | - | 2.85 |
| | Loss of Asset by Fire | - | 4.61 |
| | Misc. income | (0.02) | - |
| | Bad Debts | 4.17 | 0.52 |
| | | (353.42) | 84.42 |
| | Operating Profit before working capital changes | 360.27 | 274.47 |
| | Adjustment for : | | |
| | (Increase)/Decrease in Inventory | 135.84 | 33.08 |
| | (Increase)/Decrease in Trade Receivables | (39.45) | 7.70 |
| | (Increase)/Decrease in Other Current Financial Assets | 24.90 | - |
| | (Increase)/Decrease in Other Current Assets | (4.26) | 129.46 |
| | (Increase)/Decrease in Other Non Current Financial Assets | 0.36 | 2.97 |
| | (Increase)/Decrease in Other Non Current Assets | (4.81) | (4.33) |
| | Increase/(Decrease) in Trade Payables | 308.93 | (27.39) |
| | Increase/(Decrease) in Current Financial Liabilities | (98.61) | (0.91) |
| | Increase/(Decrease) in Current Liabilities | (24.08) | (17.97) |
| | Increase/(Decrease) in Current Provisions | 6.43 | 12.68 |
| | Increase/(Decrease) in Non Current Provisions | (0.65) | (3.99) |
| | Change in Working Capital | 304.60 | - |
| | Cash Generated From Operations | 664.86 | 405.76 |
| | Cash Flow From Extraordinary Items | | - |
| | Net Income Tax (paid) / refunds | 4.29 | 5.38 |
| | Net Cash Flow From / (used in) Operating Activities (A) | 669.16 | 411.14 |
| | | | - |
| B | Cash Flow From Investing Activities | | |
| | Purchase of Property, Plant & Equipment (PPE) | (89.92) | (49.85) |
| | Proceeds from sale of PPE/Capitalisation of PPE | - | - |
| | Interest received | 9.01 | 22.11 |
| | Investments in Gratuity Trust | - | 0.01 |
| | | (80.91) | (27.73) |
| | Net Cash Flow From / (used in) Investing Activities (B) | (80.91) | (27.73) |
| | | | - |
| C | Cash Flow From Financing Activities | | |
| | Loans taken from related parties | 1,406.70 | - |
| | Shares issued during the year | 5,484.56 | - |
| | Interest Paid | (103.29) | - |
| | Interest on Amortization of Financial Assets | - | 0.23 |
| | Increase/(Decrease) in Long Term Borrowings | (5,580.17) | - |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Cash Flow Statement For the year ended March 31, 2024***(Amount in INR millions, except for share data unless otherwise stated)*

| | | | | |
|--|---------------|-------------------|---------------|---------------|
| Increase/(Decrease) in Short Term Borrowings | (2,693.07) | | - | |
| | | (1,485.27) | - | 0.23 |
| Net Cash Flow From / (used in) Financing Activities (C) | | (1,485.27) | - | 0.23 |
| | | | - | |
| Net Inc/(Dec) in Cash and Cash Equivalents (A+B+C) | | (897.01) | - | 383.64 |
| Cash and Cash Equivalents at the beginning of the year | 899.92 | | 516.28 | |
| Cash and Cash Equivalents at the end of the year | 2.91 | | 899.92 | |
| | | (897.01) | | 383.64 |
| Components of Cash & Cash Equivalents | | | | |
| Cash on Hand | 0.06 | | 0.28 | |
| Current Account | 2.27 | | 97.40 | |
| Unpaid Dividend Account (Earmarked) | 0.00 | | 1.27 | |
| Deposits & Bank Balance held as restricted use | 0.57 | | 800.96 | |
| | 2.91 | | 899.92 | |

The accompanying notes form an integral part of this Cash Flow Statement

Notes:

1. The Cash Flow Statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard (IND AS 7)- Cash flow statement and presents cash flow by operating, investing and financing activities.
2. The amendments to IND AS 7 Cash Flow Statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both the changes from cash flow and non-cash changes, suggesting including reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities.
3. Figures in the brackets are outflows/deductions.

For E.A. Patil & Associates LLP
Chartered Accountants
Firm registration no. 117371W / W100092

For and on behalf of Board of Directors of
Sharon Bio-Medicine Limited.

CA Ujwal N. Landge
Partner
Membership No: 108231

Mukesh Kumar Singh
Wholetime Director
DIN: 10186380

Jayant Vasudeo Rao
Director
DIN: 03627850

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai
Date : May 29, 2024

A Equity Share Capital (Refer note 12 & 13)**(1) Current reporting period**

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 11.51 | - | 11.51 | (11.46) | 0.05 |

(2) Previous reporting period

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|--|--|---|---|--|
| 11.51 | - | 11.51 | - | 11.51 |

B Other Equity**(1) Current reporting period**

| PARTICULARS | Reserves & Surplus | | | Revaluation Surplus | Other items of Other Comprehensive Income | Total |
|---|--------------------|--------------------|-------------------|---------------------|---|---------------|
| | Capital reserve | Securities Premium | Retained Earnings | | | |
| Balance at the beginning of the current reporting period | - | 793.85 | (6,946.41) | - | (5.84) | (6,158.40) |
| Changes in accounting policy/ prior period errors | - | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | 793.85 | (6,946.41) | - | (5.84) | (6,158.40) |
| Total Comprehensive Income for the current year | - | - | 903.99 | - | 9.70 | 913.69 |
| Revaluation reserve Utilised | | | | - | | - |
| Transfer to retained earnings | - | - | - | - | - | - |
| Any other change | 37.66 | 5,458.37 | - | - | - | 5,496.03 |
| Balance at the end of the current reporting period | 37.66 | 6,252.22 | (6,042.39) | - | 3.86 | 251.35 |

2) Previous reporting period FY22-23

| PARTICULARS | Reserves & Surplus | | | Revaluation Surplus | Other items of Other Comprehensive Income | Total |
|---|--------------------|--------------------|-------------------|---------------------|---|-------------------|
| | Capital reserve | Securities Premium | Retained Earnings | | | |
| Balance at the beginning of the current reporting period | - | 793.85 | (7,050.54) | - | (9.62) | (6,266.31) |
| Changes in accounting policy/ prior period errors | - | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | 793.85 | (7,050.54) | - | (9.62) | (6,266.31) |
| Total Comprehensive Income for the current year | - | - | 104.13 | - | 3.78 | 107.91 |
| Balance at the end of the current reporting period | - | 793.85 | (6,946.41) | - | (5.84) | (6,158.40) |

3) Previous reporting period FY21-22

| PARTICULARS | Reserves & Surplus | | | Revaluation Surplus | Other items of Other Comprehensive Income | Total |
|---|--------------------|--------------------|-------------------|---------------------|---|-------------------|
| | Capital reserve | Securities Premium | Retained Earnings | | | |
| Balance at the beginning of the current reporting period | - | 793.85 | (7,473.29) | 411.65 | 1.59 | (6,266.20) |
| Changes in accounting policy/ prior period errors | - | - | - | - | - | - |
| Restated balance at the beginning of the current reporting period | - | 793.85 | (7,473.29) | 411.65 | 1.59 | (6,266.20) |
| Total Comprehensive Income for the current year | - | - | 176.75 | - | (14.26) | 162.48 |
| Changes in accounting policy/ prior period errors | | | (484.67) | (411.65) | | (896.32) |
| Any other change | - | - | 733.73 | - | - | 733.73 |
| Balance at the end of the current reporting period | - | 793.85 | (7,047.49) | - | (12.67) | (6,266.31) |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Notes to the financial statements as at March 31, 2024

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

2 (a). Property, Plant and Equipment

| Description | Land | Building | Office Premises | Plant & Machinery | Lab Equipment | Electricals | Office Equipment | Motor Car | Furniture & Fixtures | Computers | Intangible Assets | Total |
|---|--------------|---------------|-----------------|-------------------|---------------|---------------|------------------|-------------|----------------------|--------------|-------------------|-----------------|
| Cost as at March 31, 2021 (A) | 32.49 | 769.16 | 267.74 | 2,641.73 | 170.64 | 170.00 | 26.60 | 9.37 | 24.37 | 54.68 | 5.37 | 4,172.16 |
| Additions | - | 2.47 | - | 19.08 | 18.86 | - | 0.36 | - | 1.18 | 1.73 | - | 43.68 |
| Cost as at March 31, 2022 (B) | 32.49 | 771.63 | 267.74 | 2,660.81 | 189.49 | 170.00 | 26.95 | 9.37 | 25.55 | 56.42 | 5.37 | 4,215.84 |
| Additions | - | 5.54 | - | 19.96 | 20.29 | 0.26 | 0.80 | - | 0.92 | 1.56 | - | 49.33 |
| Disposals/adjustments | - | - | - | (21.98) | - | (1.54) | (0.04) | - | - | - | - | (23.56) |
| Cost as at March 31, 2023 (C) | 32.49 | 777.18 | 267.74 | 2,658.80 | 209.78 | 168.72 | 27.71 | 9.37 | 26.47 | 57.98 | 5.37 | 4,241.61 |
| Additions | - | 4.19 | - | 49.31 | 10.50 | 6.69 | 1.04 | - | 1.48 | 0.69 | - | 73.89 |
| Disposals/adjustments | - | - | (45.85) | (1,936.82) | (51.94) | (70.62) | (3.27) | (4.52) | (4.04) | (37.55) | - | (2,154.62) |
| Cost as at March 31, 2024 (D) | 32.49 | 781.37 | 221.89 | 771.29 | 168.34 | 104.78 | 25.48 | 4.85 | 23.91 | 21.12 | 5.37 | 2,160.89 |
| Accumulated depreciation as at March 31, 2021 (E) | - | 280.69 | 102.27 | 2,297.63 | 113.40 | 130.65 | 23.19 | 4.91 | 16.92 | 49.59 | 3.43 | 3,022.68 |
| Depreciation for the year | - | 21.10 | 3.30 | 44.32 | 8.93 | 5.69 | 0.68 | 0.89 | 1.42 | 1.30 | 1.29 | 88.92 |
| Accumulated depreciation as at March 31, 2022 (F) | - | 301.79 | 105.57 | 2,341.95 | 122.33 | 136.34 | 23.87 | 5.80 | 18.34 | 50.89 | 4.72 | 3,111.60 |
| Depreciation for the year | - | 20.89 | 3.30 | 43.24 | 9.40 | 4.96 | 0.74 | 0.58 | 1.60 | 1.42 | 0.56 | 86.68 |
| Disposals/adjustments | - | - | - | (14.85) | - | (1.47) | (0.03) | - | - | - | - | (16.35) |
| Accumulated depreciation as at March 31, 2023 (G) | - | 322.68 | 108.87 | 2,370.33 | 131.72 | 139.84 | 24.58 | 6.37 | 19.94 | 52.31 | 5.28 | 3,181.93 |
| Depreciation for the year | - | 21.23 | 3.31 | 43.12 | 11.40 | 10.05 | 0.51 | 0.38 | 0.84 | 1.99 | 0.03 | 92.87 |
| Disposals/adjustments | - | - | (45.85) | (1,932.78) | (50.69) | (69.33) | (2.99) | (4.30) | (3.39) | (37.18) | - | (2,146.50) |
| Accumulated depreciation as at March 31, 2024 (H) | - | 343.92 | 66.33 | 480.68 | 92.44 | 80.56 | 22.10 | 2.45 | 17.40 | 17.12 | 5.31 | 1,128.30 |
| Net carrying amount as at March 31, 2021 (A)- (E) | 32.49 | 488.47 | 165.47 | 344.10 | 57.24 | 39.34 | 3.40 | 4.46 | 7.46 | 5.10 | 1.95 | 1,149.48 |
| Net carrying amount as at March 31, 2022 (B)- (F) | 32.49 | 469.84 | 162.17 | 318.86 | 67.17 | 33.65 | 3.08 | 3.57 | 7.21 | 5.53 | 0.66 | 1,104.24 |
| Net carrying amount as at March 31, 2023 (C)- (G) | 32.49 | 454.50 | 158.87 | 288.46 | 78.06 | 28.88 | 3.13 | 3.00 | 6.53 | 5.67 | 0.09 | 1,059.68 |
| Net carrying amount as at March 31, 2024 (D) - (H) | 32.49 | 437.45 | 155.56 | 290.62 | 75.89 | 24.23 | 3.38 | 2.40 | 6.51 | 4.00 | 0.06 | 1,032.58 |

