B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Sharon Bio - Medicine Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sharon Bio - Medicine Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

a. The financial statements of the Company for the year ended 31 March 2024 were audited by the predecessor auditor who had expressed an unmodified opinion on 29 May 2024.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement

on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. Further, in the absence of independent auditor's report in relation to sufficient and appropriate reporting on compliance with the back-up requirements in the of service organisation, we are unable to comment on whether the back-up of books of accounts and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 1 April 2024 to 31 March 2025.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 10 April 2025, 16 April 2025, 21 April 2025 and 02 May 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 41 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(e) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42(f) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used an accounting software, which is operated by a third party software service provider, for maintaining its books of account. In the absence of independent auditor's report in relation to the controls at the service organisation and sufficient and appropriate reporting on compliance with the audit trail requirement from 1 April 2024 to 31 March 2025, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with. Additionally, we are also unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

GAURAV MAHAJAN

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Date: 2025.05.19 16:39:06 +05'30'

Gaurav Mahajan

Partner

Place: Panchkula

Date: 19 May 2025

Membership No.: 507857

ICAI UDIN:25507857BMOAKD3479

Annexure A to the Independent Auditor's Report on the Financial Statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025 *(Continued)*

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in deposit of GST in few cases.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. million)*#	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.40 6.00 0.06 0.23 0.44 1.76 1.44 0.58 1.27 0.03 0.30 0.06	2023-24 (FY) 2017-18 (FY) 2016-17 (FY) 2015-16 (FY) 2014-15 (FY) 2013-14 (FY) 2012-13 (FY) 2011-12 (FY) 2010-11 (FY) 2009-10 (FY) 2008-09 (FY) 2007-08 (FY)	Additional Commissioner of Income Tax, Mumbai
Goods and Services Tax Act, 2017	Goods and Services Tax	1.89	2017-18 (FY)	Joint Commissioner of State Tax, Mumbai
Services Tax Rules, 1994	Service Tax	4.15	October 2016 to June 2017	Deputy Comissioner Central GST, Raigad

Annexure A to the Independent Auditor's Report on the Financial Statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025 *(Continued)*

* amounts as per demand orders including interest and penalty, wherever indicated in order.

refer to note 41 to the financials statements

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is declared as a wilful defaulter by Bank of Maharashtra. However, the management has represented that prior to the balance sheet date, all outstanding dues for this facility was fully repaid in the previous year, and No Due Certificate was obtained on 26 June 2023, which was provided for our examination. Notwithstanding this, the management has informed us that as of 31 March 2025, the banks' records had not yet been updated to reflect the cessation of the Company's willful defaulter status.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025 *(Continued)*

(xiii) The Company is a wholly owned subisidiary and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company as detailed in note 42(j) to the financial statements. For reporting on this clause / sub clause, while we have performed audit procedures set out in the Guidance Note on CARO 2020, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year and there were no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly,

Annexure A to the Independent Auditor's Report on the Financial Statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025 *(Continued)*

clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

GAURAV MAHAJAN

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Gaurav Mahajan

Partner

Place: Panchkula

Membership No.: 507857

Date: 19 May 2025

ICAI UDIN:25507857BMOAKD3479

Annexure B to the Independent Auditor's Report on the financial statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sharon Bio - Medicine Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

Annexure B to the Independent Auditor's Report on the financial statements of Sharon Bio - Medicine Limited for the year ended 31 March 2025 *(Continued)*

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

GAURAV MAHAJAN

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Gaurav Mahajan

Partner

Place: Panchkula

Membership No.: 507857

Date: 19 May 2025

ICAI UDIN:25507857BMOAKD3479

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
Balance Sheet as at 31 March 2025
(Amount in ₹ million, except for share data unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	5 (a)	1,034.60	1,032.52
(b) Right-of-use assets	6	49.74	63.74
(c) Capital work-in-progress	5 (a)	15.07	18.04
(d) Other intangible assets	5 (b)	0.03	0.06
(e) Financial assets			
(i) Other financial assets	7	17.28	16.74
(f) Deferred tax assets (net)	32	110.05	190.30
(g) Other tax assets (net)	8	1.59	-
(h) Other non-current assets	9	2.73	1.01
Total non-current assets		**1,231.09**	**1,322.41**
(2) Current assets			
(a) Inventories	10	354.26	254.34
(b) Financial assets			
(i) Trade receivables	11	401.14	279.53
(ii) Cash and cash equivalents	12	1.17	2.33
(iii) Bank balances other than (ii) above	13	0.51	0.57
(iv) Other financial assets	14	8.10	12.55
(c) Other current assets	15	107.45	164.98
Total current assets		**872.63**	**714.30**
Assets held-for sale	16	28.53	-
Total assets		**2,132.25**	**2,036.71**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	17	0.05	0.05
(b) Other equity	18	488.26	251.36
Total equity		**488.31**	**251.41**
Liabilities			
(2) Non- current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	1,229.30	1,406.70
(ii) Lease liabilities	6	-	0.80
(b) Provisions	20	56.14	62.28
Total non-current liabilities		**1,285.44**	**1,469.78**
(3) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	6	-	0.80
(ii) Trade payables	21		
- total outstanding dues of micro and small enterprises		11.37	7.85
- total outstanding dues of creditors other than micro and small enterprises		179.12	156.13
(iii) Other financial liabilities	22	22.35	18.84
(b) Other current liabilities	23	114.98	109.58
(c) Provisions	20	30.68	22.32
Total current liabilities		**358.50**	**315.52**
Total liabilities		**1,643.94**	**1,785.30**
Total equity and liabilities		**2,132.25**	**2,036.71**

Material accounting policies	3		
Notes to the Financial Statements	5 to 44		

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration no. 101248W/W-100022

GAURAV MAHAJAN Digitally signed by GAURAV MAHAJAN Date: 2025.05.19 16:36:34 +05'30'

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 19 May 2025

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

MUKESH KUMAR SINGH Digitally signed by MUKESH KUMAR SINGH Date: 2025.05.19 16:21:09 +05'30'

Mukesh Kumar Singh
Whole-time Director
DIN: 10186380

Place: Panchkula
Date: 19 May 2025

JAYANT VASUDEO RAO Digitally signed by JAYANT VASUDEO RAO Date: 2025.05.19 16:06:00 +05'30'

Jayant Vasudeo Rao
Director
DIN : 03627850

Place: Panchkula

RAKHI MAKHLOGA Digitally signed by RAKHI MAKHLOGA Date: 2025.05.19 15:47:03 +05'30'

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
Statement of Profit and Loss for the year ended 31 March, 2025
(Amount in ₹ million, except for share data unless otherwise stated)

	Particulars	**Notes**	**For the year ended 31 March 2025**	**For the year ended 31 March 2024**
I	Revenue from operations	24	1,974.83	1,902.25
II	Other income	25	67.32	639.77
III	**Total income (I + II)**		**2,042.15**	**2,542.02**
IV	**Expenses**			
	Cost of materials consumed	26	843.12	786.58
	Changes in inventories of finished goods and work-in-progress	27	(50.23)	51.15
	Employee benefits expense	28	371.13	357.91
	Finance costs	29	115.75	103.38
	Depreciation and amortization expense	30	87.68	97.00
	Other expenses	31	364.39	432.32
	Total expenses (IV)		**1,731.84**	**1,828.34**
V	**Profit before tax (III-IV)**		**310.31**	**713.68**
VI	**Tax expense:**			
	Current tax	32	-	-
	Deferred tax charge / (credit)	32	78.52	(190.30)
	Total tax expense (VI)		**78.52**	**(190.30)**
VII	**Profit for the year (V-VI)**		**231.79**	**903.98**
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of defined benefit obligation		6.83	9.70
	Income tax relating to items that will not be reclassified to profit or loss		(1.72)	-
	Other comprehensive income for the year (net of tax)		**5.11**	**9.70**
IX	**Total comprehensive income for the year (VII+VIII)**		**236.90**	**913.68**
	Earnings per equity share			
	Basic and diluted [nominal value of ₹ 2 per share]	33	9,667.58	49,148.05

Material accounting policies	3	
Notes to the Financial Statements	5 to 44	

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration no. 101248W/W-100022

GAURAV MAHAJAN
Digitally signed by GAURAV MAHAJAN
Date: 2025.05.19 16:36:05 +05'30'

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 19 May 2025

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

MUKESH KUMAR SINGH
Digitally signed by MUKESH KUMAR SINGH
Date: 2025.05.19 16:19:48 +05'30'

Mukesh Kumar Singh
Whole-time Director
DIN: 10186380

Place: Panchkula
Date: 19 May 2025

JAYANT VASUDEO RAO
Digitally signed by JAYANT VASUDEO RAO
Date: 2025.05.19 16:09:17 +05'30'

Jayant Vasudeo Rao
Director
DIN : 03627850

Place: Panchkula

RAKHI MAKHLOGA
Digitally signed by RAKHI MAKHLOGA
DN: c=IN, o=PERSONAL, title=8805, pseudonym=d1a1a81e04be4d4098d663209585918f, 2.5.4.20=ca4e582fe38772a18cd4a5a4ab592b2611968f7b6606b7ed3105b8348bae42ab, postalCode=160036, st=Chandigarh, serialNumber=7153ebbac79f09a3312f34b20452e804a226cfaa8f2a37d10b89bdf09cdf8256, cn=RAKHI MAKHLOGA
Date: 2025.05.19 15:48:05 +05'30'

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
Statement of Changes in Equity for the year ended 31 March 2025
(Amount in ₹ million, except for share data unless otherwise stated)

A Equity share capital (Refer note 17)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	23,976	0.05	57,55,625	11.51
Add : Issue of share capital during the year	-	-	1,31,49,519	26.30
Less : Reduction/payments made during the year	-	-	(1,88,81,168)	(37.76)
Balance at the end of the year	**23,976**	**0.05**	**23,976**	**0.05**

B Other equity (Refer note 18)

