Placement Document
Not for circulation
Private and confidential
Serial No.______

POLY MEDICURE LIMITED

Poly Medicure Limited (the "**Company**") was incorporated on March 30, 1995 in the Republic of India as a limited liability company under the Companies Act, 1956, as amended (the "**Companies Act, 1956**") with a certificate of incorporation granted by the Registrar of Companies, Delhi and Haryana at New Delhi. For details, see "***General Information***" on page 442.

Corporate Identity Number: L40300DL1995PLC066923
Registered and Corporate Office: 232B, 3rd Floor, Okhla Industrial Estate, Phase III New Delhi 110 020, India
Tel No.: +91 11 2632 1838; **Website**: www.polymedicure.com; **Email**: investorcare@polymedicure.com

Issue of 53,19,148 equity shares of face value of ₹ 5 each (the "**Equity Shares**") at a price of ₹ 1,880 per Equity Share, including a premium of ₹ 1,875 per Equity Share (the "**Issue Price**"), aggregating to ₹ 99,999.98 lakh (the "**Issue**"). For further details, see "***Summary of the Issue***" on page 30.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED ("PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED ("COMPANIES ACT, 2013").

The Equity Shares of our Company are listed on National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on NSE and BSE as on August 16, 2024, 2024 were ₹ 1,951.95 and ₹ 1,952.45 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from NSE and BSE, each dated August 19, 2024. Our Company shall make applications to the Stock Exchanges to obtain final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED BELOW) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs. THIS PLACEMENT DOCUMENT HAS BEEN CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES WERE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "RISK FACTORS" ON PAGE 38 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT.

A copy of the Preliminary Placement Document and a copy of this Placement Document (which includes disclosures prescribed under Form PAS-4) have been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules. The Preliminary Placement Document and this Placement Document have not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges, RoC or any other listing or regulatory authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document and this Placement Document have not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue does not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue have only been made pursuant to the Preliminary Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (*each as defined hereinafter*). The Preliminary Placement Document and this Placement Document relate to an issue made to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and no offer is being made to the public or any other class of investors. For further details, please see "***Issue Procedure***" on page 199. The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any documents referred to in this Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("**U.S. Securities Act**"), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where such offers and sales are made. For the selling restrictions in certain other jurisdictions, see "***Selling Restrictions***" on page 215. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections *"**Selling Restrictions**"* and *"**Transfer Restrictions**"* on pages 215 and 224, respectively.

Any information on the websites of our Company, our Subsidiaries, our Associate, as applicable, or any other website directly or indirectly linked to such websites, or the websites of the Book Running Lead Managers (*as defined hereinafter*) or of their respective affiliates, does not constitute nor form part of this Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

This Placement Document is dated August 22, 2024.

BOOK RUNNING LEAD MANAGERS	
SBI CAPITAL MARKETS LIMITED	**IIFL SECURITIES LIMITED**

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Placement Document contains information with respect to us and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Placement Document relating to us, our Subsidiaries, our Associate and the Equity Shares are, in every material respect, true and accurate and not misleading. The opinions and intentions expressed in this Placement Document with regard to us, our Subsidiaries, our Associate and the Equity Shares to be issued pursuant to the Issue are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to us, our Subsidiaries, our Associate and the Equity Shares to be issued pursuant to the Issue, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as on the date of this Placement Document and neither our Company nor the Book Running Lead Managers have any obligation to update such information to a later date.

Distribution of this Placement Document to any person other than the Eligible QIBs, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any offering material in connection with the Equity Shares.

The information contained in this Placement Document has been provided by our Company and from other sources identified herein. The Book Running Lead Managers have not separately verified all the information contained in the Preliminary Placement Document and this Placement Document (financial, legal or otherwise). Accordingly, neither the Book Running Lead Managers nor any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associate or affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or by any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associate or affiliates as to the accuracy or completeness of the information contained in the Preliminary Placement Document, this Placement Document or any other information supplied in connection with us, our Associate or this Issue or distribution of the Preliminary Placement Document and this Placement Document. Each person receiving the Preliminary Placement Document and this Placement Document acknowledges that such person has not relied on either the Book Running Lead Managers or on any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates in connection with such person’s investigation of the accuracy of such information or such person’s investment decision, and each such person must rely on its own examination of our Company, its Subsidiaries and Associate and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or the Book Running Lead Managers. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as on any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI or the Stock Exchanges. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in certain jurisdictions.

The distribution of this Placement Document and the issue of the Equity Shares may be restricted by applicable laws in certain countries or jurisdictions. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the Book Running Lead Managers that would permit an offering of the Equity Shares or distribution of this Placement Document in any country or jurisdiction, except in India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of the Preliminary Placement Document or this Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where such offers and sales are made. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain other jurisdictions, see "***Selling Restrictions***" beginning on page 215. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 215 and 224, respectively.

Purchasers of the Equity Shares offered in this Issue will be deemed to have made the representations, warranties, acknowledgments and agreements set forth in the sections "***Representations by Investors***" and "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 4, 215 and 224, respectively.

In making an investment decision, prospective investors must rely on their own examination of our Company, its Subsidiaries and Associate, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of the Preliminary Placement Document or this Placement Document as legal, tax, accounting or investment advice and should consult their own counsels and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, subscriber, offeree or purchaser of the Equity Shares regarding the legality or suitability of an investment in the Equity Shares by such investor, subscriber, offeree or purchaser under applicable laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each Bidder in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Placement Document has been prepared for information purposes to this Issue only and upon the express understanding that it will be used for the purposes set forth herein.

Neither our Company nor the Book Running Lead Managers undertake to update this Placement Document to reflect subsequent events after the date of this Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof.

Prospective investors are advised to make their independent investigations and satisfy themselves that they are an Eligible QIB. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering a tender offer under the SEBI Takeover Regulations and the Eligible QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading Regulations and other applicable laws, rules, regulations, guidelines and circulars.

The information available on or through our Company's website (www.polymedicure.com), or any website directly or indirectly linked to the website of our Company, Subsidiaries, Associate or the respective websites of the Book Running Lead Managers or their respective affiliates does not constitute or form part of this Placement Document and prospective investors should not rely on the information contained in or available through any such websites.

This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the prospective investors in the Issue. By bidding and/or subscribing to any Equity Shares under this Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections "***Notice to Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 215 and 224, respectively, and to have represented, warranted and acknowledged to and agreed with our Company and the Book Running Lead Managers as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries or our Associate which is not set forth in the Preliminary Placement Document and this Placement Document;

2. You are a 'Qualified Institutional Buyer' as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations/making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;

3. You are eligible to invest in India under applicable laws, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

4. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable laws, including the FEMA Rules and any notifications, circulars or clarifications issued thereunder. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws, in connection with the Issue;

5. You acknowledge that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis;

6. You will provide the information as required under the Companies Act, 2013, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and other applicable regulations for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act, 2013 and other applicable laws;

7. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges. For more information, see "***Transfer Restrictions***" on page 224;

8. You are aware that the Preliminary Placement Document and this Placement Document have not been filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. The Preliminary Placement Document and this Placement Document have not been reviewed, verified or affirmed by SEBI, RBI, Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document and this Placement Document have been filed with the Stock Exchanges for record purposes only and have been displayed on the websites of our Company and the Stock Exchanges;

9. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents, approvals and authorizations, governmental and otherwise, as may be required and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in the Preliminary Placement Document and this Placement Document), and will honor such obligations;

10. You are aware that the Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of issue of the Equity Shares, as applicable;

11. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity in relation to you;

12. All statements other than statements of historical fact included in this Placement Document, including, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Placement Document. Neither our Company, nor the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associates or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Placement Document;

13. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than the Eligible QIBs, and the Allotment of such Equity Shares shall be on a discretionary basis i.e. at the discretion of our Company in consultation with the Book Running Lead Managers;

14. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out in this section and under sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 215 and 224, respectively;

15. You have been provided a serially numbered copy of the Preliminary Placement Document, and have read it in its entirety, including in particular the "***Risk Factors***" on page 38;

16. In making your investment decision, you have (i) relied on your own examination of our Company, its Subsidiaries, its Associate, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and continue to make your own assessment of our Company, its Subsidiaries, its Associate and the terms of the Issue, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company, its Subsidiaries, its Associate and the Equity Shares, and (vi) relied upon your

own investigation and resources in deciding to invest in the Issue;

17. Neither our Company nor the Book Running Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on our Company, the Book Running Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against us, either of the Book Running Lead Managers or any of their respective shareholders, investors, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

18. You are a sophisticated investor and have such knowledge and experience in financial, investment and business matters as to be capable of evaluating the merits and risks of investment in the Equity Shares. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, associates agents or affiliates, for all or part of any such loss or losses that may be suffered, in connection with the Issue, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You acknowledge that an investment in Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

19. You are not a 'promoter' of our Company (as defined under Section 2(69) of the Companies Act, 2013 and under Regulation 2(oo) of the SEBI ICDR Regulations), and are not a person related to any of the Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoter or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

20. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

21. You will have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined hereinafter);

22. You acknowledge that the Preliminary Placement Document did not, and this Placement Document does not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

23. You have made the payment for subscription to the Equity Shares pursuant to this Issue from your own bank account. In case of joint holders, the monies have been paid from the bank account of the person whose name appears first in the application;

24. You were eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable laws;

25. The Bid made by you would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of

the SEBI Takeover Regulations;

26. Your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:

    i. Eligible QIBs 'belonging to the same group' shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, among an Eligible QIB, its subsidiary or holding company and any other Eligible QIB; and

    ii. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations.

27. You are aware that after Allotment, final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents, associate or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

28. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

29. You are aware that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

30. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

31. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

32. You are aware that the pre-Issue and post-Issue shareholding pattern of our Company, as required by the SEBI Listing Regulations, will be filed by our Company with the Stock Exchanges;

33. You are aware that if you together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their websites and you consent to such disclosures being made by our Company;

34. You are aware and understand that the Book Running Lead Managers have entered into a placement agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

35. The contents of this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates has or shall have any liability for any information, representation or statement contained in this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that

the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Book Running Lead Managers and their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion that you may have obtained or received;

36. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employee, counsels, advisors, representatives, agents and affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach or alleged breach of any representations and warranties by our Company, whether to you or otherwise;

37. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;

38. You agree that any dispute arising in connection with the Issue shall be governed and construed in accordance with the laws of the Republic of India, and the courts in Mumbai, India only, shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document, this Placement Document or the Issue;

39. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) shall be below 10% of the total paid-up equity share capital of our Company (i.e. up to 100% under the automatic route) on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to our Company. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in this Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis; and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations;

40. You confirm you are eligible to invest and hold Equity Shares and that neither is your investment as an entity of a country which shares a land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (where in each case, investment can only be through the Government approval route), and that your investment is in accordance with consolidated FDI Policy, read along with the Press Note no. 3 (2020 series), dated April 17, 2020 issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India and Rule 6 of the FEMA Rules;

41. You are aware that no offer or invitation of any securities can be made to a body corporate incorporated

in, or a national of, a country which shares a land border with India, unless such body corporate or the national, as the case may be, has obtained Government approval under the FEMA Rules and attached the same with the Application Form;

42. You are aware and understand that you were allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a Successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Book Running Lead Managers;

43. You confirm that, either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents ("**Company Presentations**") with regard to our Company or this Issue; or (ii) if you have participated in or attended any Company Presentations; (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such meetings or Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to you at such meetings or Company Presentations, and (b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

44. If you are acquiring the Equity Shares to be issued pursuant to this Issue for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

45. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and commencement of trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach or alleged breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in the Preliminary Placement Document and this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts; and

46. You acknowledge that our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company and are irrevocable. You agree that the terms and provisions of the foregoing representations, warranties, acknowledgements and undertakings, shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Book Running Lead Managers and our Company, their respective permitted assigns, and the terms and provisions hereof shall be binding on our permitted assigns and permitted transferees.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, Eligible FPIs (including affiliates of the Book Running Lead Managers) who are registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, such P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to the Preliminary Placement Document and Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or above of our post-Issue Equity Share capital on a fully diluted basis. SEBI has, *vide* a circular dated November 5, 2019, issued the operational guidelines for FPIs, designated depository participants and eligible foreign investors ("**FPI Operational Guidelines**"), to facilitate implementation of the SEBI FPI Regulations. In terms of such FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying Indian company.