2(b) Additional Disclosure for Capital Work in Progress and Intangibles Assets under Development

| Capital Work in Progress | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|--|------------------|-----------|-----------|-------------------|--------------|
| (A) Capital-Work-in Progress (CWIP) | | | | | |
| Ageing Schedule | | | | | |
| Projects in Progress | 18.04 | - | - | - | 18.04 |
| | 18.04 | - | - | - | 18.04 |

2 (c) - Right-of-use assets and lease liabilities

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

Right-of-use assets**Financial Year 23-24**

| Particular | Land | Building (HO) | Building Godown | Total |
|--------------------------------------|--------------|---------------|-----------------|--------------|
| Balance as at beginning of the year | 69.05 | 3.21 | - | 72.26 |
| Additions | - | - | 1.70 | 1.70 |
| Deletion | (6.10) | - | - | (6.10) |
| Depreciation for the year | (0.81) | (3.21) | (0.11) | (4.12) |
| Balance as at end of the year | 62.14 | 0.00 | 1.59 | 63.74 |

Financial Year 22-23

| Particular | Land | Building (HO) | Building Godown | Total |
|--------------------------------------|--------------|---------------|-----------------|--------------|
| Balance as at beginning of the year | 69.92 | 9.68 | - | 79.60 |
| Depreciation for the year | (0.88) | (6.46) | - | (7.34) |
| Balance as at end of the year | 69.05 | 3.21 | - | 72.26 |

Financial Year 21-22

| Particular | Land | Building (HO) | Building Godown | Total |
|--------------------------------------|--------------|---------------|-----------------|--------------|
| Balance as at beginning of the year | 70.80 | 15.88 | - | 86.68 |
| Additions | - | 0.20 | - | 0.20 |
| Depreciation for the year | (0.88) | (6.40) | - | (7.28) |
| Balance as at end of the year | 69.92 | 9.68 | - | 79.60 |

(ii) Lease liability

| Particular | As at March 31, 2024 |
|--------------------------------------|----------------------|
| Balance as at beginning of the year | 3.98 |
| Additions during the Year | 1.72 |
| Accreditation of interest | 0.07 |
| Payment of lease liabilities | (4.16) |
| Balance as at end of the year | 1.60 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Notes to the financial statements as at March 31, 2024

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

3 INVESTMENTS

| PARTICULARS | As at Mar 31, 2024 | As at Mar 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-----------------------|-------------------------|
| A Other Investments - Quoted | | | |
| Investment of Gratuity Fund* | - | - | 0.01 |
| | - | - | 0.01 |
| Less: Provision for Diminution in value of Investment | - | - | - |
| TOTAL | - | - | 0.01 |

*Investment of Gratuity Fund represents the balances with the Gratuity Trust.

4 OTHER FINANCIAL ASSETS - NON CURRENT
(unsecured considered good, unless otherwise stated)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|
| i Deposits with original maturity for more than twelve months (Liened against Margin Money)* | 0.68 | 0.60 | 0.60 |
| ii Security Deposits-other (Unsecured and Considered Balances with Statutory/ Government Authorities (Non Current)** | 16.06 | 16.51 | 15.42 |
| iii | - | - | 73.96 |
| TOTAL | 16.74 | 17.11 | 89.98 |

* These deposits include restricted bank deposits of INR 0.65 (exclusive of interest amounting to INR 0.034) pledged as margin money against Bank Guarantee issued to Maharashtra Pollution Control Board.

** Sales Tax refunds pertaining to pre-cirp period were written off and settled in line with the resolution plan. INR 22.70 paid to the sales tax department against the claims submitted by them. The effect of the same has been given in the restated Financial of the Previous years ended March 31st, 2023.

5 OTHER NON-CURRENT ASSETS
(unsecured considered good, unless otherwise stated)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|-----------------------|-------------------------|-------------------------|
| i. Prepaid Expenses- | 0.52 | 0.53 | 0.26 |
| ii Capital advances | 0.49 | 4.74 | 4.74 |
| TOTAL | 1.01 | 5.28 | 5.00 |

6 Deferred tax assets (net)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|
| i Property, Plant & Equipment | (7.68) | - | - |
| ii Revaluation of Assets | - | - | - |
| iii Provision for Gratuity | 18.32 | - | - |
| iv Provision for Leave encashment | 2.97 | - | - |
| v Expected Credit Loss | 6.89 | - | - |
| vi Bonus and Ex-Gratia Payable | 3.89 | - | - |
| vii Books losses & Unabsorbed Depreciation | 165.90 | - | - |
| TOTAL | 190.30 | - | - |

7 INVENTORIES

(At lower of cost and net realizable value)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------|-----------------------|-------------------------|-------------------------|
| i. Raw Materials | 124.90 | 194.33 | 185.82 |
| ii Work in Progress | 61.20 | 88.25 | 141.02 |
| iii Finished Goods | 37.24 | 61.34 | 50.54 |
| iv Packing Material, | 19.17 | 24.52 | 24.98 |
| v Consumables & Stores & Tools | 11.83 | 21.74 | 20.90 |
| TOTAL | 254.34 | 390.18 | 423.25 |

Notes:

Includes goods-in-transit

| | | | |
|--|------|-------|---|
| - Raw material | 5.95 | 25.21 | - |
| - Packing material | - | 1.71 | - |
| Include provision for obsolete inventory | | | - |
| - Raw material | 3.90 | 2.01 | - |
| - Work-in-progress | 1.99 | - | - |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)
Notes to the financial statements as at March 31, 2024
(Amount in INR millions, except for share data unless otherwise stated)
3 INVESTMENTS

| | | | |
|--------------------|------|------|---|
| - Finished goods | 4.82 | 2.42 | - |
| - Packing material | 0.85 | 0.92 | - |

**8 TRADE RECEIVABLES
(unsecured considered good, unless otherwise stated)**

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|
| Trade Receivables considered good- Secured | - | - | - |
| Trade Receivables considered good- Unsecured | 279.53 | 260.85 | 268.78 |
| TOTAL | 279.53 | 260.85 | 268.78 |
| Trade Receivable – Credit Impaired | 27.38 | 6.62 | (8.00) |
| Less: Loss Allowance | (27.38) | (6.62) | 8.00 |
| | - | - | - |
| TOTAL | 279.53 | 260.85 | 268.78 |

No trade or other receivable are due from the officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any officer is a partner, a director or a member.

| Movement in expected credit loss allowance of trade receivables: | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|
| Balance at the beginning of the year | 6.62 | 8.00 | 8.57 |
| Additions/(deletion) during the year | 20.76 | (1.38) | (0.56) |
| Balance at the end of the year | 27.38 | 6.62 | 8.00 |

Trade Receivables ageing

| As at March 31, 2024 | Outstanding for following periods from due date of payment | | | | | | |
|---|--|-----------------------|----------------------|-----------|-----------|----------------------|---------------|
| | Not Due | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (a) Undisputed Trade receivables – considered good | 216.76 | 62.48 | 0.28 | - | - | - | 279.53 |
| (b) Undisputed Trade receivables – which have significant increase in credit risk | 3.25 | 1.90 | 12.72 | 7.39 | - | 1.27 | 26.53 |
| (c) Undisputed Trade receivables – credit impaired | (3.25) | (1.90) | (12.72) | (7.39) | - | (1.27) | (26.53) |
| (d) Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| (e) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | 0.85 | 0.85 |
| (f) Disputed Trade Receivables – credit impaired | - | - | - | - | - | (0.85) | (0.85) |
| Total | 216.76 | 62.48 | 0.28 | - | - | - | 279.53 |

| As at March 31, 2023 | Outstanding for following periods from due date of payment | | | | | | |
|---|--|-----------------------|----------------------|-------------|-----------|----------------------|---------------|
| | Not Due | Less than 6 Months | 6 Months - 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
| (a) Undisputed Trade receivables – considered good | 161.77 | 98.10 | 0.93 | 0.05 | - | - | 260.85 |
| (b) Undisputed Trade receivables – which have significant increase in credit risk | - | - | 0.15 | 0.46 | 0.51 | 4.64 | 5.77 |
| (c) Undisputed Trade receivables – credit impaired | - | - | (0.15) | (0.46) | (0.51) | (4.64) | (5.77) |
| (d) Disputed Trade Receivables - considered good | - | - | - | - | - | - | - |
| (e) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | 0.85 | 0.85 |
| (f) Disputed Trade Receivables – credit impaired | - | - | - | - | - | (0.85) | (0.85) |
| Total | 161.77 | 98.10 | 0.93 | 0.05 | - | - | 260.85 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Notes to the financial statements as at March 31, 2024

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

9 CASH AND CASH EQUIVALENTS

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-------------------------|-------------------------|
| i Cash on hand | 0.06 | 0.28 | 0.34 |
| ii Balances with Banks (of the nature of cash and cash equivalents) | 2.27 | 97.40 | 73.70 |
| TOTAL | 2.33 | 97.69 | 74.04 |

10 OTHER BANK BALANCES

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-------------------------|-------------------------|
| i Earmarked Balances with Banks * | | | |
| ii - Unpaid Dividend | 0.00 | 1.27 | 1.27 |
| iii Balance with bank (restricted use) | 0.00 | 100.69 | 100.69 |
| iv Deposits held as lien or security against borrowings** | 0.57 | 700.27 | 340.27 |
| TOTAL | 0.57 | 802.24 | 442.24 |

* The erstwhile Resolution Applicant Peter Back Und Peter Vermoegensverwaltung ("PBP") in lieu of Performance bank Guarantee is forfeited by way of the NCLT Order and accordingly sum of INR 100.60 appearing as Share application money but pending for allotment, has been transferred to State bank of India by the Abhyudaya Bank.

** These deposits include restricted bank deposits INR 0.46 (exclusive of interest amounting to INR 0.011) pledged as margin money against Bank Guarante issued to Maharashtra Pollution Control Board. Out of this, bank guarantee worth INR 0.36 are already expired and the company is in the process of liquidating the fixed deposits pledged against the same.

11 OTHER FINANCIAL ASSETS

(unsecured considered good, unless otherwise stated)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-------------------------|-------------------------|
| Advances other than capital advances | | | |
| 1 Security Deposits | | | |
| Security Deposits (Considered Good) | 1.70 | 3.20 | - |
| i. Export incentive recoverable | 8.82 | 11.64 | - |
| ii Interest Accrued on Fixed Deposits | - | 21.55 | 15.26 |
| iii Recoverable from others | 2.03 | 1.06 | 43.40 |
| TOTAL | 12.55 | 37.44 | 58.66 |

12 OTHER CURRENT ASSETS

(unsecured considered good, unless otherwise stated)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|
| i. Advances to suppliers | 20.39 | 19.27 | 81.87 |
| ii Balances with Statutory/ Government Authorities | 120.06 | 134.38 | 191.61 |
| iii Advance Tax (Net off Tax Provisions) | 6.70 | 6.77 | - |
| iv Prepaid Expenses | 17.84 | 4.56 | 7.86 |
| V Advances to employees | - | 0.03 | 0.16 |
| TOTAL | 164.98 | 165.01 | 281.50 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Notes to the financial statements as at March 31, 2024

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

9 CASH AND CASH EQUIVALENTS

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-------------------------|-------------------------|
| i Cash on hand | 0.06 | 0.28 | 0.34 |
| ii Balances with Banks (of the nature of cash and cash equivalents) | 2.27 | 97.40 | 73.70 |
| TOTAL | 2.33 | 97.69 | 74.04 |

10 OTHER BANK BALANCES

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-------------------------|-------------------------|
| i Earmarked Balances with Banks * | | | |
| ii - Unpaid Dividend | 0.00 | 1.27 | 1.27 |
| iii Balance with bank (restricted use) | 0.00 | 100.69 | 100.69 |
| iv Deposits held as lien or security against borrowings** | 0.57 | 700.27 | 340.27 |
| TOTAL | 0.57 | 802.24 | 442.24 |

* The erstwhile Resolution Applicant Peter Back Und Peter Vermoegensverwaltung ("PBP") in lieu of Performance bank Guarantee is forfeited by way of the NCLT Order and accordingly sum of INR 100.60 appearing as Share application money but pending for allotment, has been transferred to State bank of India by the Abhyudaya Bank.