Particulars	Reserves and surplus			Total
	Capital reserve	Retained earnings	Security premium	
Balance as at 01 April 2024	**37.66**	**(6,038.51)**	**6,252.21**	**251.36**
Total comprehensive income for the year				
Add : Profit for the year	-	231.79	-	231.79
Add : Other comprehensive income (net of tax) for the year	-	5.11	-	5.11
Total comprehensive income for the year	**-**	**236.90**	**-**	**236.90**
Balance as at 31 March 2025	**37.66**	**(5,801.61)**	**6,252.21**	**488.26**
Balance as at 01 April 2023	**-**	**(6,952.19)**	**793.85**	**(6,158.34)**
Total comprehensive income for the year				
Add : Profit for the year	-	903.98	-	903.98
Add : Amount pertains to reduction of share capital	37.66	-	-	37.66
Add : Other comprehensive income (net of tax) for the year	-	9.70	-	9.70
Total comprehensive income for the year	**37.66**	**913.68**	**-**	**951.34**
Transactions with owners of the Company				
Contributions and distributions				
Add : Fresh Issue of equity shares				
- Issued to Financial creditors as per the terms of Resolution plan	-	-	5,448.41	5,448.41
- Issued to Univentis Medicare Limited	-	-	9.95	9.95
Total contributions and distributions	**-**	**-**	**5,458.36**	**5,458.36**
Balance as at 31 March 2024	**37.66**	**(6,038.51)**	**6,252.21**	**251.36**

Material accounting policies 3
Notes to the Financial Statements 5 to 44
The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration no. 101248W/W-100022
GAURAV MAHAJAN Digitally signed by GAURAV MAHAJAN Date: 2025.05.19 16:35:38 +05'30'
Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 19 May 2025

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

MUKESH KUMAR SINGH Digitally signed by MUKESH KUMAR SINGH Date: 2025.05.19 16:18:37 +05'30'
Mukesh Kumar Singh
Whole-time Director
DIN: 10186380

Place: Panchkula
Date: 19 May 2025

JAYANT VASUDEO RAO Digitally signed by JAYANT VASUDEO RAO Date: 2025.05.19 16:10:36 +05'30'
Jayant Vasudeo Rao
Director
DIN: 03627850

Place: Panchkula

RAKHI MAKHLOGA Digitally signed by RAKHI MAKHLOGA DN: c=IN, o=PERSONAL, title=8805, pseudonym=d1a1a81e04be4d4098d663209585918f, 2.5.4.20=ca4e582fe38772a18cd4a5a4ab592b2611968f7b6606b7ed3105b8348bae42ab, postalCode=160036, st=Chandigarh, serialNumber=7153ebbac79f09a3312f34b20452e804a226cfaa8f2a37d10b89bdf09cdf8256, cn=RAKHI MAKHLOGA Date: 2025.05.19 15:48:31 +05'30'
Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
Statement of Cash Flows for the year ended 31 March 2025
(Amount in ₹ million, except for share data unless otherwise stated)

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A	**Cash flows from operating activities**		
	Profit before tax for the year	**310.31**	**713.69**
	Adjustments for :		
	Depreciation and amortization expense	87.68	97.00
	Net loss on sale of property, plant and equipment	0.95	0.21
	Expected credit (reversal)/loss on trade receivables	(10.30)	20.76
	Liabilities no longer required written back	(15.46)	(588.74)
	Unrealized foreign exchange loss/(gain)	4.53	(4.19)
	Other assets written off	4.40	23.03
	Finance costs	115.75	103.36
	Provision for obsolete inventory	(1.14)	-
	Interest income	(1.32)	(9.00)
	Miscellaneous income	-	0.02
	Gain on early termination of lease	(0.05)	-
	Bad debts written off	2.57	4.17
	Operating cash flows before working capital changes	**497.92**	**360.31**
	Working capital adjustments:		
	(Increase)/decrease in inventory	(98.78)	135.84
	(Increase) in trade receivables	(118.41)	(39.45)
	Decrease in other current financial assets	4.60	24.90
	Decrease/(increase) in other current assets	49.58	(4.26)
	(Increase)/decrease in other non current financial assets	(0.49)	0.36
	(Increase) in other non-current assets	0.50	(4.81)
	Increase in trade payables	41.97	308.93
	Increase/(decrease) in current financial liabilities	4.62	(98.61)
	(Decrease) in current liabilities	(10.81)	(24.08)
	Increase in current provisions	15.19	6.43
	(Decrease) in non current provisions	(6.14)	(0.65)
	Cash generated from operating activities	**379.75**	**664.91**
	Income tax refund (net)	1.96	4.29
	Net cash generated from operating activities (A)	**381.71**	**669.20**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including capital-work-in progress)	(107.73)	(89.92)
	Proceeds from sale of property, plant and equipment	1.06	-
	Advance received against assets held for sale	16.21	-
	Bank deposit made	(0.56)	-
	Interest income received	1.17	8.98
	Net cash (used in) investing activities (B)	**(89.85)**	**(80.94)**
C	**Cash flows from financing activities**		
	Proceeds from non-current borrowings	658.30	1,406.70
	Proceeds from issue of share including securities premium (net of share issue expenses)	-	5,484.56
	Finance cost paid (including interest on lease liabilities)	(115.66)	(103.29)
	Principal payment of lease liabilities	(0.53)	-
	Repayments of non-current borrowings	(835.70)	(5,580.18)
	Repayment of current borrowings (net)	-	(2,693.07)
	Net cash used in financing activities (C)	**(293.59)**	**(1,485.28)**
	Net (decrease) in cash and cash equivalents (A+B+C)	**(1.73)**	**(897.02)**
	Cash and cash equivalents at the beginning of the year	2.90	899.92
	Cash and cash equivalents at the end of the year	**1.17**	**2.90**

Notes:

1.	**For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:**		
	Cash on hand	-	0.06
	Balances with banks - in current accounts	1.17	2.84
	Cash and cash equivalents at the end of the year	**1.17**	**2.90**

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
Statement of Cash Flows for the year ended 31 March 2025
(Amount in ₹ million, except for share data unless otherwise stated)

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

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

	As at 31 March 2025	As at 31 March 2024
Borrowings at the beginning of the year	1,406.70	8,273.24
Proceeds from non-current borrowings	658.30	1,406.70
Finance cost	115.59	-
Repayments of non-current borrowings	(835.70)	(5,580.17)
Proceeds/(repayment) of current borrowings (net)	-	(2,693.07)
Finance cost paid	(115.59)	-
Borrowings at the end of the year	**1,229.30**	**1,406.70**

4. **Reconciliation of movements of lease liabilities to cash flows arising from financing activities during the year:**

	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	1.60	3.98
Additions	-	1.72
Deletions	(1.14)	-
Accreditation of interest	0.07	0.07
Payment of lease liabilities	(0.53)	(4.17)
Balance as at end of the year	**-**	**1.60**

Material accounting policies	3
Notes to the financial statements	5 to 44

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration no. 101248W/W-100022

GAURAV MAHAJAN Digitally signed by GAURAV MAHAJAN Date: 2025.05.19 16:35:10 +05'30'

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 19 May 2025

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

MUKESH KUMAR SINGH Digitally signed by MUKESH KUMAR SINGH Date: 2025.05.19 16:16:59 +05'30'

Mukesh Kumar Singh
Whole-time Director
DIN: 10186380

Place: Panchkula
Date: 19 May 2025

JAYANT VASUDEO RAO Digitally signed by JAYANT VASUDEO RAO Date: 2025.05.19 16:11:48 +05'30'

Jayant Vasudeo Rao
Director
DIN: 03627850

Place: Panchkula

RAKHI MAKHLOGA

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai

Note 1. Reporting Entity

Sharon Bio-Medicine Limited (CIN: U24110MH1989PLC052251) ("the Company") is a company domiciled in India with its registered office at W-34 34/1 MIDC Taloja, Raigad, Maharashtra, India, 410208 was incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013) on 19 June 1989. Furthermore, w.e.f 20 January 2025 Company has changed its registered office to Plot No. L6, MIDC Road, Taloja, Raigarh (MH), Panvel, Maharashtra, India, 410208.

The Company was acquired by Univentis Medicare Limited, which is itself a wholly-owned subsidiary of Innova Captab Limited, on 30 June 2023, as per the approved resolution plan by the Hon'ble Mumbai Bench of the National Company Law Tribunal (NCLT) under Section 31 of the Insolvency and Bankruptcy Code (IBC), 2016.

The Company was earlier listed on the Bombay Stock Exchange and the National Stock Exchange and was delisted on 20 February 2024.

The Company is principally engaged in the manufacturing of intermediates and active pharmaceutical ingredients. The Company also has a division that specializes in pre-clinical and toxicology studies.

Note 2. Basis of preparation

(i). Statement of compliance

The "financial statements" of the Company comprise of Balance sheet of the Company, the Statements of Profit and Loss, the Statements of Cash Flows and the Statements of Changes in Equity for each of the year together with notes (together referred as "financial statements").

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act.

The financial statements have been prepared on a going concern basis. The accounting policies adopted are consistent with those of the previous financial year.

These financial statements were approved for issue by the Company's Board of Directors on 19 May 2025.

(ii). Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following items, which are measured on an alternative basis on each reporting date:

Items	**Measurement basis**
Defined benefits liability	Present value of defined benefits obligations

(iii). Functional and presentation currency

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

(iv). Current versus non-current classification

The Company presents assets and liabilities in the financial statements based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

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

The Company classifies all other liabilities as non-current.

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

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

(v). Use of estimates and judgments

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

Judgments

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

- Note 3(i) and 24 – revenue recognition: whether revenue is recognized over time or at a point in time; determining the transaction price

Assumptions and estimation uncertainties

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

- Note 2(vi) – Fair value measurement of financial instruments
- Note 3(b) and 5(a) – Assessment of useful life and residual value of property, plant and equipment
- Note 3(c) and 6 – Lease - discount rate
- Note 3(d) and 5b – Assessment of useful life of intangible assets
- Note 3(f) – Valuation of inventories
- Note 3(g) – Impairment of financial assets; impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 3(k) and 35 – Measurement of defined benefit obligations: key actuarial assumptions
- Note 3(n) and 32 – Recognition and estimation of tax expense including deferred tax; recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used, future recoverability been probable
- Note 3(o), 3(p), and 41 – Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

(vi). Measurement of fair values

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

Significant valuation issues are reported to the Company's Board of Directors.

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

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

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

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing the financial statements is included in the Note 38.