Further, in accordance with the Consolidated FDI Policy, read along with the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, and the related amendments to the FEMA Rules, investments made by an entity of a country, which shares land border with India, or investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the Book Running Lead Managers which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and does not constitute any obligations of or claims on the Book Running Lead Managers.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures from the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial,

legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations. Please also see the "*Selling Restrictions*" and "*Transfer Restrictions*" beginning on the pages 215 and 224, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document have been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of the Preliminary Placement Document and this Placement Document; or

2. warrant that our Equity Shares to be issued pursuant to this Issue, will be listed or will continue to be listed on the Stock Exchanges; or

3. take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Associate, our Promoters, our management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that the Preliminary Placement Document or this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares of our Company may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Placement Document, unless the context otherwise indicates or implies, references to 'you,' 'your', 'offeree', 'purchaser,' 'subscriber,' 'recipient,' 'investors' and 'potential investor' are to the prospective investors in the Issue, references to 'Poly Medicure Limited', the 'Company', 'our Company', the 'Issuer' are to, and references to 'we', 'our' or 'us' are to Poly Medicure Limited, together with its Subsidiaries on a consolidated basis.

In this Placement Document, references to 'US$', 'USD' and 'U.S. dollars' are to the legal currency of the United States, and references to '₹', 'Rs.', 'INR' 'Indian Rupees' and 'Rupees' are to the legal currency of India. All references herein to the 'U.S.' or the 'United States' are to the United States of America and its territories and possessions. All references herein to "India" are to the Republic of India and its territories and possessions and the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, central or state, as applicable.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Placement Document in "lakh" units. One lakh represents 1,00,000.

Page Numbers

Unless otherwise stated, all references to page numbers in this Placement Document are to page numbers of this Placement Document.

Financial and Other Information

The fiscal year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular 'Financial Year', 'Fiscal Year' or 'Fiscal' or 'FY' are to the twelve month period ended on March 31 of that year.

In this Placement Document we have included the following financial statements prepared under Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 ("**Ind AS**"):

(i) the audited consolidated financial statements of our Company for Fiscal 2024, comprising the consolidated balance sheet as at March 31, 2024 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2024 read along with the notes thereto (the "**Fiscal 2024 Audited Consolidated Financial Statements**");
(ii) the audited consolidated financial statements of our Company for Fiscal 2023, comprising the consolidated balance sheet as at March 31, 2023 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2023 read along with the notes thereto (the "**Fiscal 2023 Audited Consolidated Financial Statements**"); and
(iii) the audited consolidated financial statements of our Company for Fiscal 2022, comprising the consolidated balance sheet as at March 31, 2022 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2022 read along with the notes thereto (the "**Fiscal 2022 Audited Consolidated Financial Statements**" and collectively with Fiscal 2022 Audited Consolidated Financial Statements and Fiscal 2023 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"); and

In addition, we have included the unaudited interim standalone and consolidated financial results for the quarter and three months ended June 30, 2024 and the unaudited interim standalone and consolidated financial results for the quarter and three months ended June 30, 2023 (together, the "**Statement of Unaudited Financial Results**").

Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information as at and for Fiscals 2024, 2023 and 2022 included in this Placement Document have been derived from the Audited Consolidated Financial Statements.

The Fiscal 2024 Audited Consolidated Financial Statements, Fiscal 2023 Audited Consolidated Financial Statements and Fiscal 2022 Audited Consolidated Financial Statements were audited by M. C. Bhandari & Company, Chartered Accountants, our current Statutory Auditors, who have issued their audit reports on these financial statements dated May 17, 2024, May 9, 2023 and May 24, 2022, respectively. The Statement of Unaudited Financial Results for the quarter and three months ended June 30, 2024 and the quarter and three months ended June 30, 2023 have been subjected to limited review by our Statutory Auditors and they have issued the review reports, dated July 22, 2024 and August 7, 2023, respectively, based on their review conducted in accordance with Standard on Review Engagement (SRE) 2410 issued by the Institute of Chartered Accountants of India ("**ICAI**"). The Audited Consolidated Financial Statements should be read along with the respective audit reports, and the Statement of Unaudited Financial Results should be read along with the review reports issued thereon.

In addition, Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor does our Company provide a reconciliation of its Audited Consolidated Financial Statements and / or Statement of Unaudited Financial Results to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements and the Statement of Unaudited Financial Results, as included in this Placement Document, prepared in accordance with Ind AS, will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited.

For further information, see "***Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document.***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 61 and 82, respectively.

All numerical and financial information as set out and presented in this Placement Document, except for the information in the section "***Industry Overview***", for the sake of consistency and convenience have been rounded off or expressed in two decimal places in ₹ lakh. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Non-GAAP financial measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance including EBITDA, Debt to Equity Ratio and Interest Coverage Ratio ("**Non-GAAP Financial Measures**") have been included in this Placement Document. For details of these Non-GAAP Financial Measures, see "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Financial Measures***" on page 98. These Non-GAAP Financial Measures are not defined under Ind AS and are not presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Financial Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "***Financial Information***" and "***Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Placement Document. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***" on pages 248 and 59, respectively.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Placement Document has been obtained from the report titled "*Market Assessment of Medical Device Industry in India*" dated August 19, 2024, prepared by CRISIL MI&A (**CRISIL Report**"), which is a report exclusively commissioned and paid for by our Company and prepared and issued by CRISIL MI&A pursuant to an engagement letter dated July 12, 2024, in connection with the Issue. CRISIL MI&A is not related in any manner to our Company, our Promoters, our Directors or Key Managerial Personnel or members of the Senior Management, our Subsidiaries, our Associate or the Book Running Lead Managers.

Further, CRISIL has issued the following disclaimer in the CRISIL Report:

"*CRISIL Market Intelligence & Analytics (**CRISIL MI&A**), a division of CRISIL Limited (**CRISIL**) has taken due care and caution in preparing this report (**Report**) based on the information obtained by CRISIL from sources which it considers reliable (**Data**). This Report is not a recommendation to invest/disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Poly Medicure Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited, which may, in its regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced/extracted in any form without CRISIL's prior written approval.*"

This data is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Neither we nor the Book Running Lead Managers have independently verified this data and do not make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Book Running Lead Managers can assure potential investors as to their accuracy.

The extent to which the market and industry data used in this Placement Document is meaningful depends solely on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "***Risk Factor – This Placement Document contains information from industry sources including the industry report from CRISIL.***" on page 59. Thus, neither our Company nor the Book Running Lead Managers can assure you of the correctness, accuracy and completeness of such data. Accordingly, investment decisions should not be based solely on such information.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'seek', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts. These forward-looking statements and any other projections contained in this Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Important factors that could cause actual results to differ materially from any of the forward looking statements include, among others:

- being subject to extensive and dynamic medical device regulation in India, which may impede or hinder the approval or sale of our products.
- requirement to obtain regulatory approvals in the countries where we export our medical devices.
- quality control issues, disruptions in or lack of infrastructure facilities and obsolete plant and machinery and quality control problems.
- unable to enforce our intellectual property rights throughout the world.
- Infringement of valid third party intellectual property rights.
- Being subject to a number of market, business, financial, legal and regulatory risks and uncertainties with respect to our international operations.
- Dependence on distributors for sale of our products.

Additional factors that could cause actual results, performance or achievements to differ materially include but are not limited to, those discussed under "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***", "***Industry Overview***" and "***Business***" on pages 38, 82, 117 and 165, respectively. The forward-looking statements contained in this Placement Document are based on the beliefs of, as well as the assumptions made by, and information currently available to, our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements speak only as of the date of this Placement Document or the respective dates indicated in this Placement Document. Our Company and the Book Running Lead Managers expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes in our Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. Except Alessandro Balboni, all of our other Directors, Key Managerial Personnel and Senior Management named herein are residents of India. A significant portion of our assets are located in India. As a result, it may be difficult for the investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments and execution of a foreign judgment is provided for under Sections 13 and 44A respectively, of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud, or (vi) where the judgment sustains a claim founded on a breach of any law in force in India. A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, Hong Kong and United Arab Emirates, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax in accordance with applicable laws. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rates between the Rupee and the U.S. dollar (in Rupees per U.S. dollar), based on the reference rates released by the RBI/FBIL, which are available on the website of the RBI/FBIL. No representation is made that any Rupee amounts actually represent such amounts in U.S. dollars or could have been, or could be converted into, U.S. dollars at any particular rate, the rates indicated, any other rates or at all.

(₹ per US$)

Period	Period End(1)	Average(2)	High(3)	Low(4)
Fiscal:				
2024	83.37	82.79	83.40	81.65
2023	82.22	80.38	83.20	75.39
2022	75.81	74.53	76.92	72.48
Month ended:				
July 31, 2024	83.74	83.59	83.74	83.40
June 30, 2024	83.45	83.47	83.59	83.07
May 31, 2024	83.30	83.39	83.52	83.08
April 30, 2024	83.52	83.41	83.52	83.23
March 31, 2024	83.37	83.00	83.37	82.68
February 29, 2024	82.92	82.96	83.09	82.84

(Source: www.fbil.org.in)

Notes:

1. The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods.
2. Average of the official rate for each Working Day of the relevant period.
3. Maximum of the official rate for each Working Day of the relevant period.
4. Minimum of the official rate for each Working Day of the relevant period.

Notes:

- *If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day have been disclosed.*
- *The RBI reference rates are rounded off to two decimal places.*

DEFINITIONS AND ABBREVIATIONS

Our Company has prepared this Placement Document using certain definitions and abbreviations which you should consider while reading the information contained herein. The following list of certain capitalized terms used in this Placement Document is intended for the convenience of the reader / prospective investor only and is not exhaustive.

The terms defined in this section shall have the meaning set out herein, unless specified otherwise in the context thereof, and references to any statute or regulations or policies shall include amendments thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the sections "***Industry Overview***", "***Taxation***", "***Legal Proceedings***" and "***Financial Information***" beginning on pages 117, 236, 243 and 248, respectively, shall have the meaning given to such terms in such sections.