** These deposits include restricted bank deposits INR 0.46 (exclusive of interest amounting to INR 0.011) pledged as margin money against Bank Guarante issued to Maharashtra Pollution Control Board. Out of this, bank guarantee worth INR 0.36 are already expired and the company is in the process of liquidating the fixed deposits pledged against the same.

11 OTHER FINANCIAL ASSETS

(unsecured considered good, unless otherwise stated)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|-----------------------|-------------------------|-------------------------|
| Advances other than capital advances | | | |
| 1 Security Deposits | | | |
| Security Deposits (Considered Good) | 1.70 | 3.20 | - |
| i. Export incentive recoverable | 8.82 | 11.64 | - |
| ii Interest Accrued on Fixed Deposits | - | 21.55 | 15.26 |
| iii Recoverable from others | 2.03 | 1.06 | 43.40 |
| TOTAL | 12.55 | 37.44 | 58.66 |

12 OTHER CURRENT ASSETS

(unsecured considered good, unless otherwise stated)

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|
| i. Advances to suppliers | 20.39 | 19.27 | 81.87 |
| ii Balances with Statutory/ Government Authorities | 120.06 | 134.38 | 191.61 |
| iii Advance Tax (Net off Tax Provisions) | 6.70 | 6.77 | - |
| iv Prepaid Expenses | 17.84 | 4.56 | 7.86 |
| V Advances to employees | - | 0.03 | 0.16 |
| TOTAL | 164.98 | 165.01 | 281.50 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)

Notes to the financial statements as at March 31, 2024

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

13 Statement of Changes in Equity as on March 31, 2024

| Particulars | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|
| Authorized | | | |
| 175,000,000 Equity Shares of Rs. 2/- each | 350.00 | 350.00 | 350.00 |
| Issued, Subscribed and Fully Paid-up : | | | |
| 57,55,625 (Previous Year 57,55,625) Equity Shares of Rs. 2 each, fully paid up | 11.51 | 11.51 | 11.51 |
| Payment made to equity shareholders as per approved plan | (0.10) | - | - |
| Shares Issued during the Year | 26.30 | - | - |
| Capital Reduction during the year | (37.66) | - | - |
| Total | 0.05 | 11.51 | 11.51 |

a) Shareholding of Promoters

| Name of Promoters | March 31, 2023 | | | No. of Shares held |
|----------------------------|--------------------|--------------|-------------|--------------------|
| | No. of Shares held | % of Holding | % of Change | |
| Univentis Medicare Limited | 23976* | 100.00 | 100.00 | - |

*Univentis Medicare Limited along with its 6 nominees with one share each.

- The existing Equity holders have been paid an exit price aggregating of INR 0.10 , in terms of the Resolution Plan dated May 17th, 2023
- Financial Creditors amounting to INR 5474.66 have been allotted 1,31,25,543 Equity Shares having face value of Rs 2 @ a premium of Rs. 415.10 per share.
- Fresh 23,976 Equity shares amounting to INR 0.048 lakhs have been issued to Univentis Medicare Limited., having face value of Rs 2 @ a premium of Rs. 415.10 per share in terms of the resolution plan.
- Post payment date the issued equity share capital as held by the shareholders including the promoter group as on the date of the NCLT Order along with the pre-CIRP equity shares (other than the fresh shares being allocated to the Resolution Applicant (as mentioned in point 3 above) stands extinguished and cancelled in their entirety without any consideration other than being paid to public shareholders as mentioned in point 1 above.
- Upon cancellation of the share capital as contemplated above the amount of reduction in the equity share capital amounting to INR 37.66 is transferred to capital reserve in terms of the resolution plan.

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2 per share.

Each holder of equity shares is entitled to one vote per share and dividend, if declared by the Company, in proportion to their respective holding in the Company.

b) Reconciliation of number of shares outstanding at the beginning and at the end of the year

| Particulars | As at Mar 31, 2024 | |
|---|--------------------|-------------|
| | No. of shares | Amount |
| Equity shares | | |
| Issued and Subscribed : | | |
| Balance as at the beginning of the year | 57,55,625 | 11.51 |
| Less : Payments made during the year to existing public shareholder @ INR 0.017 per share | - | (0.10) |
| Less : Reduction during the year | (1,88,81,173) | (37.66) |
| Add : Issued during the year | 1,31,25,548 | 26.25 |
| Add :Shares issued to Univentis medicare limited* | 23,976 | 0.05 |
| Balance as at the end of the year | 23,976.00 | 0.05 |

c) Details of Selective Capital Reduction during the year

| Particulars | Share capital as on Apr 01, 2023 | Payment | Reduction |
|--|----------------------------------|-------------|--------------|
| Promoters Equity | - | - | - |
| Physical Shares | - | - | - |
| Public | 11.51 | 1.00 | 10.51 |
| Issued During the Period April 2023- June 2023 | 26.25 | - | 26.25 |
| Warrants Pending Conversion into Equity | - | - | - |
| Total | 37.76 | 1.00 | 36.76 |

d) Details of shareholders holding more than 5% shares in the Company

| Particulars | As at Mar 31, 2024 | |
|--|--------------------|--------------|
| | No of shares | % of Holding |
| Equity shares of Rs. 2 each fully paid | | |
| Univentis Medicare Limited | 23,976.00 | 100% |

*Univentis Medicare Limited along with its 6 nominees with one share each.

Note : As per the NCLT Approved Plan Univentus Medicare Limited has been allotted 100% shares of the company

14 Other Equity

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|
| Securities Premium | 6,252.22 | 793.85 | 793.85 |
| Retained Earnings | (6,042.39) | (6,946.41) | (7,047.49) |
| Capital Reserve | 37.66 | - | - |
| Revaluation Reserve | - | - | - |
| | 247.49 | (6,152.56) | (6,253.64) |
| Other Comprehensive Income (OCI) | | | |
| Remeasurement of Defined benefit plans | 9.70 | (9.62) | 1.59 |
| Other items of OCI | (5.84) | 3.78 | (14.26) |
| | 3.86 | (5.84) | (12.67) |
| Total | 251.35 | (6,158.40) | (6,266.31) |

Nature and Purpose of Reserves:

a) **Securities Premium** : The amount received in excess of face value of the equity shares is recognized in Securities Premium.

b) **Retained Earnings** : Retained Earnings are the profits/(Losses) that the Company has earned till date, less any transfers to general

c) **Revaluation Reserve** : Upward Valuation on PPE has been transferred to Revaluation reserve.

d) **Capital Reserve** : The face value of the equity shares after reduction of share capital of the existing shareholder as on April 1, 2023 and the shares issued to the financial creditors after reduction of the equity allotted for the period ended June 30, 2023.

19 TRADE PAYABLES AND OTHER PAYABLES

| PARTICULARS | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|
| i Micro, Small and Medium Enterprises * | 7.85 | 13.51 | 21.70 |
| ii Payable to Related Parties | - | - | - |
| iii Payable to Other (For Goods & Expenses) | 117.13 | 391.26 | 412.94 |
| iv Payable to Other (Expenses) | 39.00 | 39.06 | 26.47 |
| Total | 163.98 | 443.83 | 461.12 |

1. INR 4.0 have been paid to the Operational Creditors (excluding workmen & employees) in terms of the resolution plan and remaining Pre-CIRP dues amounting to INR 277.17 have been written back.

*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.

Trade Payables ageing schedule

| As at March 31, 2024 | Unbilled | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|----------------------------|--------------|------------------|-------------|-----------|-------------------|---------------|
| (a) MSME | - | 7.85 | - | - | - | 7.85 |
| (b) Others | 39.00 | 106.18 | 0.07 | - | 0.05 | 145.30 |
| (C) Disputed Dues - MSME | - | - | - | - | - | - |
| (d) Disputed Dues - Others | - | 7.55 | 2.57 | - | 0.71 | 10.83 |
| Total | 39.00 | 121.58 | 2.64 | - | 0.76 | 163.98 |

Trade Payables ageing schedule FY 2022-23

| As at March 31, 2023 | Unbilled | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|----------------------------|--------------|------------------|-------------|-------------|-------------------|---------------|
| (a) MSME | - | 5.38 | 0.16 | 0.05 | 0.14 | 5.72 |
| (b) Others | 39.06 | 87.35 | 1.77 | 2.51 | 27.98 | 158.66 |
| (C) Disputed Dues - MSME | - | - | - | - | 7.79 | 7.79 |
| (d) Disputed Dues - Others | - | - | - | - | 271.66 | 271.66 |
| Total | 39.06 | 92.73 | 1.94 | 2.55 | 307.56 | 443.83 |

Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") are as under:

| Particulars | As at Mar 31, 2024 | As at Mar 31, 2023 | As at Mar 31, 2022 |
|--|--------------------|--------------------|--------------------|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 7.85 | 13.51 | 21.70 |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end(excluding PRE CIRP period creditors) | - | - | - |
| Principal amounts paid* to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - | - |
| Interest due and payable towards suppliers registered under | - | - | - |
| Further interest remaining due and payable for earlier years | - | 0.02 | 0.02 |

20 OTHER CURRENT FINANCIAL LIABILITIES

| Particulars | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|
| i Interest due but not paid | - | 1.20 | 1.20 |
| ii Employee related payables | 16.34 | 10.34 | 5.32 |
| iii Share application money received but pending for allotment* | - | 100.65 | 100.65 |
| iv Unclaimed Dividend** | - | 1.27 | 1.28 |
| v Capital creditors | 2.51 | - | - |
| Total | 18.84 | 113.47 | 108.45 |

* The erstwhile Resolution Applicant Peter Back Und Peter Vermoegensverwaltung ("PBP") in lieu of Performance bank Guarantee is forfeited by way of the NCLT Order and accordingly sum of INR 100.60 appearing as Share application money but pending for allotment, has been transferred to State bank of India by the Abhyudaya Bank.

**Unpaid dividend INR 1.08 lakhs transferred to Investor's protection Fund of Central Government.

21 OTHER CURRENT LIABILITIES

| Particulars | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------|--------------------|----------------------|----------------------|
| i Contract liabilities | 103.13 | 94.42 | 130.46 |
| ii Statutory dues * | 6.45 | 39.17 | 15.36 |
| Total | 109.58 | 133.59 | 145.83 |

* Pre-CIRP Statutory dues to the extent of INR 11.80, has been written back in accordance with the approved Resolution Plan.

22 Current Provisions

| Particulars | As at Mar 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|--------------------|----------------------|----------------------|
| i Provision for employee benefits | - | - | - |
| Provision for Gratuity (Net) | 18.50 | 20.37 | 11.14 |
| Provision for Compensated Absences | 3.82 | 5.22 | 1.77 |
| Total | 22.32 | 25.59 | 12.91 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)
Notes to the financial statements as at March 31, 2024
(Amount in INR millions, except for share data unless otherwise stated)

| 23 REVENUE FROM OPERATIONS | | |
|---|--|--|
| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
| (a) Sale of Goods & Rendering of Services | | |
| Sale of finished goods | 1,739.62 | 1,714.53 |
| Sale of Traded goods | 1.51 | |
| Sale of Services | 132.84 | 187.87 |
| (b) Other Operating revenue | | |
| Export incentives | 27.38 | 19.76 |
| Scrap sales | 0.91 | - |
| TOTAL | 1,902.25 | 1,922.16 |
| Revenue from sale of goods and services disaggregated by primary geographical market | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
| India | 351.24 | 474.19 |
| Outside India | 1,522.73 | 1,428.20 |
| Total revenue from contracts with customers | 1,873.96 | 1,902.40 |
| Timing of Revenue recognition | | |
| Product transferred at point in time | 1,873.96 | 1,902.40 |
| Product and services transferred over time | - | - |
| Revenue from contract with customers | 1,873.96 | 1,902.40 |
| 24 OTHER INCOME | | |
| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
| a) Interest Income | 9.00 | 22.33 |
| b) Interest Income on IncomeTax Refund | 0.22 | - |
| c) Exchange gain on foreign exchange fluctuation (net) | 30.00 | 18.35 |
| d) Liability written back | 588.74 | 2.47 |
| e) Loss Allowances on Trade Receivables | - | 1.38 |
| f) Rental Income | 0.24 | - |
| g) Misc. Income | 0.02 | 0.02 |
| h) Insurance Claim Received | 11.55 | - |
| TOTAL | 639.77 | 44.56 |
| 25 COST OF MATERIALS CONSUMED | | |
| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
| Opening Stock of Raw Materials (a) | 194.33 | 185.82 |
| Add: Purchases of Raw Materials (b) | 591.25 | 772.55 |
| Less: Closing Stock of Raw Materials (c) | 124.90 | 194.33 |
| Raw Material Consumed (d) = (a)+(b)-(c) | 660.68 | 764.03 |
| Opening Stock of Packing Materials (e) | 24.52 | 24.98 |
| Add: Purchases of Packing Materials (f) | 120.56 | 122.50 |
| Closing Stock of Packing Materials (g) | 19.17 | 24.52 |
| Packing Material Consumed (h)= (e)+(f)-(g) | 125.90 | 122.97 |
| TOTAL | 786.58 | 887.00 |
| 26 CHANGES IN INVENTORY OF FINISHED GOODS, WORK IN PROCESS AND STOCK IN TRADE | | |
| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
| i Opening stock | | |
| Finished Goods | 61.34 | 50.54 |
| Work-in-Process | 88.25 | 141.02 |
| | 149.59 | 191.56 |
| ii Less : Closing Stock | | |
| Finished Goods | 37.24 | 61.34 |
| Work-in-Process | 61.20 | 88.25 |
| | 98.44 | 149.59 |
| TOTAL | 51.15 | 41.97 |
| 27 EMPLOYEE BENEFIT EXPENSES | | |
| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
| i Salary, Bonus & Allowances | 331.11 | 304.70 |
| ii Contribution to provident and other funds | 19.88 | 22.21 |
| iii Staff Welfare | 6.92 | 6.03 |
| TOTAL | 357.91 | 332.93 |