Note 3.Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

Set out below are the material accounting policies:

(a) Financial instrument

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

Financial assets

Initial recognition and measurement

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

A financial asset (except trade receivable, that do not contain a significant financing component are measured at transaction price) is recognized initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognized immediately in the Statement of Profit and Loss. A trade receivable without a significant financing component is initially measured at the transaction price.

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

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

Financial asset at amortized cost

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

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

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

Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial assets: Business model assessment

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

The information considered includes:

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

– How the performance of the portfolio is evaluated and reported to the Company's management;

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

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

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

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

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

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

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

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

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

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

− prepayment and extension features; and

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

Financial assets – Subsequent measurement and gains and losses

- Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's Balance Sheet) when:

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

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

Financial liabilities: Classification, subsequent measurement and gains and losses

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

Derecognition of financial liabilities

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

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

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

Recognition and measurement

Items of PPE are stated at revalued amount, less accumulated depreciation and or accumulated impairment loss, if any. Freehold land is carried at historical cost less any accumulated impairment losses.

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

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

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

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

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

Transition to Ind AS

The cost of property, plant and equipment as at 01 April 2019, the Company date of transitions to Ind AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent expenditure

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

Depreciation

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

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

The estimated useful lives of items of PPE for the current and comparative year are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Building	30 Years	3-60 Years
Office equipment	5 Years	5-10 Years
Plant and equipment	3-15 Years	5-20 Years
Lab equipments	10 Years	5-20 Years
Electrical installations	10 Years	3-20 Years
Vehicles	8-10 Years	10 Years
Furniture and fittings	10 Years	5-10 Years
Computer and printer	3-6 Years	3-10 Years

Depreciation method, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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

Derecognition

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

(c) Leases

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

Leases in which the Company is a lessee

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

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

(d) Intangible assets

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

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

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

Subsequent expenditure

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

Amortisation

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in depreciation and amortization in Statement of profit and loss.

The estimated useful life computer software for the current and comparative year is 3 years.

Derecognition

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

(e) Non-current assets held for sale

Non-current assets classified as held for sale are generally measured at the lower of their carrying amount and fair value less cost to sell, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the Statement of Profit and Loss.

Once classified as held-for sale, property, plant and equipment, and intangible assets are no longer amortised or depreciated.

(f) Inventories

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

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

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

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

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

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

(g) Impairment

Impairment of financial assets

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

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

- Significant financial difficulty of the borrower, debtor or issuer;
- The breach of contract such as a default or being past due for 365 days or more;
- The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial re-organization; or
- The disappearance of active market for a security because of financial difficulties.

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

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

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

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

The Company does not have any trade receivables with significant credit risk. The Company uses simplified approach to calculate impairment of trade receivables and has not accessed credit risk individually.

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

Measurement of expected credit losses

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

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

Presentation of allowance for expected credit losses

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

Write-off

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

Impairment of non-financial assets

The Company's non-financial assets other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

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

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

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(h) Revenue from contract with customers

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

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:
Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

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

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

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

The Company disaggregates revenue from contracts with customers by geography.
Invoices are usually payable within a range of 45 to 90 days.

Use of significant judgments in revenue recognition:

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

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

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

(iii) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. In case where performance obligation is satisfied at a point in time, revenue is recognized when significant risk and rewards of ownership of goods is transferred to the customers, generally ex-factory. In case where performance obligation is satisfied over a period of time, revenue is recognized on the basis of actual cost incurred plus mark up as agreed with the customers under each agreement.

i) Export incentives

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

j) Recognition of interest income or expense

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

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

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

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

k) Employee benefits

Short-term employee benefits

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

Post-employment benefits

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

<u>Defined contribution plans</u>

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

<u>Defined benefit plans</u>

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

Other long-term employee benefits

Compensated absences

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilized during the service, or encased. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits. The Company's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Such obligation such as those related to compensate absences is measured on the basis of an actuarial valuation performed annually by a qualified actuary using the projected unit credit method. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Termination benefits

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

Actuarial valuation

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

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

l) Borrowing costs

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

m) Foreign currency transactions

Initial recognition

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

Measurement at the reporting date

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

n) Income tax

Income tax expense comprises current and deferred tax. It is recognized in Statement of Profit and Loss. The Company does not have any items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

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

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

Deferred tax

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

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

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

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

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

o) Provisions (other than for employee benefits)

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

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

p) Contingent liabilities and contingent assets

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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

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

q) Commitments

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

r) Operating segment

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

s) Cash and cash equivalents

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

t) Statement of Cash Flows

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

u) Earnings per share

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

v) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Company is charged to the Statement of the Profit and Loss.

w) Share capital

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

Note 4. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31 March 2025, Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact on its financial statements. As at 31 March 2025, MCA has not notified any new standards or amendments to the existing standards which are applicable to the Company.

Note 5 (a) - Property, plant and equipment

Reconciliation of carrying amount
Gross carrying amount

Particulars	Freehold land	Building	Office premises	Plant and equipment	Lab equipment	Electrical equipment and installation	Office equipment	Vehicles	Furniture and fixtures	Computer and printer	Total	Capital work-in-progress
Balance as at 01 April 2024	32.49	781.36	221.89	771.29	168.32	104.79	25.48	4.85	23.91	21.12	2,155.50	18.04
Additions	43.61	30.49	0.60	15.42	11.92	0.50	1.75	-	1.92	1.17	107.38	63.56
Disposals	-	(0.84)	-	(3.98)	(0.38)	-	(0.27)	-	-	-	(5.47)	(66.53) #
Assets classified as held for sale	-	(31.02)	(18.57)	-	-	-	-	-	-	-	(49.59)	-
Balance as at March 31, 2025	**76.10**	**779.99**	**203.92**	**782.73**	**179.86**	**105.29**	**26.96**	**4.85**	**25.83**	**22.29**	**2,207.82**	**15.07**
Balance as at 01 April 2023	32.49	777.17	267.74	2,658.80	209.78	168.72	27.71	9.37	26.47	57.98	4,236.23	2.01
Additions	-	4.19	-	49.31	10.48	6.69	1.04	-	1.48	0.69	73.88	35.58
Disposals	-	-	(45.85)	(1,936.82)	(51.94)	(70.62)	(3.27)	(4.52)	(4.04)	(37.55)	(2,154.61)	(19.55) #
Balance as at March 31, 2024	**32.49**	**781.36**	**221.89**	**771.29**	**168.32**	**104.79**	**25.48**	**4.85**	**23.91**	**21.12**	**2,155.50**	**18.04**

Accumulated depreciation

Particulars	Freehold land	Building	Office premises	Plant and equipment	Lab equipment	Electrical equipment and installation	Office equipment	Vehicles	Furniture and fixtures	Computer and printer	Total	Capital work-in-progress
Balance as at 01 April 2024	-	343.92	66.33	480.67	92.43	80.56	22.10	2.45	17.40	17.12	1,122.98	-
Depreciation for the year	-	22.79	3.26	41.74	11.22	3.99	0.68	0.37	1.06	1.27	86.38	-
Disposals	-	(0.17)	-	(2.87)	(0.17)	-	(0.25)	-	-	-	(3.46)	-
Assets classified as held for sale	-	(27.73)	(4.95)	-	-	-	-	-	-	-	(32.68)	-
Balance as at March 31, 2025	**-**	**338.81**	**64.64**	**519.54**	**103.48**	**84.55**	**22.53**	**2.82**	**18.46**	**18.39**	**1,173.22**	**-**
Balance as at 01 April 2023	**-**	**322.69**	**108.87**	**2,370.33**	**131.72**	**139.84**	**24.58**	**6.37**	**19.95**	**52.31**	**3,176.66**	**-**
Depreciation for the year	-	21.23	3.31	43.12	11.40	10.05	0.51	0.38	0.84	1.99	92.83	-
Disposals	-	-	(45.85)	(1,932.78)	(50.69)	(69.33)	(2.99)	(4.30)	(3.39)	(37.18)	(2,146.51)	-
Balance as at March 31, 2024	**-**	**343.92**	**66.33**	**480.67**	**92.43**	**80.56**	**22.10**	**2.45**	**17.40**	**17.12**	**1,122.98**	**-**

Carrying amounts (net)

Particulars	Freehold land	Building	Office premises	Plant and equipment	Lab equipment	Electrical equipment and installation	Office equipment	Vehicles	Furniture and fixtures	Computer and printer	Total	Capital work-in-progress
As at March 31, 2025	**76.10**	**441.18**	**139.28**	**263.19**	**76.38**	**20.74**	**4.43**	**2.03**	**7.37**	**3.90**	**1,034.60**	**-**
As at March 31, 2024	32.49	437.44	155.56	290.62	75.89	24.23	3.38	2.40	6.51	4.00	1,032.52	-

Represents capital work in progress capitalised during the respective year

Notes:
b. Refer note 41 (b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Capital work in progress (CWIP) ageing schedule:

Particulars	Amount in CWIP for a period of				
	<1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress as at 31 March 2025	15.07	-	-	-	**15.07**
Projects in progress as at 31 March 2024	18.04	-	-	-	**18.04**

Note 5 (b) - Other intangible Assets
Reconciliation of carrying amount
Gross carrying amount

	Computer software
Balance as at 01 April 2024	**5.37**
Additions - acquired	-
Balance as at 31 March 2025	**5.37**
Balance as at 01 April 2023	**5.37**
Additions - acquired	-
Balance as at 31 March 2024	**5.37**
Accumulated amortization	
Balance as at 01 April 2024	5.31
For the year	0.03
Balance as at 31 March 2025	**5.34**
Balance as at 01 April 2023	**5.28**
For the year	0.03
Balance as at 31 March 2024	**5.31**
Carrying amounts (net)	
As at 31 March 2025	**0.03**
As at 31 March 2024	**0.06**

As at 31 March 2025, the estimated remaining amortization year for other intangible assets are as follows:
Computer software 0.08 - 1.00 year (31 March 2024 1.16 - 2.00 years)

Note 6 - Right-of-use assets and lease liabilities
a. Information about leases for which the Company is a lessee is presented below :

Right-of-use assets - building	**As at 31 March 2025**	**As at 31 March 2024**
Balance as at beginning of the year	1.59	3.21
Additions	-	1.70
Deletions	(1.09)	-
Depreciation for the year	(0.50)	(3.32)
Balance as at end of the year (A)	**-**	**1.59**