Company Related Terms

Term	Description
Issuer/ Our Company / the Company	Poly Medicure Limited
We / us / our	Collectively, Poly Medicure Limited and its Subsidiaries
Articles / Articles of Association / AoA	Articles of Association of our Company, as amended
Audit Committee	The audit committee constituted by the Board of Directors
Audited Consolidated Financial Statements	Collectively, Fiscal 2022 Audited Consolidated Financial Statements, Fiscal 2023 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements
Board of Directors/Board	Board of directors of our Company
Corporate Social Responsibility Committee	The corporate social responsibility committee constituted by the Board of Directors
CRISIL MI&A	CRISIL Market Intelligence & Analytics – a division of CRISIL Limited
CRISIL Report	The report titled "*Market Assessment of Medical Device Industry in India*" dated August 19, 2024 prepared by CRISIL MI&A
Directors	The directors on the Board of Directors of our Company
Equity Shares	Equity shares of our Company with a face value of ₹ 5 each
ESOP 2016	Employee Stock Option Scheme, 2016
ESOP 2020	Poly Medicure ESOS-2020
ESOP Schemes	Collectively, ESOP 2016 and ESOP 2020
Executive Director	Executive director(s) of our Company, unless otherwise specified
Fiscal 2024 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company for Fiscal 2024, comprising the consolidated balance sheet as at March 31, 2024 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2024 read along with the notes thereto
Fiscal 2023 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company for Fiscal 2023, comprising the consolidated balance sheet as at March 31, 2023 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2023 read along with the notes thereto
Fiscal 2022 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company for Fiscal 2022, comprising the consolidated balance sheet as at March 31, 2022 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2022 read along with the notes thereto
Independent Director	A non-executive and independent director of our Company as defined in Section 2(47) of the Companies Act, 2013
Key Managerial Personnel	The key managerial personnel of our Company as identified/named under "***Board of Directors and Senior Management***" on page 181.
Memorandum / Memorandum of Association / MoA	Memorandum of Association of our Company, as amended

Term	Description
Nomination and Remuneration Committee	The nomination and remuneration committee constituted by the Board of Directors
Non-Executive Director	A Director of our Company not being an Executive Director
Promoter Group	Promoter group of our Company as per the definition provided in Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	Promoters of our Company as per the definition provided in Regulation 2(1)(oo) of the SEBI ICDR Regulations
QIP Committee	The committee formed with respect to this Issue, pursuant to a resolution passed by our Board dated June 29, 2024
Registered and Corporate Office	232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, 110 020, India
Risk Management Committee	The risk management committee constituted by the Board of Directors
RoC / Registrar of Companies	Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi
Senior Management	The senior management personnel of our Company as identified / named under "***Board of Directors and Senior Management***" on page 181
Shareholders	The holders of the Equity Shares from time to time
Stakeholders' Relationship Committee	The stakeholders relationship committee constituted by the Board of Directors
Statement of Unaudited Financial Results	The unaudited interim standalone and consolidated financial results for the quarter and three months ended June 30, 2024, comprising the statement of profit and loss and the unaudited interim standalone and consolidated financial results for the quarter and three months ended June 30, 2023 read along with the notes and the corresponding limited review reports issued thereto
Statutory Auditors	M. C. Bhandari & Company, Chartered Accountants, appointed pursuant to a resolution of our Shareholders dated September 23, 2019
Subsidiaries	Comprises the direct as well as step-down subsidiaries of our Company. The direct subsidiaries are as follows: 1. Poly Medicure (Laiyang) Co. Ltd; 2. Plan1 Health (India) Private Limited; and 3. Poly Medicure B.V; Further, the step-down subsidiaries are as follows: 1. Plan1 Health s.r.l.; and 2. PolyHealth Medical Inc.

Issue Related Terms

Term	Description
Allocated / Allocation	Allocation of Equity Shares to Successful Bidders by the Company, in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms and Application Amount submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations, Companies Act, 2013 and other applicable laws
Allot / Allotment / Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting the Application Form in the Issue
Application Form	Form (including any revisions thereof) which was submitted by the Eligible QIBs for registering a Bid in the Issue during the Issue Period. An indicative format is set forth in "Sample Application Form" on page 449
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue
Bidder	An Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Book Running Lead Managers / BRLMs	Together, SBI Capital Markets Limited and IIFL Securities Limited
CAN / Confirmation of Allocation Note	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price and shall include details of amount to be refunded, if any, to such Bidders
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue wasmade, i.e., on or about Thursday, August 22, 2024

Term	Description
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later
Eligible FPIs	FPIs that were eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs that were eligible to participate in the Issue and which were not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under applicable law. In addition, Eligible QIBs were QIBs who are outside the United States, to whom Equity Shares are being offered in "offshore transactions", as defined in, and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers, and sales are made
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "*POLY MEDICURE LIMITED - QIP ESCROW ACCOUNT*" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue has been deposited
Escrow Agreement	Agreement dated August 19, 2024 entered into by and amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	State Bank of India
Floor Price	Floor price of ₹ 1,880.6875 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of ₹ 0.69, being equivalent to a discount of 0.04% on the Floor Price, which is not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of postal ballot on August 5, 2024 and in compliance with the terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	Thursday, August 22, 2024, the date after which our Company (or Book Running Lead Managers on behalf of our Company) ceased acceptance of Application Forms and the Application Amount
Issue Opening Date	Monday, August 19, 2024, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs submitted their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ 1,880
Issue Size	Issue of 53,19,148 Equity Shares aggregating to ₹ 99,999.98 lakh
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Placement agreement dated August 19, 2024 entered into by and among our Company and the Book Running Lead Managers
Placement Document	This placement document dated August 22, 2024 to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	The preliminary placement document cum application form, dated August 19, 2024 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013
QIB / Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts, except where the number of Equity Shares Allocated to a Successful Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which

Term	Description
	Application Amount has been paid by such Bidder, or the Application Amount paid by a Successful Bidder is in excess of the amount equivalent to the product of the Equity Shares that have been Allocated to such Bidder and the Issue Price, in which events the Refund Amount will be set out in the CAN
Relevant Date	August 19, 2024, which is the date of the meeting in which the QIP Committee decided to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount and who have been Allocated Issue Shares
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/ Abbreviations

Term/Abbreviation	Full Form
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
Civil Procedure Code	Code of Civil Procedure, 1908
Companies Act, 1956	The Companies Act, 1956, read with the rules, regulations, clarifications and modifications thereunder
Companies Act / Companies Act, 2013	The Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996
Depository or Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
DP/Depository Participant	Depository participant as defined under the Depositories Act
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FDI Policy	Consolidated FDI policy issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, with effect from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999
FEMA Non-Debt Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Finance Act	Finance Act, 2020
Financial Year / Fiscal / FY	Period of 12 months ended March 31 of that particular year
Form PAS-4	The Form PAS-4 prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI	Foreign Portfolio Investors as defined under the SEBI FPI Regulations and includes a person registered under the SEBI FPI Regulations
Fugitive Economic Offender	Fugitive Economic Offender An individual who is declared a fugitive economic offender under Section 12 of the Fugitive
FVCI	Foreign venture capital investors as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 and registered with SEBI
GoI / Government	Government of India
GST	Goods and Service Tax
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards of the International Accounting Standards Board
Ind AS	Indian Accounting Standards
India	Republic of India
MCA	Ministry of Corporate Affairs, GoI
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014
P-Notes	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt

Term/Abbreviation	Full Form
	instruments, as its underlying
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rs. or Rupees or ₹	The lawful currency of India
SCR (SECC) Rules	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
SEC	The United States Securities and Exchange Commission
U.S. Securities Act	The U.S. Securities Act of 1933
U.S. / United States	United States of America
U.S. GAAP	Generally accepted accounting principles followed in the U.S.
US$ / U.S. dollars or USD	U.S. dollars, the lawful currency of the United States

Technical and Industry Terms

Term	Description
CAGR	Compounded Annual Growth Rate
CE mark	Conformité Européenne
CNC	Computer Numeric Control
CVP	Central venous pressure
DSIR	Department of Scientific and Industrial Research
EC Certificate	Encumbrance Certificate
EOU	Export oriented unit
GMP	Good manufacturing practices
I.V.	Intra-venous
ISO	Industry organization of standardization
Korea FDA	Korea Food and Drug Administration
OEM	Original equipment manufacturers
PAT	Profit after tax
PLC	Programmable Logic Control
PVC	Polyvinyl chloride
R&D	Research and development
SEZ	Special economic zone under the Special Economic Zones, Act 2005
SKU	Stock-keeping units
TUR	Transurethral resection
US FDA	United States Food and Drug Administration
UV bonding	Ultra Violet bonding
VLTM	Viral Lysis Transport medium
VTM	Viral Transport medium

SUMMARY OF BUSINESS

Overview

We are among the top five companies in the medical devices industry in India, in terms of operating income and stand fifth in terms of profit after tax ("**PAT**"), in Fiscal 2023 (*Source: CRISIL Report*). We manufacture and supply, in India and internationally, a diverse portfolio of medical devices in the product verticals of infusion therapy, oncology, anesthesia and respiratory care, urology, gastroenterology, vascular access, surgery and wound drainage, dialysis and renal care, diagnostics, transfusion system, veterinary medical devices, and others. In Fiscal 2023, we expanded into cardiology, and launched a critical care division for focusing on products used in intensive care. As of June 30, 2024, we had over 123 categories with 6,745 SKUs of disposable medical devices.

Over the years, we have developed an extensive sales and distribution network across India. As of June 30, 2024, our distribution network with a pan-India presence included 506 distributors. We believe we have developed long-term relationships with a majority of our distributors. Our sales division is also involved in promotion of our products in 8,000 private and government hospitals and nursing homes across India, as on June 30, 2024. In the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 260 distributors in these jurisdictions, with many of them benefiting from local/regional exclusivity arrangements. In Fiscal 2024 and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively.

We have been recognized as the "India Medical Devices Leader of the Year" in the India Medical Device Awards 2022, by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India. We have also been awarded as the top exporter of plastic medical disposables/ surgical items (including syringes) for the years 2021-2022, and 2022-2023, by the Plastics Export Promotion Council, and recognized as one of the Best Healthcare Brands 2024 by ET Edge. We also received Indian Medical device leader of the year Award by Govt of India for the year 2022. Our Managing Director, Mr. Himanshu Baid, received the Juror Award at the 13th MT India Healthcare Awards 2023. For further information see "***Business – Awards***" on page 179.

We focus on research and development ("**R&D**") for developing more effective, safe to use, and user-friendly products. Our R&D activities are also aimed at improving existing processes and production cost efficiency and developing processes for sustainable manufacturing practices and environmental friendly products. We operate one in-house R&D facility at Faridabad (Haryana) ("**R&D Center**"), which has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("**DSIR**"). Based on the efforts of our R&D division, as of June 30, 2024, we have been granted 325 patents in India and globally and have also filed for grant of 44 patents in India and worldwide. We have developed a number of safety medical devices across product lines, including safety I.V. cannula and safety scalp vein sets within the infusion therapy vertical, safety blood collection sets within the transfusion system vertical, safety fistula needles within the dialysis and renal care vertical, and safety Huber needles and safety closed I.V. catether system in our critical care vertical. We have also received US FDA 510k approvals to market two of our product categories, safety IV cannula and IV Set, in the United States.

Our Company is led by Mr. Himanshu Baid, our Managing Director and Mr. Rishi Baid, our Joint Managing Director, each of who have over two decades of experience in the medical devices industry and are first generation entrepreneurs. In addition to our R&D center, we currently operate 12 manufacturing facilities across India, China, Egypt and Italy. In India, we operate nine manufacturing facilities, including six facilities situated in Faridabad (Haryana), two facilities (including a SEZ unit) situated in Jaipur (Rajasthan) and one facility in Haridwar (Uttarakhand). Our Indian manufacturing facilities have been accredited with several international quality certifications. All our manufacturing facilities in India have been accredited with the EC certificates for quality assurance systems and EN ISO 13485:2016 certifications. Further, our Faridabad Facility-I, Faridabad Facility-II, Faridabad Facility-V and Haridwar Facility, have also been accredited with management system certificates for compliance with ISO 9001:2015. For further information, see "***Business – Manufacturing Facilities***" on page 172.

We also operate one manufacturing facility in China through our wholly-owned subsidiary Poly Medicure (Liayang) Company Limited that is certified to be compliant with Korea Good Manufacturing Practices by the Korea Food and Drug Administration, Ministry of Food and Drug Safety, and has been accredited with a EC certificate for quality assurance system and EN ISO 13485:2016 for its quality management system. In addition, we operate one manufacturing facility in Assuit, Egypt, through our associate Ultra for Medical Products that is also accredited with EC certificates for quality assurance system. We also operate one manufacturing facility in

Italy through our step-down subsidiary Plan 1 Health S.R.L., which is accredited with EC certification for quality assurance system and EN 13485:2016 for its quality management system by DEKRA Certification B.V. Netherlands. For further information, see "***Business – Manufacturing Facilities***" on page 172.