28 DEPRECIATION AND AMORTISATION EXPENSE

| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|--|------------------------------------|------------------------------------|
| Depreciation on Right to use of Assets | 4.13 | 6.46 |
| Depreciation and Amortisation | 92.87 | 87.56 |
| TOTAL | 97.00 | 94.02 |

29 FINANCE COST

| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|--|------------------------------------|------------------------------------|
| Interest Cost: | | |
| Interest expense on financial liabilities measured at amortised cost : | - | - |
| - on lease liabilities | 0.07 | 0.57 |
| Interest to others | 103.29 | - |
| MSME interest | 0.02 | 0.05 |
| TOTAL | 103.38 | 0.62 |

30 a. OTHER EXPENSES

| PARTICULARS | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|---|------------------------------------|------------------------------------|
| Power & Fuel Expenses | 117.73 | 116.98 |
| Stores and spares consumed | 37.17 | 28.52 |
| Sub contracting charges | 48.56 | 24.91 |
| Lab consumables | 46.66 | 48.82 |
| Repairs Maintenance | | |
| - Plant and machinery | 14.60 | 15.35 |
| - Building | 5.71 | 12.21 |
| - Others | 6.49 | 6.09 |
| Comission on sales | 10.87 | 15.15 |
| Sales promotion expense | 1.07 | 4.66 |
| Freight and Cartage | 8.16 | 18.71 |
| Rates, fees and taxes | 18.27 | 114.09 |
| Legal & Professional Charges | 19.38 | 41.12 |
| CSR expenditure | 3.40 | 3.24 |
| Travelling and conveyance | 11.20 | 8.98 |
| House keeping expense | 3.71 | 3.60 |
| Security expenses | 6.49 | 6.15 |
| Insurance | 4.88 | 3.62 |
| Printing Expenses | 2.80 | 3.10 |
| Rent | 3.60 | 1.54 |
| Bad debts | 4.17 | 2.82 |
| Other Asset weritten off | 23.03 | 4.06 |
| Expected credit loss on trade receivables | 20.76 | - |
| Loss on Sale of Asset | 0.21 | - |
| Miscellaneous Expenses | 11.57 | 13.51 |
| Loss of Asset by Fire | - | 7.21 |
| TOTAL | 430.52 | 504.45 |

30.b. PAYMENT TO AUDITORS

| Particulars | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|--------------|------------------------------------|------------------------------------|
| Audit Fees | 1.80 | 1.60 |
| TOTAL | 1.80 | 1.60 |

31 TAX EXPENSES

Current tax not recognized to profit and loss as the company is not having any taxable profit.

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024**

Deferred tax assets for the following items have been recognised because of the probability that future taxable profits will be available for the company as a legal entity against which it can use the benefits there from.

| Particulars | Gross Amount | As at Mar 31, 2024 |
|--|---------------|--------------------|
| Business Losses | - | - |
| Unabsorbed depreciation | 659.18 | 165.90 |
| Excess depreciation as per Income tax Act, 1961 over | (30.50) | (7.68) |
| Expenses allowable on payment basis | 100.06 | 25.18 |
| Expected credit loss allowance on trade receivables | 27.38 | 6.89 |
| | | - |
| Total Deferred Tax Asset Recognised | 756.12 | 190.30 |

32 OTHER COMPREHENSIVE INCOME

| Particulars | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|--|---------------------------------|---------------------------------|
| i Actuarial Gain/(Loss) on Gratuity | 6.08 | 3.78 |
| ii Actuarial Gain/(Loss) on Leave Encashment | 3.62 | - |
| iii Upward Valuation of Asset | - | - |
| TOTAL | 9.70 | 3.78 |

33 EARNINGS PER SHARE (EPS)

| Particulars | For the year ended Mar 31, 2024 | For the year ended Mar 31, 2023 |
|---|---------------------------------|---------------------------------|
| i Net Profit After Tax (PAT) as per Statement of Profit and Loss attributable to Equity Shareholders | 913.69 | 107.91 |
| ii Weighted average number of equity shares for basic EPS [nos.] | 23,976 | 23,976 |
| iii Weighted average number of equity shares including potential equity shares for diluted EPS [nos.] | 23,976 | 23,976 |
| iv Basic EPS (Rs) | 38,108.60 | 4,500.62 |
| v Diluted EPS (Rs) | 38,108.60 | 4,500.62 |
| vi Nominal value per share (Rs) | 2.00 | 2.00 |

34 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

35 The Company has not taken any borrowings from banks or financial institutions on the basis of security of current assets during the year.

36 The Company has not been declared as willful defaulter by the banks during the financial year 2023-24, and the previous default to the banks have been repaid in line with the terms & conditions of the resolution plan.

37 on March 9, 2023, a search and investigation was conducted by the Central Bureau of Investigation ("CBI") simultaneously at all business locations of the Company, including the Dehradun Plant, API unit at Taloja, Toxicology unit at Taloja, Satra Plaza and Corporate Office at Vashi, and the same continued overnight and was concluded on March 10, 2023.

During the course of investigation, the CBI officials made enquiries with the management of the company, sought information from the key personnel and seized certain documents which are relevant for their investigation.

It is pertinent to note that the CBI officials have seized and taken complete control over the server 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 April 06, 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.

38 The Company's unit V10, also known as SA-FORD (SANCTUARY FOR RESEARCH & DEVELOPMENT), is an OECD GLP certified Indian Contract Research Organization (CRO) established in 2008. Specializing in chemistry, mutagenicity, and toxicological studies on rodents, SA-FORD's GLP certification Cancelled on March 28, 2023. Subsequently, the company is actively in the process of renewing its GLP license.

39 ADDITIONAL DISCLOSURE FOR RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

40 ADDITIONAL DISCLOSURE FOR REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company had certain charges registered under MCA pertaining to pre- CIRP period, all these charges have been duly satisfied during the year under review

41 ADDITIONAL DISCLOSURE FOR COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company does not have subsidiary company to comply with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

42 NOTE ON UNDISCLOSED INCOME

The Company does not have any 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), as there were no such act on company.

43 NOTE ON CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

44 CORPORATE SOCIAL RESPONSIBILITY (CSR)

| PARTICULARS | For the year ended Mar 31, 2024 |
|---|------------------------------------|
| Gross amount required to be spent by the company during the year. | 3.40 |
| Total Expenditure on Corporate Social Responsibility | 3.40 |
| Excess/(Shortfall) at the End of the Year | - |

CORPORATE SOCIAL RESPONSIBILITY WITH RELATED PARTIES

| PARTICULARS | For the year ended Mar 31, 2024 |
|-------------|------------------------------------|
| - | - |

**No such transactions have been made by the company*

45 A Fire Broke out at API Unit at Plot No. 6, MIDC Area, Taloja on February 26, 2023 around 8.50 AM in Production Line -II.

Fixed Assets having gross value Rs. 235.61 Lakhs with its Written Down Value Rs. 96.84 lakhs and Stock (Finished Goods) worth INR 1.09 were destroyed in the fire.

The above Equipments and Stock were insured for which company has filed a claim of INR 53.4. The insurance claim pertaining to Stock of INR 1.09 has been admitted by the Insurer, and has been shown under "Recoverable from others" under Other Financial Assets. The insurance company has released INR 10.0 on account payment against the total claim. Determination of Claim amount is under finalisation stage and will be recorded on receipt basis. The company is expecting the insurance proceeds to be received by end of June 24.

The reinstatement of Production Line-II has been completed and the company has started the production activities from March 22, 2024.

46 RATIO ANALYSIS

Detailed working of the Ratio Analysis has been provided in the Annexure A

47 COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

Pursuant to Section 230 to 237 of the Companies Act, 2013, the Company has not entered into any transaction or Scheme of Arrangements.

48 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

i The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries

ii The Company has received unsecured loan of INR 1944.00 ("Loan") from its holding company i.e. Univentis Medicare Ltd., pursuant to the resolution plan submitted by Innova Captab Ltd. Loan received has been utilised for the purpose of payment to the Financial & Operational Creditors in compliance to the implementation of the resolution plan. As march 31st,2024 outstanding is INR 1406.7 .

For E.A. Patil & Associates LLP
Chartered Accountants
Firm registration no. 117371W / W100092

For and on behalf of Board of Directors of
Sharon Bio-Medicine Limited.

CA Ujwal N. Landge
Partner
Membership No: 108231

Mukesh Kumar Singh
Wholetime Director
DIN: 10186380

Jayant Vasudeo Rao
Director
DIN: 03627850

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai
Date : May 29, 2024

ANNEXURE A

| Sr No | Ratio | March 31, 2023 | March 31, 2022 | Variation | Explanation for the Variation |
|-------|-------------------------------|----------------|----------------|-----------|---|
| 1 | Current Ratio | 2.26 | 0.51 | 341% | Decrease in Liability and Current assets |
| 2 | Debt Equity Ratio | 5.60 | (1.35) | -516% | Decrease in Lossess due to NCLT order and decrease in deb |
| 3 | Debt Service Coverage Ratio | NA | NA | - | N.A. as no Installment of Loan .Payable on demand |
| 4 | Return On Equity Ratio | (0.31) | (0.02) | 1658% | Increase in Profit |
| 5 | Inventory Turnover Ratio | 2.60 | 2.28 | 14% | N.A. |
| 6 | Trade Receivables Turnover | 6.94 | 7.18 | -3% | N.A. |
| 7 | Trade Payables Turnover Ratio | 2.34 | 2.04 | 15% | N.A. |
| 8 | Net Capital Turnover Ratio | 4.70 | (1.15) | -510% | Decrease in working capital |
| 9 | Net Profit Ratio | 0.28 | 0.05 | 430% | Balance Written back income due to NCLT order |
| 10 | Return On Capital Employed | 0.49 | 0.05 | 900% | Decrease in short and long term borrowings. |
| 11 | Return On Investment | NA | NA | - | N.A. |

****Explanation shall be provided for any change in the Ratio by more than 25% as compared to the preceding year.**

1.00 Current Ratio = Current Asset/Current Liabilities

Current Asset = Inventories + Sundry Debtors + Cash and Bank Balances + Receivables/ Accruals + Loans and Advances + Disposable Investments + Any other current assets.

Current Liabilities = Creditors for goods and services + Short-term Loans + Bank Overdraft + Cash Credit + Outstanding Expenses + Provision for Taxation + Proposed Dividend + Unclaimed Dividend + Any other current liabilities

2.00 Debt Equity Ratio = Total Debt/ Total Shareholder's Equity

Total Debt = Long term Debt + Current Maturities + Lease Liability

Total Shareholder's Equity = Share Capital + Reserves and Surplus

3.00 Debt Service Coverage Ratio = Earnings available for debt services/Debt Service

Earnings available for debt services = Net profit (Earning before taxes) + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed Asset etc.