Right-of-use assets - land	**As at 31 March 2025**	**As at 31 March 2024**
Balance as at beginning of the year	62.14	69.05
Additions	-	-
Deletions	-	(6.10)
Assets classified as held for sale	(11.63)	-
Depreciation for the year	(0.77)	(0.81)
Balance as at end of the year (B)	**49.74**	**62.14**
Right-of-use assets (C=(A)+(B))	**49.74**	**63.73**

b. The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.
c. Set out below are the carrying amounts of lease liabilities during the year :

Lease liabilities included in the balance sheet	**As at 31 March 2025**	**As at 31 March 2024**
Current	-	0.80
Non-current	-	0.80
Total	**-**	**1.60**
Balance as at beginning of the year	**1.60**	**3.98**
Additions	-	1.72
Deletions	(1.14)	-
Accreditation of interest	0.07	0.07
Payment of lease liabilities	(0.53)	(4.17)
Balance as at end of the year	-	**1.60**

d As at date, the Company is not exposed to future cash flows for extension / termination options, residual value guarantees and leases not commenced to which lessee is e The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis – contractual undiscounted cash flows	**As at 31 March 2025**	**As at 31 March 2024**
Less than one year	-	0.91
After one year but not longer than three years	-	0.83
Total	**-**	**1.74**

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

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

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

	As at 31 March 2025	**As at 31 March 2024**
Interest on lease liabilities	0.07	0.07
Depreciation expense	1.27	4.13
Total	**1.34**	**4.20**

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

	As at 31 March 2025	**As at 31 March 2024**
Payment of lease liabilities	0.53	4.17
Total cash outflow for leases (including short term leases)	**0.53**	**4.17**

j The weighted average incremental borrowing rate applied to lease liabilities as at the date of origination of lease is 8.50% (31 March 2024 : 8.50%).

Note 7 - Other non-current financial asset

	As at 31 March 2025	**As at 31 March 2024**
(unsecured considered good, unless otherwise stated)		
Balance with bank deposits with maturity more than 12 months #	0.73	0.68
Security deposits	16.55	16.06
	17.28	**16.74**

These deposits include restricted bank deposits ₹ 0.73 million (31 March 2024: ₹ 0.68 million) pledged as margin money against Bank guarantee issued to the Maharashtra Pollution Control Board

Note 8- Other tax assets (net)

	As at 31 March 2025	**As at 31 March 2024**
Tax deducted at source	1.59	-
	1.59	**-**

Note 9 - Other non - current assets

	As at 31 March 2025	**As at 31 March 2024**
(unsecured considered good, unless otherwise stated)		
Capital advances	2.73	0.49
Prepaid expenses	-	0.52
	2.73	**1.01**

Note 10 - Inventories

	As at 31 March 2025	As at 31 March 2024
(At lower of cost and net realizable value)		
Raw materials #*	167.37	124.90
Work-in-progress*	97.59	61.20
Finished goods*	51.08	37.24
Packing material*	29.58	19.17
Consumables and stores	8.64	11.83
	354.26	**254.34**

Notes:

# Includes goods-in-transit		
- Raw material	10.76	5.95
* Net of provision for obsolete inventory		
- Raw material	3.32	3.90
- Work-in-progress	4.32	1.99
- Finished goods	2.46	4.82
- Packing material	0.32	0.85

Note 11 - Trade receivables

	As at 31 March 2025	As at 31 March 2024
(unsecured considered good, unless otherwise stated)		
Trade receivables	418.22	306.91
Less: Expected credit loss allowance	(17.08)	(27.38)
	401.14	**279.53**
Break-up:		
Trade receivables considered good- secured	-	-
Trade receivables considered good- unsecured	418.22	306.91
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables- Credit Impaired	-	-
	418.22	**306.91**
Less: expected credit loss allowance		
- Trade receivables considered good - secured	-	-
- Trade receivables considered good - unsecured	(17.08)	(27.38)
- Trade receivables which have significant increase in credit risk	-	-
- Trade receivables - credit impaired	-	-
Net trade receivables	**401.14**	**279.53**
Movement in expected credit loss allowance of trade receivables:		
Balance at the beginning of the year	27.38	6.62
(Reversed)/created during the year	(10.30)	20.76
Balance at the end of the year	**17.08**	**27.38**

Trade receivable ageing:

	Unbilled	Not Due	Outstanding for following years from due date					Gross trade receivables	Expected credit loss allowance	Net trade receivables
			< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years			
As at 31 March 2025										
Undisputed trade receivable - considered good	16.62	288.34	95.55	0.73	9.85	0.49	-	**411.58**	(10.44)	**401.14**
Undisputed trade receivable - considered doubtful	-	-	-	0.93	4.00	-	1.71	**6.64**	(6.64)	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**16.62**	**288.34**	**95.55**	**1.66**	**13.85**	**0.49**	**1.71**	**418.22**	**(17.08)**	**401.14**

	Unbilled	Not Due	Outstanding for following years from due date					Gross trade receivables	Expected credit loss allowance	Net trade receivables
			< 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	> 3 years			
As at 31 March 2024										
Undisputed trade receivable - considered good	-	220.02	64.38	13.00	7.39	-	-	**304.79**	(25.26)	**279.53**
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	1.27	**1.27**	(1.27)	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	0.85	**0.85**	(0.85)	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	**-**	**220.02**	**64.38**	**13.00**	**7.39**	**-**	**2.12**	**306.91**	**(27.38)**	**279.53**

Note 12 - Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Balances with bank:		
- In current accounts	1.17	2.27
Cash on hand	-	0.06
	1.17	**2.33**

Note 13 - Bank balances other than above

	As at 31 March 2025	As at 31 March 2024
Bank deposits with maturity of more than three months but less than twelve months #	0.51	0.57
	0.51	**0.57**

These deposits include restricted bank deposits ₹ 0.51 million (31 March 2024: ₹ 0.57 million) pledged as margin money against Bank guarantee issued to the Maharashtra Pollution Control Board. The bank guarantees, amounting to ₹ 0.36 million, have since expired, and the Company is in the process of liquidating the fixed deposits pledged against them.

Note 14 - Other financial assets

	As at 31 March 2025	As at 31 March 2024
(unsecured considered good, unless otherwise stated)		
Interest accrued but not due on fixed deposits	0.15	-
Security deposits	2.03	1.70
Export incentive recoverable	5.92	8.82
Recoverable from others	-	2.03
	8.10	**12.55**

Note 15 - Other current assets

	As at 31 March 2025	As at 31 March 2024
(unsecured considered good, unless otherwise stated)		
Advances to suppliers		
- Unsecured and considered good	24.40	20.39
- Consider doubtful	1.25	-
Less: Provision for doubtful advances to suppliers	(1.25)	-
Balances with government authorities	74.87	120.05
Advance tax (net off tax provisions)	-	6.70
Prepaid expenses #	7.90	17.84
Advances to employees	0.28	-
	107.45	**164.98**

Prepaid expenses includes CSR asset of ₹ 1.53 million (31 March 2024: Nil) as excess spent on CSR activities and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021.

Note 16 - Assets held for sale

	As at 31 March 2025	As at 31 March 2024
Assets held for sale #	28.53	-
	28.53	**-**

#On 20 January 2025, the Board of Directors of the Company decided to sell off its leasehold land and building, having net book value of ₹ 14.92 million, located at Plot No. W-34 & W-34/1, MIDC, Taloja, Raigad, Maharashtra and identified buyer for the sale. Considering the intent of the board, said assets have been presented as "Assets classified as held for sale" in accordance with Ind AS 105. Accordingly, this leasehold land and building have been stated at their carrying value (being lower of fair value less cost to sell). As of 31 March 2025, the Company had received ₹ 15.10 million as advance against this leasehold land and building which have been presented as "Other advances" under "Other current liabilities". Subsequent to the year end, the Company has entered into "Agreement for Assignment Cum Transfer of Lease-Cum-Sale" of the leasehold land and building for a consideration ₹ 45.00 million.

On 30 January 2025, the Board of Directors of the Company decided to sell off its office premises located at 1501 & 1502, Satra Plaza, Plot No 20, Sector 19D, Navi Mumbai-400705 , having net book value of ₹ 13.61 million and identified buyer for the sale. Considering the intent of the board, said assets have been presented as "Assets classified as held for sale" in accordance with Ind AS 105. Accordingly, these office premises have been stated at their carrying value (being lower of fair value less cost to sell). As of 31 March 2025, the Company had received ₹ 1.00 million as advance against the sale of these office premises which have been presented as "Other advances" under "Other current liabilities".

Note 17 - Share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorized		
175,000,000 (31 March 2024: 175,000,000) equity shares of ₹ 2 each (31 March 2024: ₹ 2 each)	350.00	350.00
	350.00	**350.00**
Equity share capital		
Issued, subscribed and paid-up		
23,976 (31 March 2024: 23,976) equity shares of ₹ 2 each (31 March 2024: ₹ 2 each)	0.05	0.05
	0.05	**0.05**

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

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	23,976	0.05	57,55,625	11.51
Add : Issue of share capital during the year#	-	-	1,31,49,519	26.30
Less : Reduction/payments made during the year#	-	-	(1,88,81,168)	(37.76)
	23,976	**0.05**	**23,976**	**0.05**

In terms of the approved resolution plan dated 17 May 2023: (Refer note 40)
- The Company has issued 23,976 equity shares with a face value of ₹ 2 each on 26 June 2023 at a price of ₹ 417.10 to Univentis Medicare Limited.
- The Company has issued 13,125,543 equity shares with a face value of ₹ 2 each on 30 June 2023 at a price of ₹ 417.10 to financial creditors. These shares were thereafter extinguished and cancelled entirely without any consideration, resulting in a capital reduction of ₹ 26.25 million.
- Further, the issued equity share capital held by shareholders as of March 31, 2023, was extinguished and cancelled in its entirety following a payment of ₹ 0.10 million. This resulted in a capital reduction of ₹ 11.41 million.

Upon cancellation of the share capital as contemplated above, the aggregate amount of reduction in the equity share capital of ₹ 37.66 million was transferred to capital reserve.

c) **Shares held by holding/ultimate holding company (i.e., parent of the Group)**

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 2 (31 March 2024: ₹ 2) each, fully paid up held by holding company *(Ultimate Holding Company is Innova Captab Limited)*	23,976	0.05	23,976	0.05

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of ₹ 2 (31 March 2024: ₹ 2) each, fully paid up held by:				
Univentis Medicare Limited #	23,976	100%	23,976	100%

Univentis Medicare Limited along with its 6 nominees with one equity shares each

e) **Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2025.**
During the five years immediately preceding 31 March 2025 ('the year'), neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash except given below.