In Fiscals 2024, 2023, 2022 and in the three months ended June 30, 2024, our revenue from operations was ₹ 1,37,579.63 lakhs, ₹1,11,523.04 lakhs, ₹ 92,306.26 lakhs and ₹ 38,477.64 lakhs, respectively, and our profit after tax, was ₹25,826.97 lakhs, ₹17,928.20 lakhs, ₹14,650.60 lakhs, and ₹7,403.95 lakhs, respectively, during such period. From Fiscal 2022 to Fiscal 2024, we have been able to increase our total revenue from operations at a compound annual growth rate ("**CAGR**") of 20.49%, our profit before tax at a CAGR of 24.12%, and our profit after tax at a CAGR of 23.87%.

Our Strengths

One of the leading Indian companies in the disposable medical devices industry with a diversified product portfolio

We are among the top five companies in the medical devices industry in India, in terms of operating income and stand fifth in terms of PAT, in Fiscal 2023 (*Source: CRISIL Report*). As of June 30, 2024, we had over 123 categories with 6,745 SKUs of disposable medical devices across 11 product verticals of infusion therapy, oncology, anesthesia and respiratory care, urology, gastroenterology, vascular access, veterinary medical devices, surgery and wound drainage, dialysis and renal care, transfusion system, diagnostics, cardiology, and critical care. Infusion therapy is our key product vertical, and sale of infusion therapy products represented 62.54% and 63.55% of our revenue from operations, in Fiscal 2024 and in the three months ended June 30, 2024 respectively. Our solutions enhance care across various departments in the hospital spectrum, such as in-patient department (IPD) services, blood banks, dialysis units, pathology laboratories, catheterization laboratories, ICUs, emergency departments, operation departments, chemotherapy units and specialty treatment units for disciplines such as gastroenterology and urology. We are the first Indian company to indigenously manufacture dialyzers in India (*Source: CRISIL Report*). In Fiscal 2023, the Company received US FDA 510k approvals for marketing two product categories, safety IV Cannula and IV Set, in the United States.

Manufacturing a wide range of products also enables us to generate pricing advantages, which has strengthened our relationship with our primary customers, hospitals and clinics. We have also developed a number of safety medical devices across product lines, including safety I.V. cannula and safety scalp vein sets within the infusion therapy vertical, safety blood collection sets within the blood collection vertical, safety fistula needles within the dialysis vertical, and safety Huber needles and safety closed I.V. catether system in our critical care vertical.
We believe that our focus on safety and quality, product range and pricing have enabled us to develop brand recognition in the Indian market and internationally.

Strong research and development capabilities

We have strong in-house R&D capabilities enabling us to develop an innovative and diversified product offering, and improve process efficiencies. With respect to product development capabilities, our R&D efforts are focused on developing new products within our key product verticals and core offerings, as well as introducing products to enter into new product verticals. Regarding our process development capabilities, our R&D activities are focused on further improving existing processes and production cost efficiency. In Fiscals 2024, 2023, 2022 and in the three months ended June 30, 2024, our R&D expenses represented 1.38%, 1.60%, 2.03%, and 1.07% of our revenue from operations for the respective periods. We focus on automation and on introducing new technologies to develop efficient processes for manufacturing products with quality control. We place particular emphasis on R&D in fluid management solutions within the non-communicable diseases segment, encompassing oncology, nephrology, infusion therapy and cardiology. For further information on our automation efforts, see "***Business – Manufacturing Process***" on page 177. We have in recent years launched several new products on the back of our R&D initiatives, including dialyzers, dialysis machines, safety Huber needle, PICC catheter, arterial catheters, diagnostic catheters, guidewires and pre-filled syringes. Our Company is also the first Indian company to indigenously manufacture dialyzers in India (*Source: CRISIL Report*).

As a result of our intensive R&D activities, as of June 30, 2024, we have been granted 325 patents and have also filed for grant of 44 patents in India and worldwide, including in the United States of America, Europe, Brazil, a Thailand, Japan and Australia. We operate one R&D Center in Faridabad (Haryana) with a team of 63 personnel, including 59 engineers, as of June 30, 2024. Our R&D Center is approved by the DSIR and is equipped to Undertake rapid prototyping using 3D printers, process validation and customization of products. As a recognition of our R&D capabilities, we have been recognized as the "India Medical Device Leader of the Year" in the India Medical Device Awards 2022, by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government on India, and as one of the Best Healthcare Brands 2024 by ET Edge.

Global manufacturing capabilities with a focus on automation

We currently operate 12 manufacturing facilities established in India, China, Egypt and Italy, in addition to our R&D Center. We operate nine manufacturing facilities in India, six of which are situated at Faridabad (Haryana), two at Jaipur (Rajasthan), including a SEZ unit, and one at Haridwar (Uttarakhand), which cater to the domestic markets as well as international markets across Europe, Africa, South America, Australia, and Asia. In addition, our associate Ultra for Medical Products, operates a manufacturing facility in Assuit, Egypt for disposable medical devices. We also have a manufacturing facility in China, operated by our wholly-owned subsidiary, and a manufacturing facility in Italy, operated by our step-down subsidiary. The manufacturing facilities in China, Egypt and Italy cater to local and international markets for disposable medical devices. As of Fiscal 2024, we had an aggregate annual installed manufacturing capacity of 17,679.5 lakh units per year.

Our manufacturing capabilities are vertically integrated with design and development being carried out in-house. Our capabilities include injection molding, extrusion, insert molding, blow molding, ultrasonic welding, UV bonding and laser welding. Our manufacturing processes are automated with use of robotics and certain other technologies that have developed and are programmed in-house. For instance, our assembly machines are equipped with automated arms, which are designed and programmed for specific assembly functions that may be deployed for various product variants. Our manufacturing equipment is also supported by 'Servo' systems that enable precise machine movements that improves accuracy in our processes and limits generation of scrap. As part of our quality control operations, we have deployed advanced vision systems to identify manufacturing anomalies in products that are then separated from the assembly line by the automated arm. Further, as part of our automation efforts, we have also equipped our machines with color sensors and internet ports to ensure accuracy, and intervention for operational control. We believe that our vertically integrated facilities and the application of robotics enable us to derive operational and cost advantages. We employ highly experienced and skilled workforce at our manufacturing facilities which include 300 engineers, as of June 30, 2024.

Our manufacturing facilities have been accredited with several international quality certifications. All our Indian manufacturing facilities have been accredited with EC certificates for quality assurance systems and EN ISO 13485:2016 certificates. Further, our Faridabad Facility-I, Faridabad Facility-II, Faridabad-V and Haridwar Facility, have also been accredited with management system certificates for compliance with ISO 9001:2015. Our manufacturing facilities in China, Italy and Egypt have also been accredited with various certifications. For further information, see "***Business – Manufacturing Facilities***" on page 172. We believe that we enjoy a competitive advantage due to our manufacturing capabilities that enable us to supply quality products in Indian and international markets.

Wide geographic reach through our extensive sales and distribution network and strong customer relationships

We have consistently expanded our distribution network over the years in India and overseas. All our sales outside India are carried out through our network of distributors. In Fiscals 2024, 2023, 2022 and the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 240, 230, 215 and 260 distributors in these jurisdictions, respectively. We have been awarded as the top exporter of plastic medical disposables/ surgical items (including syringes) for the years 2021-2022, and 2022-2023, by the Plastics Export Promotion Council, sponsored by the Ministry of Commerce and Industry, Department of Commerce, the Government of India. In Fiscal 2024, and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively.

As of June 30, 2024, our distribution network in India included 506 distributors. We believe we have built long-term relationships with our network of third party distributors that we directly engage with. For many of our distributors, we offer local or regional exclusivity, which grants these distributors an area in which they are the only authorized distributors of our medical devices, subject to certain conditions.

In addition to our distribution network, our sales division comprising 440 employees, as of June 30, 2024, is involved in the promotion of our products in 8,000 private and government hospitals and nursing homes, including by conducting continuing medical education programs in several hospitals. We have formed relationships with the hospitals we cater to, as a result of our consistent efforts to provide quality service.

Experienced management team and skilled employee base

Our business operations are led by an experienced and qualified management team. Our Promoter Directors, Mr. Himanshu Baid and Mr. Rishi Baid are qualified engineers and each have over 20 years of experience in the medical devices business. We believe that our Promoters' skills, experience and industry relationships have been instrumental to our growth thus far, and will continue to drive our future growth.

In addition, we are led by our senior executives with extensive experience in the medical devices manufacturing industry, including in operations, business development, quality assurance and human resource management. Our key senior executives include Heyward Powe, a medical professional driving our operations in the United States; Alessandro Balboni, a medical professional driving our operations in Europe; Professor Sergio Bertoglio, professor of medicine and our Chief Medical Officer; Teo Wen Ching, director of our South East Asia operations; and Xue Wendong, responsible for our operations in China. For further information, see "***Board of Directors and Senior Management***" on page 181.

Our management and technical personnel are supported by other skilled workers who benefit from regular training initiatives. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration and promoting the development of their skills. We believe that our qualified and experienced management and technical teams provide us significant competitive advantage and enable us to function effectively and efficiently.

Our Strategies

Transition to a solution provider business model

We commenced operations as a manufacturer of disposable medical devices and based on our diverse product offerings, have grown to be a value partner for our customer base that comprises hospitals, clinicians, and distributors. We now intend to transition to a solution provider, in order to become a preferred partner for our customer base. As a solution provider, we aim to engage closely with hospitals and clinicians to introduce value-added products/ solutions to address concerns of hospital acquired infections, needle-stick injuries, and fluid management challenges. For instance, we propose to undertake periodic audits of intensive care units and operation theaters at hospitals, to identify and examine the causes of hospital acquired infections, and propose alternate devices that may help contain the spread of such infections, or result in elimination of such infections altogether. We initially intend to focus on fluid management products as part of infection control solutions.

In order to achieve this, we intend to leverage on our existing relationships with hospitals and clinicians to introduce a more diverse range of solution-oriented products. We seek to undertake clinical engagements with key stakeholders, in order to foster innovation and enhance patient outcomes. We are also in the process of on-boarding medical professionals such as clinical consultants and doctors, for deeper engagement with hospitals and clinicians, for our solution-oriented products. We believe that by deploying personnel with medical expertise, we will be well-positioned to work closely with our customer base to develop solutions more suited to address their concerns.