Debt Service = Interest + Installments

4.00 Return On Equity Ratio = Net profit attributable to Equity Shareholders/Total Equity

Net profit attributable to Equity Shareholders = Net Profit after taxes - Preference dividend (if any)

Total Equity = Net Worth or Average Equity Shareholders Funds

5.00 Inventory Turnover Ratio = COGS/Average Inventory

Cost Of Goods Sold = Opening Stock + Purchases + Direct Expenses - Closing Stock

Average Inventory = (Opening Stock + Closing Stock)/2

6.00 Trade Receivables Turnover Ratio = Net Credit Sales/Average Trade receivables

Net Credit Sales = Sales on Credit - Sales returns - Sales allowances

Average Trade receivables = (Opening Trade Receivables + Closing Trade Receivables)/2

7.00 Trade Payables Turnover Ratio = Net Credit Purchases/Average Trade Payable

Net Credit Purchases = Cost Of Goods Sold (COGS) + Opening Inventory - Closing Inventory

Average Trade Payable = (Opening Trade Payable + Closing Trade Payable)/2

8.00 Net Capital Turnover Ratio = Net Annual Sales/Working Capital

Net Annual Sales = Total Gross sales – Returns – Allowances – Discounts

Working Capital = Current Assets - Current Liabilities

9.00 Net Profit Ratio = Net Profit/Sales

Net Profit = Earnings after taxes (EAT)

10.00 Return On Capital Employed = EBIT/Capital Employed

Capital Employed = Capital Employed = Total Assets – Current Liabilities

Or

Capital Employed = Fixed Assets + Working Capital

Or

Capital Employed = Equity + Long Term Debt

11.00 Return On Investment = Earnings from Investment/Cost of Investment

Average Cost of Investment = (Opening Investment + Closing Investment)/2

| 1 | Current Ratio | FY24 | FY23 |
|---|--|-------------|--------------|
| | Current Asset | | |
| | Other financial liabilities | 13 | 37 |
| | Inventories | 254 | 390 |
| | Trade Receivables | 280 | 261 |
| | Cash and Bank Balances | 3 | 900 |
| | Other Current Assets | 165 | 165 |
| | Total Current Assets.....a | 714 | 1,753 |
| | Current Liabilities | | |
| | (a) Short-Term Borrowings | - | 2,693 |
| | (b) Lease Liability | 1 | 4 |
| | (b) Trade Payables | | |
| | (i) Payable to MSME | 8 | 14 |
| | (ii) Payable to Others | 156 | 430 |
| | (c) Other financial Liabilities | 19 | 113 |
| | (c) Other Current Liabilities | 110 | 134 |
| | (d) Short-Term Provisions | 22 | 26 |
| | Total Current Liabilities.....b | 316 | 3,414 |
| | Current Ratio (a/b) | 2.26 | 0.51 |

| 2 | Debt-Equity Ratio | FY24 | FY23 |
|---|---|--------------|----------------|
| | Total Debt | | |
| | Long-Term Borrowings | 1,407 | 5,580 |
| | Short-Term Borrowings | - | 2,693 |
| | Total Debt.....a | 1,407 | 8,273 |
| | Total Shareholder's Equity | | |
| | Share Capital | 0 | 12 |
| | Reserves and Surplus | 251 | (6,158) |
| | Total Shareholder's Equity.....b | 251 | (6,147) |
| | Debt-Equity Ratio (a/b) | 5.60 | -1.35 |

| 3 | Debt Service Coverage Ratio | FY24 | FY23 |
|---|---|--------------|--------------|
| | Net profit after tax | 904 | 104 |
| | Non-cash operating expense | | |
| | a. Depreciation | 97 | 94 |
| | Earnings available for debt services.....a | 1,001 | 198 |
| | Short Term Borrowings | - | 2,693 |
| | Debt Serviceb | - | 2,693 |
| | Debt Service Coverage Ratio (a/b) | NA | NA |

| 4 | Return on Equity Ratio | FY24 | FY23 |
|---|---|-----------------|-----------------|
| | Net Profit | 914 | 108 |
| | Net profit attributable to Equity Shareholders....a | 914 | 108 |
| | Total Equity | | |
| | Share Capital | 0.05 | 11.51 |
| | Reserves and Surplus | 251 | (6,158) |
| | Total Equity.... | 251 | (6,147) |
| | Average Equity....b | -2947.74 | -6119.55 |
| | Return on Equity Ratio (a/b) | -0.31 | -0.02 |

| 5 | Inventory Turnover Ratio | FY24 | FY23 |
|---|---|-------------|-------------|
| | Cost of Raw Materials including Packing Material Consumed | 787 | 887 |
| | Changes in Inventories of Work-in-Progress | 51 | 42 |
| | Manufacturing Cost | - | - |
| | Cost of Goods Sold.....a | 838 | 929 |
| | Opening Inventory | 390 | 423 |
| | Closing Inventory | 254 | 390 |
| | Average Inventory.....b | 322 | 407 |
| | Inventory Turnover Ratio (a/b) | 2.60 | 2.28 |

| 6 | Trade Receivables Turnover Ratio | FY24 | FY23 |
|---|---|--------------|--------------|
| | Total Sales | 1,902 | 1,922 |
| | Less- Duty Drawback & Export Incentives | 27 | 20 |
| | Net Credit Sales | 1,875 | 1,902 |
| | Average Trade Receivables | | |
| | Opening Balance | 261 | 269 |
| | Closing Balance | 280 | 261 |
| | Average Trade Receivables.....b | 270 | 265 |
| | Trade Receivables Turnover Ratio (a/b) | 6.94 | 7.18 |
| | Trade Receivables Turnover Ratio in Days | 52.60 | 50.81 |

| 7 | Trade Payables Turnover Ratio | FY24 | FY23 |
|---|--|---------------|---------------|
| | Purchases (RM and PM) | 712 | 895 |
| | Add- Manufacturing Expenses | - | - |
| | Add- Other Expenses | 432 | 506 |
| | Net Credit Purchases | 1,144 | 1,401 |
| | Average Trade Payables | | |
| | Opening Balance | 444 | 435 |
| | Closing Balance | 164 | 444 |
| | Average Trade Payables.....b | 304 | 439 |
| | Trade Payables Turnover Ratio (a/b) | 2.34 | 2.04 |
| | Trade Payables Turnover Ratio in Days | 155.84 | 179.12 |

| 9 | Net Capital Turnover Ratio | FY24 | FY23 |
|---|-----------------------------------|--------------|--------------|
| | Total Sales | 1,874 | 1,902 |
| | Other Operating Revenue | 1 | - |
| | Net Annual Sales | 1,875 | 1,902 |
| | Working Capital | 399 | (1,660) |
| | Net Capital Turnover Ratio | 4.70 | -1.15 |

| 10 | Net Profit Ratio | FY24 | FY23 |
|----|-------------------------|-------------|-------------|
| | Net Profit | 714 | 104 |
| | Sales | 2,542 | 1,967 |
| | Net Profit Ratio | 0.28 | 0.05 |

| 11 | Return on Capital Employed | FY24 | FY23 |
|----|-----------------------------------|--------------|--------------|
| | EBIT | | |
| | Net Profit | 714 | 104 |
| | Add Interest | 103 | 1 |
| | EBIT | 817 | 105 |
| | Capital Employed | | |
| | Share Capital | 0.05 | 12 |
| | Reserves and Surplus | 251 | (6,158) |
| | Long term Borrowings | 1,407 | 5,580 |
| | Short term Borrowings | - | 2,693 |
| | Total Capital Employed | 1,658 | 2,126 |
| | Return on Capital Employed | 0.49 | 0.05 |

| 12 | Return on Investment | FY24 | FY23 |
|----|---|-----------|-----------|
| | Interest Income (FD interest) | - | - |
| | Cost of Investment | - | - |
| | Return on Investment | NA | NA |
| | No Investments have been made by the company during the year | | |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)***(Amount in INR millions, except for share data unless otherwise stated)***49. Contingent Liability & Commitments**

a) Disclosure pursuant to Indian Accounting Standard (Ind AS) 37 on – Provisions, Contingent Liabilities and Contingent Assets –

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Claims against the company not acknowledged as debts- | | |
| a) Income Tax Matters | 3.98 | 3.98 |
| b) On account of TDS | 6.94 | 6.76 |
| c) Service Tax Matters | 3.90 | 3.90 |
| d) Sales/ VAT Tax Matters | - | 1,382.12 |
| e) Bank Guarantee for MPCB | 1.11 | 0.60 |
| f) GST | 32.03 | 47.14 |

a) **Income Tax matters:** Demand of INR 3.98 pertains to the AY 2020-21 which is being contested by the company on the ground that the claims were not submitted by the department in this regard and hence was not considered in the resolution plan, so all such claims, which are not a part of the resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in, respect to a claim.

In addition to the above the company has received reassessment notice for AY 2013-14 to AY 2015-16 for Income escaping assessment of INR 668.30 appeal against the same has been made by the Company for which order has been received for the AY 2013-14 to AY 2015-16, quashing the notice initiated by the department.

b) **TDS** – Out of Demand of INR 6.94 as mentioned in point b) above,

I. Demand for INR 6.80 pertains to pre-CIRP period. This has been contested by the company on the ground that claims were not submitted by the department in this regard and hence was not considered in the resolution plan, so all such claims, which are not a part of the resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in, respect to a claim.

II. Demand for INR 0.14 pertains to TDS short deducted and paid for the AY 2020-21.

c) **Service Tax** – Demand for INR 3.90 pertains to the audit for the period Oct'16 to June'17. This has been contested by the company on the ground that claims were not submitted by the department in this regard and hence was not considered in the resolution plan, so all such claims, which are not a part of the resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in, respect to a claim.

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)***(Amount in INR millions, except for share data unless otherwise stated)*

d) **Sales/VAT Tax Matters** - The company was under appeal against sales tax to the extent of INR 1382.12 pertaining to various assessment year. However, claims from the department against the same have been received for INR 129.40, out of which the amount admitted as per Resolution Plan is INR 68.20. Admitted Claim amounts to the Government Authorities are considered as "Secured Creditors dues" in the Resolution Plan and has been paid INR 22.70 vide Demand Draft, in proportion to their admitted claims and the same have also been settled under Amnesty Scheme by the Sales Tax Department

e) **Bank guarantee** - Bank Guarantee of INR 1.11 is issued to Maharashtra Pollution Control Board against 100 % Fixed deposit, out of this, bank guarantee amounting to INR 0.36 are expired and the company is in the process of liquidating the fixed deposits pledged against the same.

f) **GST** - Demands from the GST department to the extent of INR 32.03 have been received during the year, for which appeals have been filed by the company in Dehradun & Maharashtra. No hearings have been held so far by the appellate authority in this regard.

b) Various civil and criminal cases have been filed by unsecured lenders and creditors and by the Company for recovery of dues and return of dishonored cheques at various courts. The financial implication of these cases on the financials could not be ascertained as the matter is still under sub judice.

| Complainant | Synopsis | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------------|--------------------------------|--------------------------------|
| 1. M/s Siemens Financial Services Pvt. Ltd | Cheque dishonoured | 34.68 | 34.68 |
| Siemens has issued NDC ("No Dues certificate") post payment of proceeds as per the resolution plan so there is no financial implication on the company. The management has initiated the discussion with M/s Siemens Financial Services Pvt. Ltd. to withdraw the said case. | | | |
| 2. Culross Opportunitic SP.& OTHERS | Parking Space Satra Plaza | | |
| Respondent | Synopsis | As at 31 March 2024 | As at 31 March 2023 |
| Dr. Saloni Jaiswal | Accused has not paid loan | 0.85 | 0.85 |
| Case is filed under section 138 of Negotiable instrument Act against Dr, Saloni Jaiswal for recover of INR 0.85, next date of hearing is on June 14, 2024. | | | |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

50 Employee Benefit Obligations:**A. Defined Benefit Plans:**

Gratuity - The Company provides for gratuity to employees in India as per Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination, is the employees last drawn basic salary per month computed as per below table and multiplied for the number of years of service.