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Equity shares of ₹ 2 issued to Financial creditors at a premium of ₹ 415.10	-	1,31,25,543	-	-	-	-

e) **Promoter Shareholding:**

Promoter's name	As at 31 March 2025			As at 31 March 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Univentis Medicare Limited #	23976	100.00%	0.00%	23976	100.00%	100.00%

Univentis Medicare Limited along with its 6 nominees with one equity shares each

Note 18 - Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
A Capital reserve		
Balance at the beginning of the year	37.66	-
Add: Amount transfer from retained earnings on account of reduction of share capital	-	37.66
Balance at the end of the year	**37.66**	**37.66**
B Retained earnings		
Balance at the beginning of the year	(6,038.51)	(6,952.19)
Add: Profit for the year	231.79	903.98
Add: Other comprehensive income / (loss) for the year (remeasurement of defined benefit plans, net of tax)	5.11	9.70
Balance at the end of the year	**(5,801.61)**	**(6,038.51)**
C Securities premium		
Balance at the beginning of the year	6,252.21	793.85
Add : Shares issued to Univentis Medicare Limited	-	9.95
Add : Shares issued to Financial creditors	-	5,448.41
Balance at the end of the year	**6,252.21**	**6,252.21**
Total (A+B+C)	**488.26**	**251.36**

Nature of reserves:

a. **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 in accordance of the terms of Resolution plan.
b. **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions paid to shareholders.
c. **Securities premium:** Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders less the share issue expenses ,and is created through the conversion of financial creditors to equity in accordance with the terms of the resolution plan

Note 19 - Non-current borrowings

	As at 31 March 2025	As at 31 March 2024
Unsecured borrowings		
From Others		
Loans from related party #	1,229.30	1,406.70
	1,229.30	**1,406.70**

₹ 1,229.30 million (31 March 2024: ₹ 1,406.70 million) represents the amount payable to Univentis Medicare Limited with interest @ 8.5%. p.a (31 March 2024: @ 8.5% p.a)

Party Name	Purpose	Rate of interest	Repayment terms	Non-current As at 31 March 2025	Non-current As at 31 March 2024
Univentis Medicare Limited	In accordance with the agreement dated 21 June 2023, ₹ 1944 million is towards payment to the relevant stakeholders in accordance with the approved resolution plan. Further, ₹ 200 million may be utilized at the discretion of the parties, including for meeting the borrower's working capital requirements.	8.50% p.a	Within 8 years from the date of disbursement including option to early pay	1,229.30	1,406.70

Note 20 - Provisions

		As at 31 March 2025	As at 31 March 2024
A.	**Non-current**		
	Provision for employee benefits:		
	Provision for compensated absences	6.73	7.97
	Provision for gratuity (refer note 35)	49.41	54.31
		56.14	**62.28**
B.	**Current**		
	Provision for employee benefits:		
	Provision for compensated absences	5.72	3.82
	Provision for gratuity (refer note 35)	24.96	18.50
		30.68	**22.32**

Note 21 - Trade payables

	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro and small enterprises#	11.37	7.85
Total outstanding dues of creditors other than micro and small enterprises *	179.12	156.13
	190.49	**163.98**

Refer note 37 for disclosures required under MSMED Act.
* Includes dues to related parties. Refer note 36

Trade payables ageing schedule:

	Unbilled	Not due	Outstanding for following years from due date of payment				Total
			< 1 year	1 to 2 years	2 to 3 years	> 3 years	
As at March 31, 2025							
Outstanding dues of micro and small enterprises	-	6.90	4.47	-	-	-	11.37
Outstanding dues of creditors other than micro and small enterprises	7.86	107.03	64.16	0.07	-	-	179.12
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-	-
Total	**7.86**	**113.93**	**68.63**	**0.07**	**-**	**-**	**190.49**
As at March 31, 2024							
Outstanding dues of micro and small enterprises	-	7.85	-	-	-	-	7.85
Outstanding dues of creditors other than micro and small enterprises	39.00	44.95	61.23	0.07	-	0.05	145.30
Disputed dues of micro and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	7.55	2.57	-	0.71	10.83
Total	**39.00**	**52.80**	**68.78**	**2.64**	**-**	**0.76**	**163.98**

Note 22 - Other current financial liabilities

	As at 31 March 2025	As at 31 March 2024
Employee related payables	20.95	16.33
Capital creditors		
- Total outstanding dues of micro and small enterprises #	-	-
- Total outstanding dues of other than micro and small enterprises	1.40	2.51
	22.35	**18.84**

Refer note 37 for disclosures required under MSMED Act.

Note 23 - Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Contract liabilities	91.34	103.13
Other advances #	16.21	-
Statutory dues	7.43	6.45
	114.98	**109.58**

The Company has received an advance of ₹ 15.21 million against the sale of its property located at W34/34-1, Taloja MIDC and advance of ₹ 1.00 million against the sale of two office units at Satra Plaza.

Note 24 - Revenue from operations

	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of finished goods	1,860.95	1,739.62
Sale of traded goods	-	1.51
Sale of services	83.85	132.84
Other operating revenue		
- Export incentives	28.26	27.38
- Scrap sales	1.77	0.90
	1,974.83	**1,902.25**

Notes:

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

Contract price	1,944.80	1,873.97
Revenue recognized	**1,944.80**	**1,873.97**

b. Contract balances

Contract liabilities, which are included in 'other current liabilities' *	91.34	103.13
	91.34	**103.13**

*The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is satisfied. Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards sale of goods and services. Revenue is recognised once the performance obligation is met i.e. on sale of goods and services. The amount of ₹ 80.75 million included in contract liabilities as at 31 March 2024 has been recognized as revenue during the year ended 31 March 2025.

c. Revenue from sale of goods and services disaggregated by primary geographical market

India	315.27	351.24
Outside India	1,629.53	1,522.73
Total revenue from contracts with customers	**1,944.80**	**1,873.97**

d. Timing of Revenue recognition

Product transferred at point in time	1,066.83	816.98
Product and services transferred over time	877.97	1,056.99
Revenue from contract with customers	**1,944.80**	**1,873.97**

Note 25 - Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on financial assets measured at amortised cost	1.32	9.00
Interest income on income tax refund	-	0.22
Exchange gain on foreign exchange fluctuation (net)	29.42	30.00
Liabilities no longer required written back#	15.46	588.74
Rental income	0.48	0.24
Insurance claim received	20.48	11.55
Miscellaneous income	0.16	0.02
	67.32	**639.77**

Refer note 40 for amount written back in the pervious year

Note 26 - Cost of material consumed

	For the year ended 31 March 2025	For the year ended 31 March 2024
Raw material	727.93	660.67
Packing material	115.19	125.91
	843.12	**786.58**
Movement of raw materials consumption (including purchased components consumed):		
Inventory at the beginning of the year*	124.90	194.33
Add: Purchases	770.40	591.24
Less: Inventory at the end of the year*	167.37	124.90
Raw material consumed	**727.93**	**660.67**
Movement of packing materials consumption (including purchased components consumed):		
Inventory at the beginning of the year*	19.17	24.52
Add: Purchases	125.60	120.56
Less: Inventory at the end of the year*	29.58	19.17
Packing material consumed	**115.19**	**125.91**
	843.12	**786.58**

* includes goods- in-transit and net of obsolete inventory

Note -27 - Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance		
- Finished goods	37.24	61.34
- Work-in-progress	61.20	88.25
	98.44	**149.59**
Less:- Closing balance		
- Finished goods	51.08	37.24
- Work-in-progress	97.59	61.20
	148.67	**98.44**
	(50.23)	**51.15**

Note 28 - Employee benefit expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	354.75	331.11
Contribution to provident and other funds	10.05	19.88
Staff welfare expenses	6.33	6.92
	371.13	**357.91**

Note 29 - Finance cost

	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense on financial liabilities measured at amortised cost :		
- on lease liabilities	0.07	0.07
- on borrowings	115.59	103.29
MSME interest	0.09	0.02
	115.75	**103.38**

Note 30 - Depreciation and amortisation expense

	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on right-of-use assets	1.27	4.13
Depreciation on property plant and equipment	86.38	92.84
Amortisation of other intangible assets	0.03	0.03
	87.68	**97.00**

Note 31- Other expenses

	For the year ended 31 March 2025	For the year ended 31 March 2024
Power & fuel expenses	120.14	117.73
Stores and spares consumed	30.61	37.17
Sub contracting charges	42.52	48.56
Lab consumables	45.21	46.66
Repairs and maintenance		
- Plant and machinery	15.57	14.60
- Building	10.20	5.71
- Others	5.46	6.49
Commission on sales	16.64	10.87
Sales promotion expense	1.12	1.07
Freight and cartage	9.43	8.16
Rates, fees and taxes	11.63	18.27
Legal & professional charges	6.58	19.38
CSR expenditure	6.87	3.40
Travelling and conveyance	12.60	11.20
House keeping expense	4.53	3.71
Security expenses	7.90	6.49
Printing expenses	2.25	2.80
Rent	4.75	3.60
Expected credit loss on trade receivables	(10.30)	20.76
Bad debts	2.57	4.17
Insurance	4.40	4.88
Loss on sale of asset	0.95	0.21
Other asset written off	3.15	23.03
Miscellaneous expenses	5.82	11.60
	360.60	**430.52**
(a) Includes payment to auditors (excluding goods and services tax)		
As auditor:		
- Statutory audit #	3.79	1.80
- Reimbursement of expenses	-	-
	3.79	**1.80**

Includes amount of ₹ 0.79 million paid to erstwhile auditors

(b) Details of CSR expenditure:

(i) Amount required to be spent by the Company during the year :	6.87	3.40
(ii) Amount approved by the board to be spent during the year :	6.87	3.40
(iii) Amount of expenditure incurred on:		
- Construction/acquisition of any asset:	-	-
- On purposes other than above:	8.40	3.40
(iv) Excess at the end of the year:*	1.53	-
(v) Total of previous years shortfall:	-	-
(vi) Reason for shortfall:	NA	NA
(vii) Nature of CSR activities:	Eradication of hunger and malnutrition, promoting education, promoting rural sports, art and culture, healthcare, and destitute care and rehabilitation.	