Enhance our manufacturing capabilities and expand our product portfolio to leverage industry growth drivers

Indian medical devices sector, valued at ₹ 900 to 915 billion in Fiscal 2024, comprises more than 14,000 different product types, ranging from wound closure pads to stents. The sector is highly fragmented and is predominantly import driven. Imports account for approximately 80% of the total market and sales of medical electronics, hospital equipment, surgical instruments, implants and diagnostic reagents. Consumables and disposables are primarily manufactured in India, with imports accounting for approximately 30 to 40% of the sales. The medical devices industry is expected to log a robust 11 to 12% CAGR from Fiscals 2024 to 2028 on account of increase in healthcare facilities and demand for healthcare services from the middle-income group (*Source: CRISIL Report*) In order to capitalize on growth opportunities in the medical devices sector, we seek to invest in physical and operational infrastructure to expand our manufacturing capabilities with a focus on diversifying our product portfolio. In Fiscal 2023, we set up two new manufacturing facilities in Faridabad (Haryana) and Jaipur (Rajasthan), in addition to expanding our existing Faridabad Facility III and Jaipur I Facility. Further, we intend to establish three manufacturing facilities in order to manufacture medical devices, to be situated at Jaipur, Rajasthan ("**Rajasthan Facility**"), Palwal, Haryana ("**Haryana Facility**") and Haridwar, Uttarakhand ("**Uttarakhand Facility**", and together with the Rajasthan Facility and Haryana Facility, the "**Proposed Facilities**") over Fiscal 205 to 2027. See "***Use of proceeds - Funding capital expenditure to be incurred by our***

Company for setting up of manufacturing facilities" One of the key objectives for enhancing our manufacturing capabilities is to expand our product offering by introducing new products in existing as well new product verticals, including oncology and nephrology. Further, we have expanded into cardiology and launched a critical care division in Fiscal 2023, for which we seek to expand product offerings. We aim at enhancing our manufacturing facilities to a global scale and build flexibility into our processes to meet changing market demand. We seek to further leverage the expected increase in global demand for quality healthcare by increasing our focus on developing, manufacturing and marketing safety medical devices across product verticals. We also aim to implement sustainable practices across our operations for minimizing environmental impact. We believe that enhancing our manufacturing capabilities and further diversifying our product portfolio will enable us to capitalize on expected growth opportunities in this sector, increase our market share in the domestic and international markets and optimize our inventory management systems.

Continue to focus on research and development to enhance innovation

We intend to continue our initiatives in R&D, with a focus on development of new products in order to foray into new product verticals as well as to expand our product offering in existing product verticals and further improve existing processes and production cost efficiency. We seek to use emerging technologies such as artificial intelligence (AI) and internet of things (IoT) to enhance precision in our production processes. We expect to make substantial investments in R&D across product verticals, particularly focusing on fluid management within the non-communicable diseases segment, including oncology and nephrology. We also seek to make targeted investments for innovation in high-growth areas such as cardiology and critical care, which we expanded into in Fiscal 2023. In particular, we seek to increase our presence in the cardiology segment by advancing into manufacturing products for high-end therapies such as structural heart and complex procedures. Through our R&D efforts, we also propose to minimize process wastage and develop environmentally friendly products by using biodegradable materials, thus reducing our overall environmental impact.

Our R&D efforts also form a key component of our transition into a solution-provider business model. We intend to continue to recruit medical professionals with clinical expertise to enhance our product offerings and customize our offerings to suit the needs of hospitals and clinicians with which we have long-term relationships. In order to achieve this, we seek to invest in developing specific product lines, beginning with infection reduction devices used for vascular access and fluid management.

Increase market share in domestic and international markets

We seek to foster sustainable revenue expansion and margin growth by undertaking extensive marketing and brand promotion activities, including by increasing the strength of our sales team and by conducting continuing medical education programmes in a larger number of hospitals. We also intend to establish local distribution points by expanding our distribution network in Tier 2 and Tier 3 cities in India to pursue growth opportunities in those regions.

Further, we aim to improve our brand visibility in overseas markets and enhance our direct presence in order to gain deeper insight into local market dynamics in other jurisdictions. We intend to achieve this objective by increasing our geographical penetration in developed markets, such as the American, European, and Asian markets by effectively leveraging our distribution network, including by adding new distributors in such markets. In particular, we intend to focus on the market in the United States and in order to enter this market, we have already set-up branch offices of our Company and established a team of sales and engagement personnel. We have on-boarded an industry specialist in the United States, in order to engage with hospital chains and clinicians in the United States as well as to identify and forge relationships with local distribution partners in key markets. We are also in the process of identifying relevant products that have a healthy demand in premium markets and intend to obtain relevant approvals to enable us to launch differentiated products and commence distribution effectively. In Fiscal 2023, we received US FDA 510k approvals for marketing two of our product categories in the US, safety IV cannula and IV Set, and we seek to continue broadening our presence in the US. Further, we are in the proves of applying for approvals for certain additional products.

We also seek to make inroads in the European market. In order to generate larger volumes of business from Europe, we propose to introduce certain differentiated products in those regions and establish a physical presence in key markets. For instance, we have set-up a representative office in the United Kingdom to efficiently market and distribute our products in the region and intend to expand our presence by setting up additional representative offices. We are also in the process of obtaining product registrations for sale of new products in our key geographies. We also intend to partner with entities in Europe to gain access to key markets and technologies that could be deployed at our manufacturing processes for enhanced operational efficiency.

Expansion through strategic initiatives

As a part of our growth strategy, we believe that strategic investments and acquisitions of businesses engaged in the medical devices industry may act as an enabler of growing our business. We intend to selectively pursue strategic acquisitions and investments and other strategic alliance partnerships that are complementary to our growth strategy, particularly those that can help us further expand our offerings, enhance our technological and manufacturing capabilities, and expand our customer base. We may also pursue selected strategic alliances, including joint ventures, and potential strategic acquisitions, particularly in developed markets, which will complement our business and operations, including opportunities to acquire technology and know-how. We evaluate strategic opportunities and examine potential acquisitions from time to time to determine how the product portfolio and market presence will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. We believe that our efforts at diversifying into new product verticals or into new domestic or international markets can be facilitated by investing in similar business opportunities or making acquisitions of existing businesses with manufacturing facilities, market share or growth potential, whose operations, resources, capabilities and strategies are complementary to our Company. While we have presently not identified any strategic investment or acquisition opportunities, we seek to enter into any such acquisition on an opportunistic basis. As part of our inorganic growth measures, we look to strategically acquire businesses that offer products similar to ours that help us expand our product portfolio and increase our global reach in various markets. We intend to utilize Net Proceeds of the Issue for strategic investments, acquisitions and inorganic growth. For further information, see "***Use of Proceeds***" on page 70.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including "***Risk Factors***", "***Use of Proceeds***", "***Placement and Lock-up***", "***Issue Procedure***" and "***Description of the Equity Shares***" on pages 38, 70, 213, 199 and 230, respectively.

Issuer	Poly Medicure Limited
Face Value	₹ 5 per equity share of the Company
Issue Size	Aggregating to ₹ 99,999.98 lakh, comprising 53,19,148 Equity Shares of our Company, at a premium of ₹ 1,875 each A minimum of 10% of the Issue Size, i.e. at least 5,31,915 Equity Shares, was made available for Allocation to Mutual Funds only, and the balance 47,87,233 Equity Shares was made available for Allocation to all Eligible QIBs, including Mutual Funds In case of under-subscription in the portion available for Allocation only to Mutual Funds, such undersubscribed portion or part thereof may be Allotted to other Eligible QIBs
Floor Price	₹ 1,880.6875 per Equity Share In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company has offered a discount of ₹ 0.69, being equivalent to a discount of 0.04% on the Floor Price, which is not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of postal ballot on August 5, 2024 and in compliance with the terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ 1,880 per equity share of the Company (including a premium of ₹ 1875 per Equity Share)
Eligible Investors	Eligible QIBs, as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the SEBI ICDR Regulations. See "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 199, 215 and 224, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document and Application Form were delivered was determined by the Book Running Lead Managers in consultation with our Company, at their sole discretion.
Date of Board Resolution approving the Issue	June 29, 2024
Date of Shareholders' Resolution approving the Issue	August 5, 2024
Dividend	See "***Description of the Equity Shares***", "***Dividends***" and "***Taxation***" on pages 230, 81 and 236, respectively.
Taxation	Please see "***Taxation***" on page 236.
Equity Shares issued and outstanding prior to the Issue	9,59,71,417 Equity Shares, being fully paid-up
Equity Shares issued and outstanding immediately after the Issue	10,12,90,565 Equity Shares, being fully paid-up
Listing	Our Company has received in-principle approvals from the BSE and the NSE each dated August 19, 2024 under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares to be issued pursuant to the Issue.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.
Lock-up	For details of the lock-up, see "***Placement and Lock-up***" on page 213
Transferability Restrictions	Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in this Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. Also see "***Transfer Restrictions***" and "***Selling Restrictions***" on pages 215 and 224, respectively.

Use of Proceeds	The gross proceeds of the Issue aggregating to ₹ 99,999.98 lakh. The net proceeds of the Issue, after deducting fees, commissions and expenses of the Issue, is approximately ₹ 98,500 lakh which are proposed to be utilized for Capital expenditure, Inorganic initiatives, General corporate purpose. See "***Use of Proceeds***" on page 70 for information regarding the use of Net Proceeds from the Issue.
Risk Factors	See "***Risk Factors***" on page 38 for a discussion of factors you should consider before deciding whether to subscribe to Equity Shares pursuant to this Issue.
Closing Date	Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about Thursday, August 22, 2024.
Status and Ranking	Equity Shares being issued pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (who hold Equity Shares as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Shareholders may attend and vote in Shareholders' meetings on the basis of one vote for every Equity Share held. See "***Dividends***" and "***Description of the Equity Shares***" on page 81 and page 230, respectively.
Security Codes for the Equity Shares	ISIN - INE205C01021 BSE Code - 531768 NSE Symbol - POLYMED

SELECTED FINANCIAL INFORMATION

The following tables set forth our selected financial information and should be read together with the more detailed information contained in "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and the Audited Consolidated Financial Statements and Statement of Unaudited Financial Results included in "***Financial Information***" on pages 82 and 248, respectively.

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Summary consolidated balance sheet

(in ₹ lakh)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 **Non-current assets**			
(a) Property, plant and equipment	81,852.79	58,732.09	43,868.21
(b) Capital work-in-progress	6,669.78	7,258.35	3,713.56
(c) Right of Use Asset	371.10	247.38	115.20
(d) Investment Properties	58.37	90.89	386.88
(e) Goodwill on consolidation	2,858.11	2,858.11	2,858.11
(f) Intangible assets	1,598.59	1,597.34	1,581.42
(g) Intangible assets under development	900.85	557.50	626.00
(h) Financial Assets			
(i) Investment in associates	712.87	764.20	976.88
(ii) Other Investments	2,044.15	-	-
(ii) Other financial assets	1,330.97	1,133.04	2,347.40
(i) Other non-current assets	3,306.94	3,813.25	2,866.15
Total non-current assets	**1,01,704.52**	**77,052.15**	**59,339.81**
2 **Current assets**			
(a) Inventories	22,103.04	20,865.48	16,836.43
(b) Financial assets			
(i) Investments	13,954.10	12,402.35	33,659.72
(ii) Trade receivables	26,993.88	23,543.20	20,662.89
(iii) Cash and cash equivalents	1,205.31	706.24	775.74
(iv) Bank balances other than (iii) above	13,480.52	17,057.08	767.85
(v) Loans	23.00	29.77	34.16
(vi) Other financial assets	1,283.69	737.43	377.50
(c) Other current assets	5,119.13	5,327.22	5,229.37
Total current assets	**84,162.67**	**80,668.77**	**78,343.66**
TOTAL ASSETS	**185,867.19**	**157,720.92**	**1,37,683.47**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	4,798.58	4,797.23	4,795.02
(b) Other equity	1,42,206.77	1,19,365.49	1,03,953.12
Equity attributable to shareholders of the company	**1,47,005.35**	**1,24,162.72**	**1,08,748.14**
Non-controlling interest -			
Total equity			
LIABILITIES	**1,47,005.35**	**1,24,162.72**	**1,08,748.14**
1 **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	108.81	1,750.12	3,812.72
(ii) Lease Liabilities	208.70	134.93	37.96
(iii) Other financial liabilities	72.82	65.66	52.35
(b) Provisions	598.98	460.23	398.22
(c) Government Grants	300.04	273.52	352.92
(d) Deferred tax liabilities (Net)	2,448.34	1,543.47	1,613.34
Total non-current liabilities	**3,737.69**	**4,227.93**	**6,267.51**
2 **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	16,912.65	12,893.27	8,714.73
(ii) Lease Liabilities	185.07	123.36	105.43
(iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	1,422.61	1,387.17	1,568.68
b) total outstanding dues of creditors other than micro enterprises and small enterprises	8,137.15	7,844.31	7,335.21
(iv)Other financial liabilities	5,214.56	3,658.63	2,601.87
(b) Other current liabilities	2,838.95	3,284.56	2,307.12
(c) Provisions	57.19	55.20	34.79
(d) Current tax liabilities (net)	355.97	83.76	-
Total current liabilities	**35,124.15**	**29,330.26**	**22,667.83**
TOTAL EQUITY AND LIABILITIES	**1,85,867.19**	**1,57,720.92**	**1,37,683.47**