For employees who joined before 01-July-2019 in Dehradun, Taloja L6 & Taloja W34 Units:

| | |
|-------------------------------|---------|
| Service < 10 years | 15 days |
| Service > 10 years < 15 years | 21 days |
| Service > 15 years < 20 years | 30 days |
| Service > 20 years | 45 days |

| | |
|----------------------------|----------------|
| For Other Employees | 15 Days |
|----------------------------|----------------|

1 The amount recognized in the balance sheet –

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|----------------------------|----------------------------|
| Present Value of Defined Benefit Obligation | 73.17 | 75.18 |
| Fair Value of Plan Assets | - | - |
| Defined Benefit Obligation Net off Plan Assets | 73.17 | 75.18 |

*Defined Benefit Plans are unfunded.

2 Other Comprehensive Income (OCI)

| Particulars | For the year ended 31-Mar-24 | For the year ended 31-Mar-23 |
|---|---|---|
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | -10.25 | -1.01 |
| Due to change in demographic assumption | 0.06 | -7.75 |
| Due to experience adjustments | 4.10 | 4.98 |
| Amounts recognized in Other Comprehensive (Income) / Expen | -6.09 | -3.78 |

3 Reconciliation of Defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|----------------------------|----------------------------|
| Opening Defined Benefit Obligation | 75.18 | 72.13 |
| Current service cost | 4.99 | 7.34 |
| Interest cost | 4.90 | 4.96 |
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | -10.25 | -1.01 |
| Due to change in demographic assumption | 0.06 | -7.75 |
| Due to experience adjustments | 4.10 | 4.98 |
| Past service cost | - | - |
| Benefits paid | -5.81 | -5.47 |
| Closing Defined Benefit Obligation | 73.17 | 75.18 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

4. Reconciliation of plan assets

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------------|----------------------------|----------------------------|
| Opening value of plan assets | - | - |
| Closing value of plan assets | - | - |

5. Major Category of plan assets are as follows.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------|----------------------------|----------------------------|
| Insurance Management Fund | - | - |

6. Bifurcation of liability as per schedule III

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------|----------------------------|----------------------------|
| Current Liability* | 18.50 | 20.37 |
| Non-Current Liability | 54.67 | 54.80 |
| Net Liability | 73.17 | 75.18 |

* The current liability is calculated as expected contributions for the next 12 months.

7. Significant estimates: Actuarial assumptions –

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|----------------------------|----------------------------|
| Discount Rate | 7.09% | 7.26% |
| Salary Growth Rate | 3.00% | 7.00% |
| Withdrawal Rates | 25.00% | 26.00% |
| Rate of Return on plan assets | N.A. | N.A. |

B. Leave Encashment: Company made provision for Leave encashment based on the Actuarial valuation Report. As per the HR policy, the company pays leave encashment at the time of retirement or resignation from the company. During the service, leave encashments are paid to the employees by the company from its own fund. The Company does not have any funded scheme for leave encashment.

1. Funded status of the plan

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|----------------------------|----------------------------|
| Present value of unfunded obligations | 11.79 | 13.34 |
| Present value of funded obligations | - | - |
| Fair value of plan assets | - | - |
| Net Liability (Asset) | 11.79 | 13.34 |

2. Profit and loss account for current period.

| Particulars | For the year ended 31-Mar-24 | For the year ended 31-Mar-23 |
|--|---|---|
| Current service cost | 2.54 | 2.31 |
| Past service cost and loss/(gain) on curtailments and settlement | - | - |
| Net interest cost | 0.87 | 0.83 |
| Net value of measurements on the obligation and plan assets | -3.62 | 0.31 |
| Total included in 'Employee Benefit Expense' | -0.20 | 3.44 |
| Total Charge to P&L | -0.20 | 3.44 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

3. Components of actuarial gain/losses on obligation

| Particulars | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | 31-Mar-24 | 31-Mar-23 |
| Due to change in financial assumptions | - | - |
| Due to change in demographic assumption | - | - |
| Due to experience adjustments | -3.62 | 0.31 |
| Return on plan assets excluding amounts included in interest inc | - | - |
| Net actuarial Loss/(Gain) | -3.62 | 0.31 |

4. Reconciliation of defined benefit obligation

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Opening Defined Benefit Obligation | 13.34 | 11.45 |
| Current service cost | 2.54 | 2.31 |
| Interest cost | 0.87 | 0.83 |
| Actuarial loss/ (gain) due to experience adjustments | -3.62 | 0.31 |
| Benefits paid | -1.35 | -1.58 |
| Closing Defined Benefit Obligation | 11.78 | 13.32 |

5. Reconciliation of net defined benefit liability

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Net opening provision in books of accounts | 13.34 | 11.47 |
| Employee Benefit Expense | -0.2 | 3.44 |
| Total | 13.14 | 14.91 |
| Benefits paid by the Company | -1.35 | -1.57 |
| Contributions to plan assets | - | - |
| Closing provision in books of accounts | 11.79 | 13.34 |

6. Bifurcation of liability as per schedule III

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-----------------------|---------------------|---------------------|
| Current Liability | 3.82 | 5.22 |
| Non-Current Liability | 7.97 | 8.12 |
| Net Liability | 11.79 | 13.34 |

7. Principle actuarial assumptions

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-----------------------|---------------------|---------------------|
| Discount Rate | 7.09% | 7.26% |
| Salary Growth Rate | 3.00% | 7.00% |
| Withdrawal Rates | 25.00% | 26.00% |
| Leave Availment Ratio | 2% p.a. | 2% p.a. |
| Leave Encashment Rate | 0% p.a. | 0% p.a. |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

51. Disclosure pursuant to Indian Accounting Standard (Ind AS) 24 – Related Party Disclosures**a. List of related parties and nature of relationship with whom transactions have taken place during the Current Year/Previous Year:**

| Description of Relationship | Name of the Party |
|--|--|
| Holding Company | Univentis Medicare Limited |
| Ultimate Holding Company | Innova Captab Limited |
| Key management personnel ('KMP') | Mr. Mukesh Kumar Singh (Whole-time director) Mr. Jayant Vasudeo Rao (Non-Executive Director) Mr. Purushottam Sharma (Non-Executive Director) Mr. Mahendar Korthiwada (Non-Executive Independent Director- w.e.f 29 th November 2023) Ms. Rakhi Makhloga (Company Secretary) |
| Entities in which KMP and /or their relatives have significant influence | Nugenic Pharma Private Limited (“NPPL”) |

b. The following table provides the total amount of transactions that have been entered into with related parties for the Current Year/Previous Year:

| Nature of transaction | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | 31-Mar-24 | 31-Mar-23 |
| 1. Loan received from Holding Company | | |
| Univentis Medicare Limited | 1944.00 | - |
| Interest paid During the Year | 1,032.90 | |
| Loan Repaid during the Year (Inclusive of Interest) | 1,570.20 | |
| 2. Rent Received from Holding Company | | |
| Univentis Medicare Limited | 0.24 | - |
| 3. Sales of Goods | | |
| Innova Captab Limited | 1.69 | - |
| Amount received | 1.48 | |
| 4. Rent Payable (Inclusive of Electricity) | | |
| Innova Captab Limited | 2.67 | - |
| Ret Received | 2.33 | |
| 5. Remuneration payable | | |
| Rakhi Makhloga (Company Secretary w.e.f January 2023) | 0.97 | 0.17 |
| 6. Purchase of Packing Material | | |
| Nugenic Pharma Private Limited (“NPPL”) (Inclusive of GST) | 1.97 | - |
| Amount paid | 1.97 | |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

c Balance as on march 31st,2024

| Nature of transaction | For the year ended | For the year ended |
|---|--------------------|--------------------|
| | 31-Mar-24 | 31-Mar-23 |
| 1. Loan Payable | | |
| Univentis Medicare Limited | 1406.70 | - |
| 2. Rent Received from Holding Company | | |
| Univentis Medicare Limited | 0 | - |
| 3. Sales of Goods | | |
| Innova Captab Limited | 0.21 | - |
| 4. Rent Payable | | |
| Innova Captab Limited | 0.34 | - |
| 5. Remuneration payable | | |
| Rakhi Makhloga (Company Secretary w.e.f January 2023) | 0 | - |
| 6. Purchase of Packing Material | | |
| Nugenix Pharma Private Limited ("NPPL") | - | - |

52. Installed Capacity & Its Utilization: -

| Class of Goods | Operating Capacity | Utilization |
|---|-----------------------------------|-------------|
| Active Pharma Ingredients and Intermediates | 3,13,304 kgs of Reaction Capacity | 61.50% |
| Formulation* | 2,012 Mn Tablets & Capsules | 51.44% |

*Based on internal assessment by the technical team of the Company, the current management has reviewed and recomputed the operating capacity of its manufacturing sites, during the financial year 2022-23 on the basis of current product mix.

53. Segment Reporting

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 Group has identified " Drugs and pharmaceutical products" as single operating segment.

Information about products and services

| | For the year ended | For the year ended |
|--|--------------------|--------------------|
| | 31-Mar-24 | 31-Mar-23 |
| Revenue from drugs and pharmaceutical products | 1874.39 | 1,902.40 |
| Total | 1874.39 | 1,902.40 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

54 Foreign Exchange Transactions

| Particulars | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| A. CIF value of Goods Imported | 100.86 | 145.47 |
| B. Value of Goods Exported (FOB and service charges). | 1,522.73 | 1,428.20 |
| C. Marketing, Reimbursement, Travelling & Other Expenses | 14.95 | 20.07 |

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.

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:

| Particulars | Currency | 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 Receivables | USD | \$ 1.69 | 141.31 | \$ 0.67 | 54.67 |
| | POU | £ 1.01 | 106.82 | £ 0.69 | 68.00 |
| | ND | | | | |
| | EUR | € 0.09 | 7.84 | € 0.13 | 10.78 |
| Trade Payables | USD | \$0.004 | | \$ 0.68 | |
| Borrowings -FCCB | USD | - | - | \$ 26.17 | 1,696.90 |

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

Sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the yearend for 5% change in foreign currency rates. The positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR 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.

| Particulars | Profit or Loss | | Equity, net of tax | |
|----------------------------|----------------|-----------|--------------------|-----------|
| | Strengthening | Weakening | Strengthening | Weakening |
| As at 31 March 2024 | | | | |
| USD 5% movement | 7.07 | -7.07 | 5.29 | -5.29 |
| EUR 5% movement | 0.39 | -0.39 | 0.29 | -0.29 |
| POUND 5% movement | 5.34 | -5.34 | 4.00 | -4.00 |
| As at 31 March 2023 | | | | |
| USD 5% movement | 2.73 | -2.73 | 2.05 | -2.05 |
| EUR 5% movement | 0.54 | -0.54 | 0.40 | -0.40 |
| POUND 5% movement | 3.40 | -3.40 | 2.54 | -2.54 |

Credit risk

Credit risk is the risk that a 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 through trade receivables. 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 past trends, market intelligence etc. 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 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.

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

| Particulars | As at | As at |
|---------------|---------------|---------------|
| | 31-Mar-24 | 31-Mar-23 |
| Within India | 41.65 | 58.93 |
| Outside India | 237.88 | 201.92 |
| Total | 279.53 | 260.85 |

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 | 217.62 | -3.25 | -1.49% | No |
| Less than 90 days | 63.81 | -1.74 | -2.73% | No |
| 90-180 days | 0.57 | -0.16 | -28.07% | No |
| More than 180 days | 22.52 | -22.23 | -98.71% | No |
| Total | 304.52 | -27.38 | | |

| As at 31 March 2023 | Gross carrying amount | Loss allowance | Weighted average loss rate | Whether credit-impaired |
|---------------------|-----------------------|----------------|----------------------------|-------------------------|
| Not due | 161.77 | - | 0.00% | No |
| Less than 90 days | 91.03 | - | 0.00% | No |
| 90-180 days | 7.07 | - | 0.00% | No |
| More than 180 days | 7.6 | -6.62 | -87.11% | No |
| Total | 267.47 | -6.62 | | |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

| As at 31 March 2024 | Gross carrying amount | Loss allowance | Weighted average loss rate | Whether credit-impaired |
|----------------------------|------------------------------|-----------------------|-----------------------------------|--------------------------------|
| Not due | 217.62 | -3.25 | -1.49% | No |
| Less than 90 days | 63.81 | -1.74 | -2.73% | No |
| 90-180 days | 0.57 | -0.16 | -28.07% | No |
| More than 180 days | 22.52 | -22.23 | -98.71% | No |
| Total | 304.52 | -27.38 | | |

| As at 31 March 2023 | Gross carrying amount | Loss allowance | Weighted average loss rate | Whether credit-impaired |
|----------------------------|------------------------------|-----------------------|-----------------------------------|--------------------------------|
| Not due | 161.77 | - | 0.00% | No |
| Less than 90 days | 91.03 | - | 0.00% | No |
| 90-180 days | 7.07 | - | 0.00% | No |
| More than 180 days | 7.6 | -6.62 | -87.11% | No |
| Total | 267.47 | -6.62 | | |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

55. Others

The Previous Year figures have been regroup/rearranged, wherever necessary to make them comparable with the current year's figures.