* Prepaid expenses includes CSR asset of ₹ 1.53 million (31 March 2024: ₹ Nil) as excess spent on CSR activities and it can be carry forward upto immediately succeeding three financial years as per General Circular No. 14 /2021.

Note 32 - Tax Expenses
Current tax not recognized to profit and loss as the company is not having any taxable profit.

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.

	For the year ended 31 March 2025	For the year ended 31 March 2024
a. Amount recognised in Statement of Profit and Loss (including other comprehensive income):		
Current tax expense:		
- Current year	0.40	-
- Changes in estimates related to prior year	(0.40)	-
Deferred tax expense:		
- Attributable to origination and reversal of temporary differences	80.24	(190.30)
Total tax expense recognized	**80.24**	**(190.30)**

b. Reconciliation of effective tax rate

	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	**317.14**	**713.68**
Tax at India's statutory tax rate of 25.168%	79.82	179.63
Tax effect of non-deductible expenses	(0.90)	(369.93)
Changes in estimates related to prior year	(0.40)	-
Income tax expense recognized in the statement of profit and loss	**78.52**	**(190.30)**

c. Income tax expense recognized in other comprehensive income

	For the year ended 31 March 2025	For the year ended 31 March 2024
Tax credit / (expense) arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(1.72)	-
Total income tax recognized in other comprehensive income	**(1.72)**	**-**
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	**(1.72)**	**-**
	(1.72)	**-**

d. Deferred tax balances reflected in the Balance Sheet:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax asset	135.64	197.98
Deferred tax liability	25.59	7.68
Deferred tax asset (net)	**110.05**	**190.30**

e. Movement in deferred tax balances

	As at 01 April 2024	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2025
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over books	7.68	17.91	-	25.59
Deferred tax liability (A)	**7.68**	**17.91**	**-**	**25.59**
Deferred tax asset				
Expenses allowable on payment basis	25.18	4.26	(1.72)	27.72
Expected credit loss allowance on trade receivables	6.89	(2.59)	-	4.30
Provision for obsolete inventory	-	2.62	-	2.62
Unabsorbed depreciation *	165.90	(64.90)	-	101.00
Deferred tax asset (B)	**197.97**	**(60.61)**	(1.72)	**135.64**
Deferred tax asset (net) (A-B)	**190.29**	**(78.52)**	**1.72**	**110.05**

* Year wise breakup of unabsorbed depreciation

Assessment year	**Unabsorbed depreciation**	**For the year ended 31 March 2025**
2017-18	Unabsorbed depreciation	172.37
2018-19	Unabsorbed depreciation	228.96
	Total	**401.33**

Note 33 - Earnings per share (EPS)

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i	*Profit for basic/diluted earning per share of face value of ₹ 2 each*	231.79	903.98
ii	*Weighted average number of equity shares for (basic and diluted)*	23,976	18,393
	Basic and diluted earnings per share (face value of ₹ 2 each)	**9,667.58**	**49,148.05**

Note 34- Segment information

The Company's Board of directors have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible to monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Financial Information. For management purpose, the Company has identified " Drugs and pharmaceutical products" as single operating segment.

a. Information about products and services

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from drugs and pharmaceutical products	1,944.80	1,902.25
Total	**1,944.80**	**1,902.25**

b. Information about geographical areas

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

Revenue from customers*	For the year ended 31 March 2025	For the year ended 31 March 2024
India	315.27	351.24
Outside India	1,629.53	1,522.73
	1,944.80	1,873.97

*Revenue from customers has been presented based on the geographic location of customers

Trade receivables	For the year ended 31 March 2025	For the year ended 31 March 2024
India	47.15	41.65
Outside India	353.99	237.88
	401.14	279.53

iii) Non-current assets

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

c. Information about major customers (from external customers)

Revenue from sale of products to one customer of the Company amounting to ₹ 467.59 million during the year 2024-25 (Previous year one customer amounting to ₹ 498.37 million) constitutes more than 10% of the total revenue from sale of products of the Company.

Note 35- Employee benefits

a. Defined contribution plans

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Provident fund	9.16	8.26
ESI contribution	0.89	1.03
Total	10.05	9.29

b. Defined benefit plans

Gratuity

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

For employees who joined before 01-July-2019 in Formulation & API division:	
Service < 10 years	15 days
Service > 10 years < 15 years	21 days
Service > 15 years < 20 years	30 days
Service > 20 years	45 days

The remaining employees are entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service

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

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

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

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
i. Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	72.81	75.18
Interest cost	5.19	4.90
Current service cost	6.83	4.99
Past service cost	-	-
Benefits paid	(3.63)	(5.81)
Actuarial (gain)/ loss recognized in other comprehensive income		
- from changes in financial assumptions	0.40	(10.61)
- from changes in demographic assumptions	-	0.06
- from experience adjustments	(7.23)	4.10
Balance at the end of the year	**74.37**	**72.81**

Particulars	**For the year ended 31 March 2025**	**For the year ended 31 March 2024**
ii. Amount recognized in statement of profit and loss		
Interest cost	5.19	4.90
Current service cost	6.83	4.99
	12.02	**9.89**
iii. Remeasurements recognized in other comprehensive income		
Actuarial (gain)/loss for the year on defined benefit obligation	(6.83)	(6.45)
	(6.83)	**(6.45)**

iv. Actuarial assumptions

(i) Economic assumptions

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Discount rate (per annum)	6.87%	7.09%
Future salary growth rate (per annum)	3.00%	3.00%
Expected average remaining working lives (years)	21.62	22.08

(ii) Demographic assumptions

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Retirement age (years)	58 /59/61/68	58/61/68
Mortality rate	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Attrition rate (per annum)	25%	25%

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Increase		
Discount rate (0.5% movement)	(0.91)	(1.35)
Future salary growth rate (0.5% movement)	0.97	1.26
Decrease		
Discount rate (0.5% movement)	0.94	1.41
Future salary growth rate (0.5% movement)	(0.95)	(1.22)

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

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Within 1 year (next annual reporting year)	24.96	19.14
Between 1 to 6 years	39.45	45.96
Beyond 6 years	9.96	7.71
Total expected payments	74.37	72.81

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Weighted average duration of the defined benefit plan (in years)	3.35	-
Expected employers contribution for next year	10.12	-

Note 36 - Related parties

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

Description of Relationship	Name of the Party
Holding Company	Univentis Medicare Limited (w.e.f 30 June 2023)
Ultimate Holding Company	Innova Captab Limited (w.e.f 30 June 2023)
Key management personnel ('KMP')	Mukesh Kumar Singh (Whole-time director - w.e.f 30 June 2023) Jayant Vasudeo Rao (Non-Executive Director - w.e.f 30 June 2023) Purushottam Sharma (Non-Executive Director - w.e.f 30 June 2023) Mahendar Korthiwada (Non-Executive Independent Director- w.e.f 29th November 2023) Rakhi Makhloga (Company Secretary) Kaushik Banerjee (CEO)
Entities in which KMP and/or their close members have significant influence	Nugenic Pharma Private Limited ("NPPL") (w.e.f 30 June 2023)

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

	Nature of transaction	For the year ended 31 March 2025	For the year ended 31 March 2024
1	**Revenue from operations (net of returns)**		
	Innova Captab Limited	6.83	1.43
2	**Purchase of material**		
	Innova Captab Limited	0.30	-
	Nugenic Pharma Private Limited	0.86	1.97
3	**Loan received from holding company**		
	Univentis Medicare Limited	658.30	2,282.70
4	**Loans repaid to holding company**		
	Univentis Medicare Limited	835.70	876.00
5	**Interest paid to holding company**		
	Univentis Medicare Limited	115.59	103.29
6	**Employee benefit expenses****		
	Rakhi Makhloga	0.99	0.97
	Kaushik Banerjee	25.28	39.51
7	**Rental income**		
	Univentis Medicare Limited	0.48	0.24
8	**Rental expenses**		
	Innova Captab Limited	4.05	2.33
9	**Electricity expenses paid**		
	Innova Captab Limited	0.73	0.34
10	**Security deposit given**		
	Innova Captab Limited	-	1.65

* The total loan received during the financial year 2023-24 was ₹ 2,228.70 million out of which loan of ₹ 1,944.00 million received on 22 June 2023 at the time acquistion of Sharon Bio - Medicine Limited and remaining loan was received for working capital requirements

** Break-up of compensation of key managerial personnel of the Company	For the year ended 31 March 2025	For the year ended 31 March 2024
Short-term employee benefits	18.22	33.89
Post-employment benefits	8.05	6.59
Total compensation paid to key management personnel	**26.27**	**40.48**

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

C. Balances outstanding at year end

	Nature of balances	As at 31 March 2025	As at 31 March 2024
1	**Trade receivable**		
	Innova Captab Limited	-	0.21
2	**Loan from holding company**		
	Univentis Medicare Limited	1,229.30	1,406.70
3	**Security deposit**		
	Innova Captab Limited	1.65	1.65
4	**Trade payable**		
	Innova Captab Limited	0.46	0.34

D. Terms and conditions of transactions with related parties

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

Note 37 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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

	Particulars	As at 31 March 2025	As at 31 March 2024
(i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
	- Principal amount remaining unpaid to any supplier	11.28	7.83
	- Interest due thereon remaining unpaid to any supplier	0.09	0.02
(ii)	the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each year;	-	-
(iii)	the amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
(iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.09	0.02
(v)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

Note 38 - Financial instrument : fair value measurements

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

	Note	As at 31 March 2025			As at 31 March 2024		
		Carrying value	Amortised Cost	Fair value through OCI	Carrying value	Amortised Cost	Fair value through OCI
Financial assets							
Trade receivables	b	401.14	401.14	-	279.53	279.53	-
Cash and cash equivalents	b	1.17	1.17	-	2.33	2.33	-
Bank balances other than above	b	0.51	0.51	-	0.57	0.57	-
Other financial assets	a,b	25.38	25.38	-	29.29	29.29	-
		428.20	**428.20**	**-**	**311.72**	**311.72**	**-**
Financial liabilities							
Borrowings	b	1,229.30	1,229.30	-	1,406.70	1,406.70	-
Lease liabilities	a	-	-	-	1.60	1.60	-
Trade payables	b	190.49	190.49	-	163.98	163.98	-
Other financial liabilities	b	22.35	22.35	-	18.84	18.84	-
		1,442.14	**1,442.14**	**-**	**1,591.12**	**1,591.12**	**-**

Notes:

a. In accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. Fair value of other non-current other financial assets has not been disclosed as there is no significant differences between carrying value and fair value.

b. The fair valuation of financial assets and liabilities with short-term maturities is considered to be approximately equal to their carrying amount, due to their short-term nature.