Summary consolidated statement of profit and loss

(in ₹ lakh unless otherwise disclosed)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
INCOME			
Revenue from operations	1,37,579.63	1,11,523.04	92,306.26
Other income	5,874.81	3,618.54	3,790.25
Total Income	**1,43,454.44**	**1,15,141.58**	**96,096.51**
EXPENSES			
Cost of materials consumed	46,478.45	42,431.15	35,237.25
Purchases of Stock-in-Trade	702.15	521.31	1,065.61
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	1,080.16	(2,364.94)	(1,495.41)
Employee benefits expense	24,591.17	20,274.58	16,361.99
Research and development expenses	1,896.02	1,780.25	1,877.11
Finance cost	1,130.09	883.86	425.48
Depreciation and amortization expense	6,392.65	5,716.68	5,395.22
Other expenses	27,009.52	22,342.22	17,949.50
Total Expenses	**1,09,280.21**	**91,585.11**	**76,816.75**
Profit before tax, and share of net profit from associates	**34,174.23**	**23,556.47**	**19,279.76**
Share of profit from associates	252.68	192.67	244.73
Profit before tax	**34,426.91**	**23,749.14**	**19,524.49**
Tax expenses:			
(1) Current tax	7,693.19	5,912.91	4,632.27
(2) Deferred tax	898.41	(109.76)	265.99
(3) Tax adjustment for earlier years (net)	9.34	17.74	(24.37)
Total tax expenses	**8,600.94**	**5,820.89**	**4,873.89**
Profit after tax	**25,825.97**	**17,928.25**	**14,650.60**
Other comprehensive income **Items that will not be reclassified to profit and loss** Re-measurement gains/(losses) of defined benefit planTax impacts on above	(112.95) 28.43	19.80 (4.98)	31.69 (7.98)
Items that will be reclassified to profit or loss in subsequent period:-			
Exchange differences on translation of financial statements of foreign subsidiaries Tax impacts on above	(3.84)	25.79	31.28)
Other comprehensive income for the year (net of tax)	**(88.36)**	**40.61**	**(7.57)**
Total comprehensive income for the year	**25,737.61**	**17,968.86**	**14,643.03**
Profit for the year attributable to:			
Equity holders of the parent	25,825.97	17,928.25	14,650.60
Non-controlling interests	-	-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent	25,737.61	17,968.86	14,643.03
Non-controlling interests	-	-	-
Earnings per equity share: (Face value ₹ 5 each) in rupees			
Basic	26.92	18.69	15.28
Diluted	26.90	18.67	15.27
Weighted average number of equity shares used in computing earnings per equity share			
Basic	95,946,790	95,916,495	9,58,88,694
Diluted	96,020,790	96,020,945	9,59,64,194

Summary consolidated statement of cash flow statement

(in ₹ lakh)

Particulars	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
A CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax and exceptional items	**34,426.91**	**23,749.14**	**19,524.49**
Adjusted for:			
Depreciation and amortisation	6,392.65	5,716.68	5,395.22
Share in Income of Associates	(252.68)	(192.67)	(244.73)
Interest expense	1,130.09	883.86	425.48
Interest income	(1,294.58)	(586.44)	(198.60)
Loss/(profit) on sale of fixed assets, net	(62.28)	(10.03)	(53.05)
Debts/advances written off	118.27	14.22	66.06
Provision for doubtful debts and advances	112.62	59.39	3.08
Credit balances no longer required, written back	(51.36)	(21.23)	(36.89)
Deferred employee compensation expenses (net)	211.44	192.74	93.10
Unrealised foreign exchange (gain) /loss	(180.77)	(85.74)	(287.94)
Unrealised (Gain)/Loss on Mutual Fund	(2,094.88)	400.69	31.69
Ind AS and other adjustment	(351.39)	(282.73)	(1,285.65)
Operating profit before working capital changes	**38,104.04**	**29,837.88**	**23,432.26**
Movement in working capital			
Decrease/(increase) in inventories	(1,237.56)	(4,029.05)	(4,188.23)
Decrease/ (increase) in sundry debtors	(3,668.56)	(2,879.68)	(5,073.56)
Decrease/(Increase) in financial assets	(732.20)	(13.51)	64.31
Decrease/(Increase) in other assets	259.79	(99.10)	(866.81)
Increase/ (decrease) in trade payables	376.15	376.92	2,470.15
Increase/ (decrease) in other financial liabilities	1,358.34	593.00	118.09
Increase/ (decrease) in other liabilities	(445.61)	977.44	1,074.60
Increase/ (decrease) in provisions	23.95	128.01	62.01
Cash generated from operations	**34,038.35**	**24,891.89**	**17,092.82**
Direct taxes paid (net of refunds)	(7,430.13)	(5,786.69)	(4,745.60)
Net cash from operating activities	**26,608.22**	**19,105.20**	**12,347.22**
B CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets (including capital advances)	(27,701.59)	(23,927.48)	(15,557.77)
(Purchase)/Sale of Investments (net)	(1,501.02)	20,856.68	1,801.56
Proceeds from / (Investment in) Fixed Deposits (net)	3,545.22	(15,080.30)	4,652.76
Proceeds from sale of fixed assets	191.63	14.77	151.40
Dividend income	54.26	53.86	31.89
Interest income	1,317.70	158.31	387.00
Net cash used for investing activities	**(24,093.80)**	**(17,924.16)**	**(8,533.16)**
C CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from (Repayment) of borrowings / deferred payment liabilities (net)	2,111.96	2,098.99	(628.16)
Proceeds from Share Allotments	26.38	35.13	9.89
Repayment of Lease Liabilities and Interest thereon	(177.29)	(141.60)	(114.00)
Dividend Paid(including unclaimed dividend transferred)	(2,874.00)	(2,397.30)	(2,391.56)
Interest / Finance charges paid	(1,102.40)	(845.75)	(409.96)
Net cash generated/ (used for) financing activities	**(2,015.35)**	**(1,250.53)**	**(3,533.79)**
Net increase/(decrease) in cash and cash equivalents(A+B+C	**499.07**	**(69.50)**	**280.28**
Cash and cash equivalents at the beginning of the year	**706.24**	**775.74**	**495.46**
Cash and cash equivalents at the end of the year	**1,205.31**	**706.24**	**775.74**
COMPONENTS OF CASH AND CASH EQUIVALENTS			
Balances with Banks in current account	1,186.89	676.88	741.88
Cash on hand (including foreign currency notes)	18.42	29.36	33.86
Cash and cash equivalents at the end of the year	**1,205.31**	**706.24**	**775.74**

Unaudited statement of profit and loss

(in ₹ lakh unless otherwise dislcosed)

Particulars	For the three months ended June 30, 2024	For the three months ended June 30, 2023
Income		
Revenue from operations	38,477.64	32,083.00
Other income	1,691.91	1,311.49
Total income(A)	**40,169.55**	**33,394.49**
Expenses		
Cost of materials consumed	13,257.17	10,524.72
Purchases of stock-in-trade	89.26	176.63
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(520.47)	513.84
Employee benefits expense	7,078.96	5,774.55
Research and development expenses	412.05	428.53
Finance cost	316.20	249.19
Depreciation and amortisation expense	1,964.97	1,552.48
Other expenses	7,769.07	5,945.38
Total expenses(B)	**30,367.21**	**25,165.32**
Profit from operations before exceptional items (A-B)	**9,802.34**	**8,229.17**
Exceptional Items		
Share of Profit of an associate	43.39	74.90
Profit before tax	**9,845.73**	**8,304.07**
Tax expense		
Current tax	2,268.78	1,966.20
Deferred tax	173.01	68.31
Earlier Year Taxes	-	-
Total Tax Expense	**2,441.79**	**2,034.51**
Profit after tax	**7,403.94**	**6,269.56**
Other Comprehensive Income		
Items that will not be reclassified to profit or loss :		
Remeasurements of defined benefit obligations	(172.69)	(12.55)
Tax impacts on above	43.47	3.16
Items that will be reclassified to profit or loss in subsequent period:		
Exchange differences on translation of financial statements of foreign Subsidiaries	(8.36)	(14.50)
Tax impacts on above	-	
Total Other Comprehensive Income	**(137.58)**	**(23.89)**
Total comprehensive income (comprising profit after tax and other comprehensive income after tax)	**7,266.36**	**6,245.67**
Net Profit attributable to:		
Equity holders of the parent	**7,403.94**	**6,269.56**
Non-controlling interests	-	-
Other Comprehensive income attributable to:		
Equity holders of the parent	**(137.58)**	**(23.89)**
Non-controlling interests	-	-
Total comprehensive income attributable to:		
Equity holders of the parent	**7,266.36**	**6,245.67**
Non-controlling interests	-	-
Earnings per share (Quarterly not annualised) :		
Basic (₹)	7.71	6.54
Diluted (₹)	7.71	6.53

RELATED PARTY TRANSACTIONS

For details of the related party transactions during (i) Fiscals 2024; (ii) Fiscal 2023; and (iii) Fiscal 2022, as per the requirements under Ind AS 24, see "***Financial Information - Fiscal 2024 Audited Consolidated Financial Statements – Note 39 – Related Party Disclosures***", "***Financial Information - Fiscal 2023 Audited Consolidated Financial Statements – Note 39 – Related Party Disclosures***" and "***Financial Information - Fiscal 2022 Audited Consolidated Financial Statements – Note 39 – Related Party Disclosures***" on pages 315, 372 and 430, respectively.

RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. Investors should carefully consider each of the following risk factors and all the information disclosed in this Placement Document, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are those that we consider to be most significant to our business, results of operations and financial conditions as of the date of this Placement Document. However, they are not the only risks relevant to us or the Equity Shares or the industry or regions in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business prospects, results of operations and financial condition. In order to obtain a complete understanding about us, investors should read this section in conjunction with "**Business**", "**Industry Overview**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 165, 117 and 82, respectively, as well as the other financial information included in this Placement Document.*

If any of the risks described below, or other risks that are not currently known or are currently deemed immaterial actually occur, our business prospects, results of operations and financial condition could be adversely affected, the trading price of the Equity Shares could decline, and investors may lose all or part of the value of their investment. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to a regulatory environment in India which may differ significantly from that in other jurisdictions. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. In making an investment decision, prospective investors must rely on their own examination of us on a consolidated basis and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue.

*This Placement Document also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For further information, see "**Forward-Looking Statements**" on page 16.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 248 and 82, respectively.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Market Assessment of the Medical Device Industry in India" dated August 19, 2024 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by us and other publicly available information. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Poly Medicure Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to Poly Medicure Limited on a consolidated basis.

RISKS RELATED TO OUR COMPANY AND BUSINESS

1. We are subject to extensive and dynamic medical device regulation in India, which may impede or hinder the approval or sale of our products and, in some cases, may ultimately result in an inability to obtain approval of certain products or delay or prevent sales of previously approved products.