56. Balance Confirmations

Balance confirmations are obtained on a quarterly basis w.r.t Sundry Debtors and Sundry Creditors are further reconciled.

57. Corporate Social Responsibility-**About our Policy:**

The objective of our CSR policy is to promote a unified approach to CSR across Sharon Bio-Medicine Ltd. by identifying select causes to work with, thereby ensuring a high social impact.

The CSR Policy is framed in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy), Rules, 2014 as amended from time to time. The thematic area identified from Schedule VII for CSR activities are Environment, Health care, Women empowerment, Education, and any other project as may be specified under Schedule VII of Companies Act, 2013 from time to time.

Sharon would primarily focus on CSR activities within a significant geographical focus in the state of Maharashtra & Uttarakhand. Whereas Sharon would also dispassionately look into other geographics as and when any such need arises, keeping in mind its CSR policy framework for reach & support.

As an integral part of our commitment to good corporate citizenship, we at Sharon Bio-Medicine believe in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations. Towards achieving long-term stakeholder value creation, we shall always continue to respect the interests of and be responsive towards our key stakeholders - the communities. CSR at Sharon Bio-Medicine strives to achieve greater impacts, outcomes, and outputs of our CSR projects and programs by judicious investment and utilization of financial and human resources benefiting more lives.

The company has spent INR 34.03 (Previous Year INR 32.41) towards CSR activities pertaining to F.Y.2023-24.

Corporate Social Responsibility (CSR) expenditure**Healthcare and preventive healthcare:**

Healthcare: The company is associated with NGO "The Wishing Factory (Mumbai)" for the project relating to adoption of Thalassemic patients. A total of 21 patients have been adopted 2023-24. The Company has also provided Nutritional Care and Support for 300 Patients with Tuberculosis/PLHIVs in Dehradun through Balaji Sewa Sansthan (DDN).

Preventive healthcare: The company has provided Hand wash, First aid box and Sanitary napkins etc. to Rural Litigation and Entitlement Kendra RLEK(DDN) under preventive Health Care.

Promoting Education among children: The Company has contributed to CFTI (Center for Transforming India) and ARPHEM (Association of Rural People of Health and Education Needs) for promoting Children Education. The Company has also contributed to Rural Education through Vanvashi Kalyan Ashram Haryana, Gyanodyan Mahila Mahavidyalaya and Mohta College.

| Sr. No | Name of project | Item from the list of activities in schedule VII to the Act. | Local area (Yes/No) | Location of the project | Project duration (in years) | Amount allocated for the project | Amount spent in the current financial Year | Amount transferred to Unspent CSR Account for the project as per Section 135(6) | Mode of Implementation – Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | Registration number |
|--------|---|--|---------------------|-------------------------|-----------------------------|----------------------------------|--|---|--|--|---------------------|
| 1 | Proposal for Thalassemic patients to be covered | Promoting healthcare and preventive healthcare | Yes | Mumbai | 1 yr. | 0.70 | 0.70 | NA | NO | The Wishing Factory | CSR00009569 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

| | | | | | | | | | | | |
|---|--|--|-----|--|-------|-------------|-------------|----|-----|--|-------------|
| 2 | Proposal to donate School benches | Promoting Education | Yes | Raigad Mumbai | 1 yr. | 0.28 | 0.28 | NA | NO | ARPHEM Association of Rural People of Health and Education Needs | CSR00005280 |
| 3 | Project for providing Hygiene Supplies | Promoting healthcare and preventive healthcare | Yes | Dehradun | 1 yr. | 0.39 | 0.39 | NA | NO | RLEK Rural Litigation and Entitlement Kendra | CSR00035444 |
| 4 | Project for providing Nutritional Care and Support for Patients with Tuberculosis. | Promoting healthcare and preventive healthcare | No | Dehradun | 1 yr. | 0.40 | 0.40 | NA | NO | Balaji Sewa Sansthan | CSR00005790 |
| 5 | Proposal to donate Academic Kits for Rural School Student. | Promoting Education | Yes | Raigad, Mumbai | 1 yr. | 0.28 | 0.28 | NA | No | Center for Transforming India | CSR00005034 |
| 6 | Sponsorship of Tuition Fees to needy Poor Students studying in Rural Area | Promoting Education | No | Sadulpur, District, Churu Rajasthan-331023 | 1 Yr. | 0.58 | 0.58 | NA | Yes | MOHTA COLLEGE | NA |
| 7 | Sponsorship of Tuition Fees to needy Poor Students studying in Rural Area | Promoting Education | No | Chhappar, District, Churu Rajasthan-331502 | 1 Yr. | 0.67 | 0.67 | NA | Yes | GYANODYAN MAHILA MAHAVIDYAL AYA | NA |
| 8 | Sponsorship of Tuition Fees to needy Poor Students studying in Rural Area | Promoting Healthcare | No | Bhiwani, Haryana | 1 Yr. | 0.10 | 0.10 | NA | No | VANVASHI KALYAN ASHRAM HARYANA | CSR00004137 |
| | Total | | | | | 3.40 | 3.40 | | | | |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

58. Impact of plan implementation:

The company has successfully implemented the resolution plan and has settled the resolution plan as per Part III, "settlement proposal of resolution plan". The impact of plan implementation on various financial statement line items is as follows:

| Financial statement line item | Impact |
|---|---------------|
| Cash and cash equivalents (including other bank balances) | -616.94 |
| Equity Share capital | 11.46 |
| Long term borrowings | 3,636.13 |
| Other Current Assets | -73.96 |
| Other current liabilities | 11.76 |
| Other equity | -5,496.03 |
| Other expenses | 96.74 |
| Other financial liabilities (other than those specified under item (c) to be specified) | 1.20 |
| Other Income | -544.73 |
| Short term borrowings | 2,693.07 |
| Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | 281.30 |

As per approved resolution plan, "On and from the Payment Date: (i) all related Claims shall stand irrevocably and unconditionally satisfied and extinguished, (ii) all outstanding obligations of the Corporate Debtor towards Operational Creditors including Employees and Workmen shall immediately, irrevocably and unconditionally stand fully and finally discharged and settled; (iii) all legal proceedings initiated before any forum by or on behalf of any Employees or Workmen or Operational Creditors including governmental, statutory and tax authorities, to enforce any rights or Claims against the Corporate Debtor shall immediately, irrevocably and unconditionally stand abated, withdrawn, settled and / or extinguished."

59. Restatement of financial statements:

The Company has restated its previously issued financial statements for the years ended March 22 & March 23. The

a. Property Plant and Equipment ("PPE") - Change in method of valuation of PPE, Including Right to use of Assets from revaluation model to cost model and change in the life of the assets.

| Financial Year 22-23 | Cost Model | Revaluation Model | Difference |
|------------------------------|-------------------|--------------------------|-------------------|
| Gross Block 31.03.22 | 4,324.83 | 4,324.83 | 0.00 |
| Accumulated Depreciation | 3,196.10 | 2,731.44 | 464.66 |
| Written down value 31.03.23 | 1,128.73 | 1,593.39 | -464.66 |
| Depreciation for the year | 87.56 | 100.96 | -13.40 |
| Revaluation reserve (Upward) | - | 406.52 | -406.52 |
| Retained Earnings (Downward) | - | 733.07 | -733.07 |

| Financial Year 21-22 | Cost Model | Revaluation Model | Difference |
|-----------------------------|-------------------|--------------------------|-------------------|
| Gross Block 31.03.21 | 4,299.06 | 4,299.06 | 0.00 |
| Accumulated Depreciation | 3,124.90 | 2,962.34 | 162.55 |
| Written down value 31.03.22 | 1,174.16 | 1,336.72 | -162.55 |

Sharon Bio - Medicine Limited (CIN: L24110MH1989PLC052251)**Notes to the financial statements as at March 31, 2024 (Standalone)**

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

| | | | |
|------------------------------|-------|--------|---------|
| Depreciation for the year | 89.79 | 105.82 | -16.03 |
| Revaluation reserve (Upward) | - | 411.65 | -411.65 |
| Retained Earnings (Downward) | - | 733.79 | -733.79 |

- b. **Inventory** – Change in inventory valuation from FIFO to weighted average cost with respect to Formulation division and impact of depreciation on account of change as indicated in point a. above on overheads.

| Financial Year 22-23 | Current Year Increase/ (Decrease) | Previous Year Increase/ (Decrease) |
|-----------------------------|--|---|
| Inventory | 1.75 | 1.05 |

- c. The company has provided comparative figures for the financial year ending March 31st, 2023, based on restated financial statements from the same period. These restated statements reflect adjustments made following a reassessment of contingent liabilities prompted by an NCLT order. As a result of this reassessment, the company has recorded the cancellation of a VAT refund totaling Rs 73.958 million and an additional liability of Rs. 22.774 million.

For E.A. Patil & Associates LLP
Chartered Accountants
Firm registration no. 117371W / W100092

For and on behalf of Board of Directors of
Sharon Bio-Medicine Limited.

A Ujwal N. Landge Partner
Membership No: 108231

Mukesh Kumar Singh
Wholetime Director
DIN: 10186380

Jayant Vasudeo Rao
Director
DIN: 03627850

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai
Date : May 29 2024

Sharon Bio - Medicine Limited

NOTES TO THE FINANCIAL STATEMENTS AS ON 31st March 2024

Company Overview

Sharon Bio - Medicine Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). The registered office of the company is located at W34 & W34/1, MIDC, Taloja, Dist. Raigad, Maharashtra, 410 208. The Company is principally engaged in the manufacturing of intermediates, active pharmaceutical ingredients and finished dosages cater to both the domestic Indian and foreign market. The Company also has a division which specializes in pre-clinical and toxicology studies.

Corporate Insolvency Resolution Process

After following the due process of law as prescribed under the IBC and its regulations, the resolution plan submitted by Innova Captab Ltd. ("successful resolution applicant") ("Resolution Plan of Innova") for the Corporate Debtor was approved by members of the CoC on 16.11.2022 and later approved by the Hon'ble NCLT, Mumbai Bench - I on 17.05.2023.

The plan was successfully implemented on 30th June 2023, post which the company became a wholly owned subsidiary of Univentis Medicare Limited, which is itself a wholly owned subsidiary of Innova Captab Limited. Accordingly, as per the approved resolution plan, on 30th June 2023 new board of directors took over.

Statement of Significant Accounting Policies

1. Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Act.

The financial report has been prepared on a going concern basis, which contemplated continuity of normal business activities and the realization of assets and settlement of liabilities in the ordinary course of business.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS

- Certain financial assets that are measured at fair value (refer accounting policy regarding financial instruments (Note no: 2.14)
- Lease assets have been valued at fair value on the balance sheet date.

Historical Cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether the price is directly observable or estimated using other valuation technique.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate, judgments and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

(d) Restatement of Financial Statements.

The Company has restated its previously issued financial statements for the years ended March 22 & March 23. The restatement was necessary to ensure alignment with the policies endorsed by the Group (Innova Captab Limited) for following:

- a. Property Plant and Equipment ("PPE")** - Change in method of valuation of PPE, Including Right to use of Assets from revaluation model to cost model and change in the life of the assets.
- b. Inventory** – Change in inventory valuation from FIFO to weighted average cost with respect to Formulation division and impact of depreciation on account of change as indicated in point (a) above on overheads.

The Company has provided additional disclosures in the Note No 59 to the financial statements to explain the restatement and its impact.

2. Summary of significant accounting policies –

2.1 Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Goods Sold

Revenue is recognized at one point in time when control of the goods has been transferred to the customer. This occurs when the Company has a present right to payment for the goods, the customer has legal title of the goods, the goods have been delivered to the customer and/or the customer has the significant risks and rewards of the ownership of the goods. When the goods sold is highly customized and an enforceable right to payment is present, revenue is recognized over time using the proportion of cost incurred to date compared to estimated total cost to measure progress towards transferring the control of the goods to the customer.