Note 39(a) - Financial risk management

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of director oversees the management of these risks. The Company's board of director is responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises currency risk financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

(a) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting year are as follows:

The exposure of the Company's borrowing to fixed interest rate as reported at the end of the reporting year are as follows:

	As at 31 March 2025	As at 31 March 2024
Fixed rate borrowings	1,229.30	1,406.70
Total borrowings (gross of transaction cost)	**1,229.30**	**1,406.70**

Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
Year ended 31 March 2025				
Interest rate (0.5% movement)	0.58	(0.58)	0.43	(0.43)
Year ended 31 March 2024				
Interest rate (0.5% movement)	0.52	(0.52)	0.39	(0.39)

(b) Currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating activities.

The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk.

Exposure to currency risk :

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting year are as follows:

		As at 31 March 2025		As at 31 March 2024	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	USD	2.32	198.42	1.69	141.31
	EUR	0.06	5.26	0.09	7.84
	GBP	1.32	146.41	1.01	106.82
	CAD	0.24	14.56	-	-
Trade payables	USD	0.03	2.58	0.00	-
	EUR	0.00	0.07	-	-

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

Sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in the 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.

	Profit or loss		Equity, net of tax	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
As at 31 March 2025				
USD 5% movement	9.79	(9.79)	(7.33)	7.33
EURO 5% movement	0.26	(0.26)	(0.19)	0.19
GBP 5% movement	7.32	(7.32)	(5.48)	5.48
As at 31 March 2024				
USD 5% movement	7.07	(7.07)	5.29	(5.29)
EURO 5% movement	0.39	(0.39)	0.29	(0.29)
GBP 5% movement	5.34	(5.34)	4.00	(4.00)

(ii) 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.

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

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Within India	47.15	41.65
Outside India	353.99	237.88
Total	**401.14**	**279.53**

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

As at 31 March 2025	**Gross carrying amount**	**Loss allowance**	**Weighted average loss rate**	**Whether credit-impaired**
Not due	304.97	(0.06)	-0.02%	No
Less than 90 days	93.53	(0.04)	-0.04%	No
90-180 days	2.02	(0.01)	-0.48%	No
More than 180 days	17.71	(16.98)	-95.88%	No
Total	**418.23**	**(17.09)**		

As at 31 March 2024	**Gross carrying amount**	**Loss allowance**	**Weighted average loss rate**	**Whether credit-impaired**
Not due	220.01	(3.25)	-1.48%	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	**306.91**	**(27.38)**		

(b) Security deposits

The Company furnished security deposits as margin money deposits to bank. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

(c) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2025	**Carrying amount**	**On demand**	**Upto 1 Year**	**1-3 year**	**More than 3 years**	**Total**
Borrowings	1,229.30	-	104.49	208.98	1,751.75	2,065.22
Other financial liabilities	22.35	-	22.35	-	-	22.35
Trade payables	190.49	-	190.49	-	-	190.49
Lease liabilities	-	-	-	-	-	-
Total	**1,442.14**	**-**	**317.33**	**208.98**	**1,751.75**	**2,278.06**

As at 31 March 2024	**Carrying amount**	**On demand**	**Upto 1 Year**	**1-3 year**	**More than 3 years**	**Total**
Borrowings	1,406.70	-	119.57	239.14	2,004.55	2,363.26
Other financial liabilities	18.84	-	18.84	-	-	18.84
Trade payables	163.98	-	163.98	-	-	163.98
Lease liabilities	1.60	-	0.91	0.83	-	1.74
Total	**1,591.12**	**-**	**303.30**	**239.97**	**2,004.55**	**2,547.82**

(iv) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Note 39(b) - Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as total liabilities (as shown in the balance sheet) less cash and cash equivalents and other bank balances. The Company's net debt to adjusted equity ratio i.e. capital gearing ratio at 31 March 2025 was as follows:

Particulars	**As at 31 March 2025**	**As at 31 March 2024**
Total liabilities	1,643.94	1,785.30
Less: cash and cash equivalents (Refer note 12)	1.17	2.33
Less: Bank balances other than cash and cash equivalents (Refer note 13)	0.51	0.57
Adjusted net debt	**1,642.26**	**1,782.40**
Equity share capital (Refer note 17)	0.05	0.05
Other equity (Refer note 18)	488.26	251.36
Total capital	**488.31**	**251.41**
Total Capital and adjusted net debt	**2,130.57**	**2,033.81**
Gearing ratio	**77.08%**	**87.64%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

Note 40 - Implementation of Resolution Plan in FY 2023-24

The corporate insolvency resolution process ("CIRP") was initiated against the Company under the Insolvency and Bankruptcy Code, 2016 ("IBC"). The National Company Law Tribunal ('NCLT') admitted the application and the CIRP commenced on 28th February 2018. Innova Captab Limited ("Resolution applicant") submitted a resolution plan for acquisition and revival of the Company, and the Committee of Creditors approved the aforesaid resolution plan on 16 November 2022 by a majority of 79.28%.

Subsequently, an application for approval of the Resolution Plan was filed by the resolution professional with the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). In line with the resolution plan, it was decided that acquisition of the Company would be done through Univentis Medicare Limited ("UML") as per board resolution passed by the board of directors of UML on 20 March 2023. The resolution plan also required a performance guarantee to be furnished by holding company, which was issued by UML on behalf of the holding company and was approved in extra ordinary general meeting of shareholding of UML on 4 November 2022. The Resolution Plan was approved by the NCLT pursuant to its order dated 17 May 2023 and implementation of the Resolution Plan commenced subsequently.

The Resolution Plan was approved by the NCLT pursuant to its order dated 17 May 2023 and implementation of the Resolution Plan commenced subsequently.
On approval of the resolution plan, the powers of the management and affairs of the Company were given to the Monitoring Committee with effect from 19 May 2023, in accordance with the provisions of the Code / approved Resolution Plan, which comprised of the following:
a) 1 (one) Representative of the Secured Assenting Financial Creditors,
b) 1 (one) Representative of the Resolution Applicant and
c) the Resolution Professional, Mr. Pulkit Gupta acting as the Monitoring Agent.

Upon completion of the implementation of the resolution plan, the Monitoring Committee was dissolved and a new Board of Directors was constituted on 17 June 2023 with the following persons as its members :
a) Mr. Mukesh Kumar Siyaram Singh (DIN: 10186380)
b) Mr. Jayant Vasudeva Rao (DIN: 03627850)
c) Mr. Purushottam Sharma (DIN: 08699409)

In accordance with the terms of the Resolution Plan approved by the NCLT, Univentis Medicare limited ("UML") infused ₹ 1,954.00 million (₹ 1,944.00 million as loan and ₹ 10 as equity share capital) into the Company on 26 June 2023 and closure of implementation pursuant to the Resolution Plan was achieved on 30 June 2023. Following such infusion of funds by UML, the Company became a wholly owned subsidiary of UML.

Out of the above mentioned funds received in CIRP account and available cash, ₹ 2,544.06 million were utilized for payment to the Assenting Financial Creditors (Secured Financial Creditors and Unsecured Financial Creditors)]. Further, ₹ 1.90 million were utilised for payment of CIRP cost and ₹ 4.00 million to Operational Creditors (excluding Workmen and Employees).

On 30 June 2023, the Company has issued 13,125,543 equity shares with a face value of ₹ 2 each at a price of ₹ 417.10 to remaining Assenting financial creditors.
In terms of the resolution plan, the existing issued, subscribed, and paid-up equity share capital of the Company amounting to ₹ 11.51 million, along with newly issued shares to financial creditors amounting to ₹ 37.76 million (after a payment of ₹ 0.10 million to the non-promoter shareholder group), as on 30 June 2023 was entirely extinguished and cancelled. This resulted in a capital reduction of ₹ 37.66 million, which was credited to the Capital Reserve.

The remaining operational creditors amounting to ₹ 275.50 million, loans and advances from the erstwhile promoters amounting to ₹ 239.67 million, and a loan from DSIR amounting to ₹ 16.00 million (including interest), were written back as per the terms of the resolution plan. In respect of the derecognition of statutory liabilities amounting to ₹ 11.76 million, these liabilities were no longer payable and have been written back.

Pursuant to the approval of Resolution plan by NCLT vide order dated 17 May 2023, all contingent liabilities, commitments, other claims and obligations including all taxes and other government dues standing as on the effective date (i.e. 17 May 2023) including those not forming part of the Resolution Plan, stand extinguished.

Note 41 - Contingent liability and other commitments

a) Contingent Liability

As on 31 March 2025, there are no claims against the Company not acknowledged as debt that require disclosure under contingent liabilities in the financial statements.

Further, there are certain pending lawsuits/claims against the Company for which proceedings are pending with Tax and other Authorities (including cases pertaining to periods prior to approval of the Resolution plan by Hon'ble National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016) as mentioned below. The Company was under the corporate insolvency resolution process ('CIRP') from 28 February 2018 to 17 May 2023. The NCLT vide its order dated 17 May 2023 concluded the CIRP and approved the resolution plan of the Company. The NCLT in its order explicitly stated that all contingent liabilities, commitments, other claims and obligations, on the Company, including all taxes and other government dues standing as on 17 May 2023, including those not forming part of the Resolution Plan, stand extinguished (also refer note 40). Basis the above, the Management has reviewed all its pending litigations and proceedings as on 31 March 2025. The Management does not reasonably expect the outcome of the other proceedings to have a material impact on its financial statements as the management has assessed that there is a remote probability that the outflow of economic resources will be required.