Our products, marketing, sales and development activities and manufacturing processes are subject to extensive and rigorous regulation by regulatory authorities across geographies. In India, we are required to comply with various legislations including the Medical Devices Rules, 2017, Drugs and Cosmetics Act, 1940, Drugs and Cosmetics Rules, 1945, the Bio-Medical Waste Management Rules, 2016, the Factories Act, 1948, the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air

(Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, Legal Metrology Act, 2009 and the Legal Metrology (Enforcement) Rules of the various states we operate in and obtain specific approvals, consents and authorizations from the relevant authorities under such statutes. Any change in such regulations or the underlying enforcement procedures, or delay/non-receipt of approvals could increase the costs or time of development of our products and delay or prevent sales of our products.

Our Company has also obtained approval dated March 2, 2021, for manufacturing renal medical care devices under the GoI's Production Linked Incentive Scheme ("**PLI Scheme**") for promoting domestic manufacturing of medical devices. Under the PLI scheme, financial incentivefcapita shall be given to the selected companies at the rate of 5% of incremental net sales (over base year Fiscal 2020) of goods manufactured in India, for a period of 5 years from Fiscal 2023 to Fiscal 2027, subject to certain minimum investment and minimum sales thresholds subject to annual ceilings on incentives. Any reduction, non-compliance, non-receipt, or delay in receiving such incentives from the government may impact our business and operations. Further, the Department of Pharmaceuticals, Government of India has launched the National Medical Devices Policy, 2023 ("**2023 Policy**") which aims to facilitate the medical devices industry in India to meet both domestic and global demands. The 2023 Policy, among others, aims at promoting phased manufacturing of critical components to ensure continuous access and availability of medical devices without supply chain disruptions in order to boost domestic manufacturing. Uncertainty in the applicability, or implementation of the 2023 Policy or amendments or repeals thereto may adversely impact our business and financial conditions.

Further, in response to perceived increases in health care costs in recent years, there have been and continue to be proposals by the governments, regulators and third-party payers to control these costs and, more generally, to reform the health care system. Certain of these proposals could, among other things, limit the prices we are able to charge for our products and could limit the acceptance and availability of our products. The adoption of some or all of these proposals could have a material adverse effect on our business, results of operations, financial condition and cash flows. For instance, in February 2020, the Indian Central Drugs Standard Control Organisation ("**CDSCO**") amended the list of products falling under the Medical Devices Rules, 2017. All medical devices, except those specified in the Annexure A of Eighth Schedule of Medical Devices Rules, 2017, are treated as 'non-scheduled formulations' under the Drug Price Control Order ("**DPCO**"), issued by the Government of India. The DPCO prohibits the prices of such medical devices which are 'non-scheduled formulations' from being increased by more than 10% within a given 12-month period. We cannot predict the effect such changes in regulations, legal interpretation or policies, when and if enacted or adopted, may have on our business in the future.

Regulatory authorities actively monitor compliance with local laws and regulations through review and inspection of design and manufacturing practices, recordkeeping, reporting of adverse events, labeling and promotional practices. For instance, the relevant licensing authorities under the Medical Devices Rules, 2017 may ban certain medical devices, detain or seize misbranded medical devices, order repair, replacement or refund of these devices and require notification of health professionals and others with regard to medical devices that present unreasonable risks of substantial harm to the public health. Any adverse regulatory action or failure to comply with regulatory requirements may restrict us from effectively marketing and selling our products, may limit our ability to obtain future premarket clearances or approvals and could result in a substantial modification to our business practices and operations. Later discovery of previously unknown problems with a product or manufacturer could result in fines, delays or suspensions of regulatory clearances or approvals, seizures or recalls of products, physician advisories or other field actions, operating restrictions and/or criminal prosecution. For instance, we are currently involved in a dispute with a local Drug Inspector in Raigad, Maharashtra over the classification of one of our products as "drugs", in connection with which we have also challenged the retrospective effect of the change in classification of medical devices. For further information, see "***Legal Proceedings – Litigation involving our Company – Litigation Against our Company – Actions by statutory or regulatory authorities***" on page 243.

2. ***We are required to obtain regulatory approvals in the countries where we export our medical devices. There can be no assurance that we will receive such approvals in a timely manner or that these will not be withdrawn.***

In Fiscal 2024 and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively. Our exported devices are subject to the regulatory requirements of each country to which the device is exported, including the FDA in the United States, and comparable agencies in other countries. The global regulatory environment is becoming increasingly stringent and unpredictable, which could increase the time, cost and complexity of obtaining regulatory approvals for our products, as well as the clinical and regulatory costs of supporting those approvals. Several countries that did not have regulatory requirements for medical devices have established such requirements in recent years and other countries have expanded on existing regulations. Certain regulators are exhibiting less flexibility and are requiring local preclinical and clinical data in addition to global data. While harmonization of global regulations has been pursued, requirements continue to differ significantly among countries. For example, in the United States, medical devices must receive FDA clearance or approval or an exemption from such clearance or approval before they can be commercially marketed in the U.S. Two of our product categories, Safety IV cannula, and IV Set, have received premarket notification 510(k) approvals from the FDA. In the European Union (EU), we are required to comply with the Medical Device Regulation (MDR or EU MDR) effective from May 2021. While medical devices are also regulated at the EU member state level, manufacturers must pass the conformity assessment and obtain the CE (Conformité Européenne) mark (CE Mark) under the EU MDR. The CE Mark is granted pursuant to conformity assessment by accredited notified bodies. Most countries require that product approvals be renewed or recertified on a regular basis, generally every three to five years, in order to continue selling our products in those countries. The renewal or recertification process requires that we evaluate any device changes and any new regulations or standards relevant to the device and conduct appropriate testing to document continued compliance. The process of obtaining marketing approval or clearance for new products, or with respect to enhancements or modifications to existing products, could:

- take a significant period of time,
- require the expenditure of substantial resources,
- involve rigorous pre-clinical and clinical testing, as well as increased post-market surveillance,
- require changes to products, and
- result in limitations on the indicated uses of products.

There can be no assurance that we will receive the required approvals for new products or modifications to approvals for existing products on a timely basis or that any approval will not be subsequently withdrawn or conditioned upon extensive requirements. Further, we cannot predict what impact, if any, changes in the global regulatory environment might have on our business.

3. Our manufacturing facilities, processes and products are subject to various risks, including quality control issues, disruptions in or lack of infrastructure facilities and obsolete plant and machinery and quality control problems, which could increase our manufacturing costs or interrupt our operations and adversely impact our reputation, sales and strategies.

We currently operate 12 manufacturing facilities across India, China, Egypt and Italy. In India, we operate nine manufacturing facilities, consisting of six facilities situated in Faridabad (Haryana), two facilities (including a SEZ unit) situated in Jaipur (Rajasthan) and one facility in Haridwar (Uttarakhand). These facilities are required to comply with quality control systems of various jurisdictions, including, current good manufacturing practices, as prescribed under various legislations and standards stipulated by regulatory agencies where we manufacture and sell our products.

We face the risk of loss resulting from, and the adverse publicity associated with, manufacturing or quality control problems. Further, there may occur, from time to time, defects in our products on account of human error, including certain manufacturing defects, leakages and wrong labelling. Such defects, if discovered prior to dispatch to our distributors, may require repair and/or replacement and accordingly, cause delay in delivery to distributors. However, if these defects are discovered after the product has been delivered to our distributor, under our contractual arrangements with distributors, it will result in recall or return and replacement of our products. Our distributors may also return or require replacement of our products on account of non-conformity with quality specifications. Depending on the product supplied and the nature of defect or in case of non-conformity with quality standards, such recall or return may result in loss of reputation to our Company and may adversely affecting our business, cash flows, financial conditions and results of operations. Further, under certain contracts with governmental agencies, repeated defaults in respect of quality control measures in respect of one product or defaults in respect of multiple products, supplied by the Company, may result in the specific product or our Company, as the case may be, being blacklisted from further supply to such governmental agencies for specific periods of time. Any loss of our reputation or brand image, for whatsoever reason, may lead to a loss of business and adversely affect our ability to enter into additional business arrangements in the future.

Our manufacturing facilities are subject to operational risks, such as breakdown or failure of equipment, shortage of power supply, obsolescence of equipment or machinery, labour disputes, natural disasters, and industrial accidents including fire hazards. Our distributors rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Any disruption at our manufacturing facilities on account of any of these factors could result in interruption of our manufacturing process and delay the delivery of products to our distributors. In the past there have been instances of fire at our Company's facilities causing minor disruptions at those facilities. Although we maintain fire-fighting equipment at all our facilities, we cannot assure you that such incidents in the future would not result in major disruptions, including shutdown of any of our facilities, or accidents or fatalities, resulting in loss of production. While we have power back-up arrangements at our facilities, any labour disruptions or delay in delivery of equipment by our suppliers or any disruption in the power supply may result in us breaching our product deadlines and thereby, materially adversely affecting our business, cash flows, financial conditions and results of operations.

In addition, we outsource a portion of manufacturing process to certain third parties, including one of our promoter group entities, Vitromed Healthcare ("**Vitromed**"). In Fiscal 2024, job work charges paid to Vitromed represented 5.60% of our revenue. Any disruptions at the facilities of Vitromed may adversely affect our production deadlines, and accordingly, our business and results of operations. See "***Risk Factors*** – ***We rely on third parties to manufacture certain of our products. Any failure by or loss of a third party manufacturer could result in delays and increased costs, which may adversely affect our business.***" on page 54.

4. We may not be able to enforce our intellectual property rights throughout the world.

Our success depends, in part, on our ability to protect our intellectual property, including our patents, trade secrets and other proprietary information. As part of our growth strategy, we actively file and seek to obtain patents for new products under development. As of June 30, 2024, we have been granted 325 patents and have filed 44 patent applications globally (including India), own 283 registered trademarks, including our logo, 119 registered designs and 15 registered copyrights. In an effort to safeguard our patents, we have filed 8 opposition proceedings against various third parties. While we have successfully defended trademark infringement proceedings in respect of our 'POLY' trademarks in the past, we may not be able to safeguard our intellectual property from infringement or passing off, both domestically and internationally, since we have operations in several countries and may not be able to respond to infringement or passing off activity occurring without our knowledge. Filing, prosecuting, maintaining, defending, and enforcing intellectual property rights on our products and technologies in all countries throughout the world is an expensive process, and our intellectual property rights under the respective frameworks of countries outside India can be less extensive than those in India. Moreover, our existing trademarks, patents, design and copyright may expire, and there can be no assurance that we will renew them after expiry.

Our competitors may have filed patent applications or been granted patents relating to products or processes that compete with those we are developing or seeking to protect, or their patents may impair our ability to do business in a particular geographic area which will in turn adversely impact our operations. Obtaining an approval or patent protection in any one jurisdiction would not ensure patent protection in other jurisdictions. For instance, our VIGMED pre grant objection was granted in India by Indian Patent Office but is yet to be finally determined by the European Patent Office. Competitors may also use our products in jurisdictions where we have not obtained protection to develop their own products and may also supply these products to other territories where we have protection but where enforcement may not be as anticipated. These products and services may therefore compete with our products and services, and our intellectual property rights may not be effective or sufficient to prevent them from competing.

In addition, the laws of some countries do not protect proprietary rights as anticipated, or the enforcement of intellectual property protection, especially those relating to health care. This could make it difficult for us to stop the misappropriation or other violation of our other intellectual property rights. Proceedings to enforce our intellectual property rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. Accordingly, we may choose not to seek protection in certain countries, and our efforts to protect our intellectual property rights in such countries may be inadequate. In addition, changes in the law and legal decisions by courts in foreign countries may affect our ability to obtain adequate protection for our products, services and other technologies and the enforcement of intellectual property. Any of the foregoing could harm our competitive position, business, financial condition, results of operations and prospects.