Rendering of services

Revenue from service is recognized over time by reference to the progress towards satisfaction of each performance obligation. The progress towards satisfaction of each performance obligation is measured by the proportion of cost incurred to date compared to estimated total cost of each performance obligation.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent.

The Location and nature wise Revenue from sales and Services details are as under:

₹ in Millions

| Location | Goods | Service | Total |
|--------------------|-----------------|---------------|-----------------|
| INDIA | 288.33 | 63.81 | 352.14 |
| AFRICA | 1.90 | - | 1.90 |
| ASIA | 276.18 | 21.71 | 297.89 |
| AUSTRALIA | 256.18 | 0.62 | 256.79 |
| EUROPE | 607.54 | 34.15 | 641.69 |
| NORTH AMERICA | 167.01 | 11.86 | 178.88 |
| SOUTH AMERICA | 144.89 | 0.69 | 145.58 |
| Grand Total | 1,742.04 | 132.84 | 1,874.87 |

Other Operating Revenue

Export incentives receivable & Duty Drawback are accounted for, on an accrual basis.

Other income

Interest income is recognized on an accrual basis and others on contractual cash flows.

Trade Receivables

Trade Receivables are amounts due from customers for the sale of goods or services performed and are recognized initially at fair value less provision for expected credit loss or impairment.

2.2 Property, plant and equipment (PPE)

The property, plant and equipment are re-stated as per Cost model, less accumulated depreciation and impairment, and so that its depreciable amount is allocated on a systematic basis over its useful life.

Freehold land is not depreciated. Lease hold land is amortized over the period of lease.

In the case of additions during the year in Property, Plant & Equipment are stated at original cost inclusive of taxes (other than those subsequently recoverable from the tax authorities). All costs, including finance costs incurred up to the date the asset is ready for its intended use to be capitalized.

Parts of an item of PPE, having useful lives more than 1 year and significant expenditure on PPE arising on account of capital improvement or other factors are capitalized. All the other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

PPE are de-recognized from the financial statements either on disposal or when retired from active use. Losses arising in the case of retirement of PPE and gains and losses arising from disposal of PPE are recognized in the statement of profit and loss in the year of occurrence.

Capital work-in-progress, if any, includes cost of PPE under installation / under development as at the balance sheet date.

No revaluation of Property, Plant and Equipment has been done during the year.

The Company has a regular program of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over reasonable period.

The Company has change its accounting policies in respect of valuation of Property Plant and equipment from revaluation Model to cost model and the estimated useful lives of items of PPE is aligned with the policy endorsed by the Group (Innova Captab Limited).

The estimated useful lives of items of PPE for the periods are as follows:

| Sr No | Particulars | Policy followed till FY 2023 | As per revised policy |
|--------------|-----------------------------|-------------------------------------|------------------------------|
| 1 | Building - Factory | 3-60 Years | 10-60 Years |
| 2 | Office equipment | 5-10 Years | 5-15 Years |
| 3 | Plant and equipment | 8-20 Years | 5-20 Years |
| 4 | Lab Equipment | 6-20 Years | 10-18 Years |
| 5 | Electrical installations | 10-20 Years | 5-20 Years |
| 6 | Vehicles | 8 Years | 10 Years |
| 7 | Furniture and fittings | 5-10 Years | 10 Years |
| 8 | Computer and Printer | 3-6 Years | 3-10 Years |
| 9 | Building other than factory | 60 Years | 60 Years |
| 10 | Building Others | 3 Years | 3 Years |

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the **straight-line method**. The estimated useful lives of assets are **revised and aligned with the approach endorsed by the Group (Innova Captab Limited)**. Residual values of these assets and its useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over the irrespective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The useful lives of intangible assets are assessed as either finite or infinite.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is considered to modify the amortized period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful life are amortized over the useful economic life and assessed for impairment whenever there is any indication that the intangible asset may be impaired.

Intangibles with indefinite useful life, if any are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level.

When significant parts of property, plant and equipment are required to be replaced at intervals, the company recognizes the new part with its own associated useful life and it is depreciated accordingly.

2.3 Inventories

A revision has been made to the inventory valuation method, aligning it with the approach endorsed by the Group (Innova Captab Limited). This adjustment underscores the company's dedication to adhering to consistent and standardized inventory valuation practices.

| Sn. | Particulars | Original Policy | Revised Policy |
|-----|--------------------------------|----------------------------------|-------------------------|
| 1 | Raw materials (except goods in | FIFO and Weighted average method | Weighted average method |

| | | | |
|---|--|---------------------------------------|---|
| | transit) | | |
| 2 | Traded goods | FIFO and Weighted average method | Weighted average method |
| 3 | Packing material | FIFO and Weighted average method | Weighted average method |
| 4 | Stores and spares | FIFO and Weighted average method | Weighted average method |
| 5 | Work-in-progress and finished goods (manufactured) | FIFO and Weighted average method | 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. |
| 6 | Goods in transit | Specifically identified purchase cost | Specifically identified purchase cost |

Inventories consisting of raw materials and packing materials, work in progress, stores & Spares and finished goods are measured at the lower of cost or net realizable value. The method for determining cost for API Unit is based on Weighted Average Cost method and for Formulation unit it has been revised from FIFO to Weighted Average Cost method for valuation of Inventory and impact of depreciation on account of changes on overheads.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- a. Raw Materials and Packing Materials:** Raw and Packing Materials are valued at cost or market value, whichever is lower, computed on Weighted Average method. The cost includes the cost of purchase and other expenses directly attributable to their acquisition but excludes duties and taxes, which are subsequently recoverable from the taxing authorities. Bulk Drugs produced for captive consumption are valued at cost.
- b. Work in process and Finished Goods:** These are valued at lower of Cost or Net Realizable value, whichever is lower, computed on Weighted Average method. Cost includes material cost (but excludes duties and taxes, which are subsequently recoverable from the taxing authorities), labour cost and all overheads other than selling and distribution overheads. Physician samples which are valued at cost as computed above.
- c. Stores and Spares:** Stores and spares parts are valued at cost computed on Weighted Average method.
- d. Goods in Transit:** Goods in transit is part of Inventory and the same has been valued at Cost.

2.4 Foreign Currency Transactions: -

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in the foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Borrowing Costs

Borrowing costs that are directly attributable to the construction or production of qualifying asset are capitalized as part of the cost of that asset. All other borrowing costs are incurred in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use.

2.6 Leases

The Standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months unless the underlying asset is of low value.

The company assesses whether the contract is, or contains at inception of a contract, 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.

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

The company recognizes low value leases as operating leases i.e. charged to Profit and loss account as expenses.

The company recognizes finance leases as the right to use of assets in the statement of financial position & the corresponding lease liabilities are recognized under other current liabilities in Balance sheet of the company. The lease liabilities are further presented into current maturities of finance lease obligation and non-current maturities of finance lease obligation.

Lease income/ Rental income arises when the company allows the use of right-of-use asset of the company by other company/party. The company does not have any Rental/Lease income for the year ended 31st March 2024.

The details for the leases are as below:

| Particulars | Rs. in Millions |
|---|-----------------|
| Depreciation charge for right of use assets by class of underlying asset | 4.13 |
| Interest expense on lease liabilities | 0.07 |
| The expense relating to low-value lease | - |
| Total Cash outflow for leases | 3.48 |
| Additions to right of use assets | 1.70 |
| Gains or losses arising from sale and lease back transactions | - |
| The carrying amount of right of use assets at the end of the reporting period by class of underlying asset | 63.74 |

Maturity Analysis of Lease Liabilities

| Maturity Analysis - Contractual undiscounted Cash Flows | Rs. in Millions |
|---|-----------------|
| Less than 1 year | 0.80 |
| More than 5 year | 62.94 |
| Total Undiscounted cash flows | 63.74 |

2.7 Employees Benefits

a. Short-term obligations

These are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with Company's rules.

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

b. **Other long-term employee benefit obligations.**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under the said defined benefit plan as per IND AS 19 is determined on the basis of actuarial valuation from an independent actuary using the Projected Unit Credit Method.

The gratuity benefit of the Company was administered by a trust formed for this purpose through the group gratuity scheme. The Company has not contributed towards the Trust fund for the pending changes in the trustees. Since there are no transactions in the gratuity trust, the same has become inoperative.

Pre measurements comprising of actuarial gain and losses, the effect of the asset ceiling and the return on plan assets (excluding amount included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Past service cost is recognised in the statement of profit & loss in the period of plan amendment.

Net interest is calculated by applying the discounted rate to the net defined benefit liability or asset.

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

2.8 Earnings Per share

The Company reports basic and diluted earnings per share in accordance with Indian Accounting Standard 33 on Earnings per Share. Basic earnings per share are computed by dividing the net profit or Loss for the period by the weighted average number of Equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of Equity shares during the period as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

2.9 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year except to the extent that it relates to items recognized in OCI or directly in Equity, in which case it is recognized in OCI or directly in Equity respectively.

Current Tax: Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the yearend date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax: Deferred tax is recognized at temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax based used in the computation of taxable profits.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets and current tax liabilities and the deferred tax assets and liabilities relates to income taxes levied by the same tax authority of the company.

2.10 Provisions for Contingent Liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Disclosure for the same has been given in Note No. 49 of the Financials.

2.11 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash, and which are subject to insignificant risk of changes in value.

For the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank, overdrafts as they are considered integral part of the company's cash management.

2.12 Impairment of Non-Financial Assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generate identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

In determining fair value less cost disposal, recent market transactions are taken into account.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.13 Non-current assets held for sale.

Non-Current assets are classified as held for sale if their carrying amounts are recovered principally through a sale transaction rather than through continuing use.

Non-Current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The criteria for held for sale/ distribution classification is regarded met only when the assets are available for immediate sale/ distribution in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active program to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.
- Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.14 Financial Instruments:

A. Financial Assets

Classification

Financial Assets comprise of Investments in Equity and Debt securities, Trade Receivables, Cash and Cash equivalents, loans and Advances, and other Financial Assets.

Initial recognition and measurement

All financial assets are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset or issue of financial assets are added to the fair value of the financial asset.

Financial Assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

Subsequent Recognition

Financial Assets measured at amortized cost:

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are measured at amortized cost using the effective interest rate (EIR) method.

The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

Financial Assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

Financial Assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognized in profit or loss.

Investment in Subsidiary and Associates

Investment in equity instruments of Subsidiaries and Associates are measured at cost. Provision for Impairment loss on such investment is made only when there is a diminution in value of the investment, which is other than temporary.

Investment in Debt Instruments

A debt instrument is measured at amortized cost or at FVTPL. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

(a) De-recognition of Financial Assets:

A financial asset is primarily derecognized 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.

(b) Impairment of Financial Assets:

The Company assesses impairment based on expected credit losses model to be following:

1. Financial Assets measured at amortized cost.
2. Financial Assets measured at fair value through other comprehensive income (FVTOCI):

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12- months expected credit losses (expected credit losses (ECL) that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or.
- Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The company follows simplified approach for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognizes impairment loss allowances based on lifetime ECLs at each reporting date, right from the initial recognition.

The company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for the impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12- month ECL.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of the shared credit risk characteristics with the objective of facilitating on analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

B. Financial Liabilities:

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, security deposits and other deposits.

i. Subsequent measurement:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss.

ii. De-recognition of Financial Liabilities:

Financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expired. 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.

2.15 Current Versus Non-Current Classification:

The assets and liabilities in the Balance Sheet are based on current/ non – current classification.

a) An asset as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle.
- ii. Held primarily for the purpose of trading.
- iii. Expected to be realized within twelve months after the reporting period, or
- iii. Cash or cash equivalents 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.

b) A liability is current when it is:

A liability is current when it is Expected to be settled in normal operating cycle held primarily for the purpose of trading 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. All other liabilities are treated 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.

Trade payables:

Trade payable amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 0-90 days of recognition based on the credit terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Micro, Small and Medium Enterprises Development Act, 2006, requires the disclosure of all the MSME companies to whom the amount is payable. The company recognizes the policy and interest has been accrued on trade payables outstanding for more than 45 days.

Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.