Particulars	As at 31 March 2025	As at 31 March 2024
a) Income tax	12.57	10.92
b) Service tax	4.15	3.90
c) Goods and service taxes	1.89	32.03
d) Other civil matters	34.68	34.68

(b) Capital commitment

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances) not provided for	18.45	-

Note 42 - Other Statutory Information

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

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

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

d. The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

e. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Further the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

g. 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.

h. 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.

i. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

j. The Company is not a Core Investment Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016).

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

l. The Company has not been declared as willful defaulter by the banks during the financial year 2024-25, and the previous default to the banks have been repaid in line with the terms & conditions of the resolution plan. However, the banks' records had not yet been updated to reflect the cessation of the Company's willful defaulter status.

Note 43 - Other Matter

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

b. 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.

c. 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 was actively in the process of renewing its GLP license and application for re-inspection has been made on March 27, 2024. The pre-inspection of the division has been completed in the month of September, and final inspection completed in the month of December 2024. Subsequently, Sa-Ford successfully received its GLP certificate on February 25, 2025.

d. Pursuant to the fire incident that occurred on February 26, 2023, in production line-II of the API division, the Company had filed an insurance claim. The total claim settled amounted to ₹ 32.50 million. Of this, ₹ 11.50 million was received during the financial year 2023-24, and the balance amount od ₹ 20.48 million was received in November 2024.

e. As per the guidelines issued by the Reserve Bank of India (RBI), the Company is required to ensure that the shipment of goods is made within one year from the date of receipt of advance payment from a buyer outside India. The Company has certain foreign currency advances from customers amounting to ₹ 22.27 million (previous year: ₹ 19.94 million) which are outstanding for a period of more than one year as on 31 March 2025 and (previous year: 31 March 2024).

The Company is required to realise foreign currency receivables within a stipulated time period. The Company has foreign currency receivables amounting to ₹ 5.89 million (previous year: ₹ 10.55 million) which are outstanding for a period of more than nine months as on 31 March 2025 and (previous year: 31 March 2024).

The Company is evaluating the options available for the settlement of aforesaid advances/receivables subject to commercial feasibility and concurrence from the authorized dealer ('Banker') / Reserve Bank of India ('RBI').The management believes that the same may not have a material impact and accordingly no provision for penalties etc. has been recognized in relation to the above in the financial statements.

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
Notes to the Financial Statements for the year ended 31 March 2025
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Note 44 - Ratios as per the Schedule III requirements

a) Current Ratio = Current Assets divided by the Current Liabilities

Particulars	31 March 2025	31 March 2024	Variance in ratio
Current assets	872.63	714.30	
Current liabilities	358.50	315.52	
Ratio	**2.43**	**2.26**	**7.52%**

Reason for change more than 25%: Not applicable

b) Debt Equity ratio = Total debt divided by the Total Equity where total debt refer to sum of current and non current borrowings.

Particulars	31 March 2025	31 March 2024	Variance in ratio
Current borrowings (A)	-	-	
Non - current borrowings (B)	1,229.30	1,406.70	
Total debt (C =A+B)	**1,229.30**	**1,406.70**	
Total equity	**488.31**	**251.41**	
Ratio	**2.52**	**5.60**	**-55.00%**

Reason for change more than 25%:
The decrease in the ratio is primarily attributable to improved profitability and continued repayment of debt.

c) Debt service coverage Ratio = Earning available for debt service divided by interest and principal repayments

Particulars	31 March 2025	31 March 2024	Variance in ratio
Net profit after tax	**231.79**	**903.98**	
Add : Non cash operating expenses and finance cost	**203.43**	**200.38**	
Depreciation and amortization expense	87.68	97.00	
Finance costs	115.75	103.38	
Earning available for debt service	**435.22**	**1,104.36**	
Interest cost on borrowing (A)	115.59	103.29	
Current maturities of non current borrowings (B)	-	-	
Undiscounted lease liability less than one year (C)	-	0.91	
Total interest and principal repayments (D)= (A+B+C)	**115.59**	**104.20**	
Ratio	**3.77**	**10.60**	**-64.43%**

Reason for change more than 25%:
The decrease in the ratio is primarily attributed to a reduction in other income, which is due to a decrease in liabilities being written back.

d) Return on equity ratio = Profit after tax divided by equity

Particulars	31 March 2025	31 March 2024	Variance in ratio
Profit after tax	231.79	903.98	
Total equity at beginning of the year (A)	251.41	(6,158.34)	
Total equity at end of the year (B)	488.31	251.41	
Average equity (C = (A+B)/2)	**369.86**	**(2,953.47)**	
Ratio	**62.67%**	**-30.61%**	**-304.74%**

Reason for change more than 25%:
The improvement in the ratio on account of reduction in the share capital and decrease in the liabilities no longer required written back, as per terms of approved resolution plan.

e) Inventory Turnover ratio = Cost of goods sold divided by average inventory

Particulars	31 March 2025	31 March 2024	Variance in ratio
Cost of goods sold	792.89	837.73	
Inventory at beginning of the year (A)	254.34	390.18	
Inventory at end of the year (B)	354.26	254.34	
Average Inventory (C =(A+B)/2)	304.30	322.26	
Ratio	**2.61**	**2.60**	**0.38%**

Reason for change more than 25%: Not applicable

f) Trade receivables turnover ratio = Revenue from operations divided by average trade receivables

Particulars	31 March 2025	31 March 2024	Variance in ratio
Revenue from operation	1,974.83	1,902.25	
Trade receivables at beginning of the year (A)	279.53	260.85	
Trade receivables at end of the year (B)	401.14	279.53	
Average trade receivables (C =(A+B)/2)	340.34	270.19	
Ratio	**5.80**	**7.04**	**-17.61%**

Reason for change more than 25%: Not applicable

g) Trade payable turnover ratio = Total of purchase and other expenses divided by average trade payables

Particulars	31 March 2025	31 March 2024	Variance in ratio
Purchase of raw materials (A)	896.00	711.80	
Other expenses (B)*	357.36	378.93	
Total (C=(A+B))	1,253.36	1,090.73	
Trade payable at beginning of the year (D)	163.98	443.83	
Trade payable at end of the year (E)	190.49	163.98	
Average trade payable (F=(D+C)/2)	177.24	303.91	
Ratio	**7.07**	**3.59**	**96.94%**

Reason for change more than 25%:
The increase in the ratio is primarily due to the repayment of trade payables in the previous year, which has affected the average trade payables and consequently the ratio.
* Excluding Bad debts, Other assets written off, CSR expenses, Expected credit loss on trade receivables and Loss on sale of assets of ₹ 3.24 million (previous year ₹ 51.58 million)

h) Net capital turnover ratio = Revenue from operations divided by working capital whereas working capital = current assets - current liabilities

Particulars	31 March 2025	31 March 2024	Variance in ratio
Revenue from operations	1,974.83	1,902.25	
Current assets (A)	872.63	714.30	
Current liabilities (B)	358.50	315.52	
Working capital (C=A-B)	514.13	398.78	
Ratio	**3.84**	**4.77**	**-19.50%**

Reason for change more than 25%: Not applicable

i) Net profit ratio = Profit after tax divided by revenue from operations

Particulars	31 March 2025	31 March 2024	Variance in ratio
Profit after tax	231.79	903.98	
Revenue from operations	1,974.83	1,902.25	
Ratio	**11.74%**	**47.52%**	**-75.29%**

Reason for change more than 25%:
The decrease in the ratio is primarily attributed to a reduction in other income, which is due to a decrease in liabilities no longer required written back.

j) Return on capital employed = Earning before Interest and Tax (EBIT) divided by Capital Employed

Particulars	31 March 2025	31 March 2024	Variance in ratio
Profit before tax (A)	310.31	713.68	
Finance cost (B)	115.75	103.38	
Other Income (C)	67.32	639.77	
EBIT (D) = (A)+(B)-(C)	**358.74**	**177.29**	
Total assets (E)	2,132.25	2,036.71	
Total liabilities (F)	1,643.94	1,785.30	
Intangible assets (G)	0.03	0.06	
Tangible net worth (H=(E)-(F)-(G))	**488.28**	**251.35**	
Current borrowings (I)	-	-	
Non - current borrowings (J)	1,229.30	1,406.70	
Total debt (K=(I)+(J))	**1,229.30**	**1,406.70**	
Capital employed (L) = (H)+(K)	1,717.58	1,658.05	
Ratio (D)/(L)	**20.89%**	**10.69%**	**95.42%**

Reason for change more than 25%:
The change is primarily attributable to improved profitability and continued repayment of debt.

Sharon Bio - Medicine Limited (CIN: U24110MH1989PLC052251)
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k) Return on Investment = Income generated by investment divided by time weighted average investment.

Particulars	**31 March 2025**	**31 March 2024**	**Variance in ratio**
Income generated from investment (A)	-	-	
Investment (B)	-	-	-
Ratio (A)/(B)	-	-	-

Reason for change more than 25%: Not applicable

For B S R & Co. LLP
Chartered Accountants
Firm registration no. 101248W/W-100022

GAURAV MAHAJAN
Digitally signed by GAURAV MAHAJAN
Date: 2025.05.19 16:34:44 +05'30'

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Panchkula
Date: 19 May 2025

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

MUKESH KUMAR SINGH
Digitally signed by MUKESH KUMAR SINGH
Date: 2025.05.19 16:14:43 +05'30'

Mukesh Kumar Singh
Whole-time Director
DIN: 10186380

Place: Panchkula
Date: 19 May 2025

JAYANT VASUDEO RAO
Digitally signed by JAYANT VASUDEO RAO
Date: 2025.05.19 16:13:24 +05'30'

Jayant Vasudeo Rao
Director
DIN: 03627850

Place: Panchkula

RAKHI MAKHLOGA
Digitally signed by RAKHI MAKHLOGA
DN: c=IN, o=PERSONAL, title=8805, pseudonym=d1a1a81e04be4d4098d663209585918f, 2.5.4.20=ca4e582fe38772a18cd4a5a4ab592b2611968f7b6606b7ed3105b8348bae42ab, postalCode=160036, st=Chandigarh, serialNumber=7153ebbac79f09a3312f34b20452e804a226cfaa8f2a37d10b89bdf09cdf8256, cn=RAKHI MAKHLOGA
Date: 2025.05.19 15:50:19 +05'30'

Rakhi Makhloga
Company Secretary
M.No.: A48812

Place: Navi Mumbai