Furthermore, some of our key employees have access to confidential design and product information. While we enter into non-disclosure agreements in respect of R&D against such employees, there can be no assurance that such employees will not leak such information to our customers or that we will be able to successfully enforce such agreements. We have faced instances of disclosure of confidential information in the past, for which we have successfully enforced a suit for damages. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult or expensive for us to obtain necessary legal protection.

We are additionally exposed to the risk that entities in India and elsewhere could pass off their products as ours by imitating our brand name, packaging material and attempting to create counterfeit healthcare devices, including spurious or pirated products. Similarly, we may be unable to protect our trade secrets, including product specifications, which if obtained by counterfeiters, could be used to create products that are substantially similar to ours. This would not only reduce our market share due to replacement of demand for our products, whereby we may not be able to recover our initial development costs or experience loss in revenues, but could also harm the reputation of our brands. The measures we take to protect our brands and other intellectual property, such as initiating legal proceedings under the applicable laws, may not be adequate to prevent unauthorised use by third parties. Detecting and protecting against the unauthorised use of our products, technology and proprietary rights may be an expensive and difficult process. The proliferation of unauthorized copies of our products, and the time lost in defending claims and complaints about spurious products could decrease the revenue we receive from our products and have a material adverse effect on our reputation, business, financial condition and results of operations.

5. We cannot assure you that our products do not or will not infringe valid third party intellectual property rights. If we are unsuccessful in defending infringement proceedings by others, our business and results of operations may be adversely affected

We cannot assure you that our products do not or will not infringe valid third party intellectual property rights. We have various patent, trademark, design and copyright applications pending, any of which may be subject to governmental or third-party objection, which could prevent the maintenance or issuance of the same. For instance, 8 objections have been filed against various trademark applications for our products. Our competitors and other companies or innovators have tried and may continue to try to assert patent and other intellectual property rights against us, such as the opposition proceedings before the Trademarks Registry, Delhi, in respect of our trademarks Polyseal and Poly Clamp in India. Further, one of our competitors has filed trademark infringement proceedings against us, which are currently pending. For further information, see "***Legal Proceedings – Litigation involving our Company – Litigation Against our Company – Actions by statutory or regulatory authorities***" on page 243. As a result, we could become involved in more extensive litigation regarding our products. If we are unsuccessful in defending ourselves against these suits, we may be subject to injunctions preventing us from selling our products, resulting in a decrease in revenues, or to damages which may be substantial. Either event would adversely affect our financial position, results of operations or liquidity.

6. We intend to use a portion of the Net Proceeds for funding our capital expenditure requirements. Our proposed expansion plans are subject to the risk of unanticipated delays in implementation, cost overruns and other risks and uncertainties.

We intend to use a portion of the Net Proceeds of the Issue to set-up new manufacturing facilities at Jaipur, Rajasthan ("**Rajasthan Facility**"), Palwal, Haryana ("**Haryana Facility**") and Haridwar, Uttarakhand ("**Uttarakhand Facility**", and together with the Rajasthan Facility and Haryana Facility, the "**Proposed Facilities**"). For further information, see "***Use of Proceeds*** – ***Funding capital expenditure to be incurred by our Company for setting up of manufacturing facilities***" on page 71. Problems that could adversely affect our Proposed Facilities include labour shortages, increased costs of equipment or manpower, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, disruptions such as injury to third parties, site accidents or other incidents and contractual disputes with our construction contractors, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, the cost of certain machineries in relation to our Proposed Facilities may escalate due to them being imported, foreign exchange fluctuations and there may be long lead time in getting defective machines repaired, which may adversely effect our implementation schedule.

A delay on account of any of these factors could increase the financing costs associated with the construction and cause us to exceed the forecasted budget. We may also be unable to recover the amounts we intend to invested in the Proposed Facilities if our estimates/projections for these projects do not materialize. Furthermore, there can also be no assurance that we will be able to fully utilize our new manufacturing facilities. Also see "***Risk Factors – Under-utilization of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.***" on page 56.

7. ***We are subject to a number of market, business, financial, legal and regulatory risks and uncertainties with respect to our international operations that could have a material impact on our business, financial condition or results of operations.***

We are dependent on our international operations and derive a significant portion of our revenue from international sales. The table below sets forth our total revenue from overseas operations in Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024 respectively.

Particulars	**Three months ended June 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (₹ lakhs)	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***
Total revenue from international sales	27,758.90	72.14%	95,797.80	69.63%	76,465.30	68.56%	61,394.00	66.50%
Revenue from sales in Europe	13,844.80	34.47%	45.377.00	31.63%	33,489.70	29.09%	26,605.40	27.69%

We have historically derived a significant portion of our sales from the export of our products to Europe. Accordingly, any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local government in this region could adversely affect our product sale and distribution activities, result in modification of our business strategy, or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition and results of operations. Further, the ongoing Russia - Ukraine and Israel-Palestine conflicts if escalated and prolonged may cause disruptions in Europe and our other key operating geography, North America. Any such adverse development affecting our operations could result in significant loss, which could materially affect our business reputation within the industry. Further, our sales from this region may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services. Our failure to effectively react to these situations or to successfully introduce new products or services and compete in this market could adversely affect our business, prospects, results of operations and financial condition.

An important part of our strategy is to continue pursuing growth opportunities and expand our global presence so as to increase our market share outside of India. We have set-up a representative office in the United Kingdom to market and distribute our products in the region and are in the process of setting-up a branch office in the United States. Our international operations are subject to a number of market, business and financial risks and uncertainties, including those related to our use of distribution partners, geopolitical and economic instability, foreign currency exchange and interest rate fluctuations, competitive product offerings, local changes in medical device delivery systems, local product preferences and requirements, including preferences for local manufacturers, workforce instability, weaker intellectual property protection in certain countries and longer accounts receivable cycles. Such risks and uncertainties may adversely impact our ability to implement our growth strategy in these markets and, as a result, our sales growth, market share and operating profits from our international operations may be adversely affected.

Our international operations are subject to established and developing legal and regulatory requirements for medical devices in each country in which our products are marketed and sold. Most foreign countries have medical device regulations. Further, most countries require product approvals to be renewed or recertified on a regular basis in order for the products to continue to be marketed and sold there. See "***Risk Factors – We are subject to extensive and dynamic medical device regulation in India, which may impede or hinder the approval or sale of our products and, in some cases, may ultimately result in an inability to obtain approval of certain products or delay or prevent sales of previously approved products.***" on page 38. These factors have caused or may cause us to experience more uncertainty, risk, expense and delay in obtaining approvals and commercializing products in certain foreign jurisdictions, and adversely impact our sales, market share and operating profits from our international operations.

Global businesses, including those in the medical device industry, are facing increasing scrutiny of, and heightened enforcement efforts with respect to, their international operations. Any alleged or actual failure to comply with legal and regulatory requirements may subject us to government scrutiny, civil and/or criminal proceedings, sanctions and other liabilities, which may have a material adverse effect on our international operations, financial condition, results of operations and/or liquidity. Further, any significant changes in the political and economic, financial, competitive, legal and regulatory conditions where we conduct, or plan to expand, our international operations, including any regional economic or political events, may have a material impact on our business, financial condition or results of operations.

8. We depend on distributors for sale of our products. Failure to establish and maintain relationships with distributors would materially and adversely affect our business, financial condition and results of operations.

We depend on distributors for sale of our products as all our sales outside India are carried out through our network of distributors. In Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 240, 230, 215 and 240 distributors in these jurisdictions, respectively. We also have an extensive sales and distribution network in India. In Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024, our distribution network in India included 506, 463, 425 and 506 distributors.

We typically enter into our distribution agreements for a period of 2 years and upon expiry of which, we may be unable to renew with our desired distributors on favorable terms or at all. In addition, we may seek to limit our dependence on any single distributor by limiting and periodically redefining the scope of each distributor's territory and the range of our products that it sells, which may make us less attractive to some distributors. While we offer certain distributors local or regional exclusivity under our agreements with them, we may be unable to guarantee the extension of such terms in the future. We also compete for distributors domestically and internationally with other leading medical equipment and device companies that may have higher visibility, greater name recognition and financial resources, and a broader product selection.

At times, we may also become engaged in contract disputes or other negotiations with distributors, including distributors for the businesses we acquired. Consequently, establishing relationships with new distributors, maintaining relationships with existing distributors and replacing distributors may be difficult and time consuming. Any disruption of our distribution network, including our failure to renew distribution agreements on favorable terms or our failure to successfully negotiate contract disputes, could negatively affect our ability to effectively sell our products and could materially and adversely affect our business, financial condition and results of operations.

9. Our future growth is dependent upon our R&D capabilities and development of new products and enhancement of existing products, and a failure to effectively develop and commercialize new products, would materially and adversely affect our business, financial condition, results of operations and prospects.

The medical device market is developing rapidly and related technology trends are constantly evolving. This results in frequent introduction of new products, short product life cycles and significant price competition. In Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024, our R&D expenditure was as follows:

Particulars	Three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***
Total R&D expenditure	412.00	1.07%	1,896.00	1.38%	1,780.20	1.60%	1,877.10	2.03%

We operate one R&D Center in Faridabad (Haryana) with a team of 63 personnel, including 59 engineers, as of June 30, 2024. Our R&D is focused on developing environment friendly alternatives and cost effective designs, models and processes involving minimal wastage for manufacturing disposable medical devices. Consequently, our long-term operating results and competitive position depend substantially upon our ability to continually develop, introduce, and market new and innovative products, services and platforms, to modify existing products and services, to customize products and services, to increase our productivity, and to anticipate and respond to market and technological changes driven by trends such as increased digitization or automation, or by developments such as climate change that present both risks and opportunities for our businesses.

We expect the medical device market to continue evolving toward newer and more advanced products, many of which we do not currently produce. To develop new products, we may acquire, through acquisitions, products and technologies that are not currently incorporated in our existing product lines. Development of new products and enhancement of existing products requires significant investment in R&D. Commercialization of any new product requires relevant government approvals, the timing of which may not be under our control, and is subject to change from time to time. Moreover, it may take an extended period of time for our new products to gain market acceptance, if at all. Further, as the life cycle for a product matures, the average selling price generally decreases. Although we have previously partially offset the effects of declining average selling prices with increases in sales volume and reductions in manufacturing cost, we may be unable to sustain this practice. Lastly, during a product's life cycle, problems may arise regarding regulatory approvals, intellectual property rights protection, product liability or other issues which may affect its continued commercial viability.

Our success in developing and commercializing new products is determined primarily by our ability to:

- accurately assess trends and customer needs and meet market demands;
- optimize our manufacturing and procurement processes to predict and control costs;
- manufacture and deliver products in a timely manner;
- increase customer awareness and acceptance of our products;
- effectively manage our brands;
- minimize the time and costs required to obtain required regulatory clearances or approvals;
- anticipate competitive trends to compete effectively with other medical device developers, manufacturers and marketers;
- price our products competitively, including providing financing to our customers;
- obtain appropriate intellectual property protection for our products and processes;
- effectively integrate acquired technology or products into our manufacturing, sales and distribution network; and
- effectively integrate customer feedback into our research and development planning.

There can be no assurance that any products now in development or that we may seek to develop in the future will achieve technological and commercial feasibility, obtain regulatory approval or gain market acceptance. If we are unable to develop and launch new products and enhance our existing products, our ability to maintain or expand our market position in the markets in which we participate may be adversely impacted. A delay in the development or approval of new products and technologies may impede the potential contribution of these technologies to our future growth. Further, increasing regulatory requirements, launch delays and inability to effectively scale manufacturing and achieve targeted margins with respect to any of our products or groups of products may adversely impact our business, financial condition and results of operations.

10. We are dependent on the continued supply of raw materials, the availability and cost of which can be subject to significant variation due to factors outside our control.

Our business, financial condition and results of operations are significantly impacted by the availability and cost of raw materials, particularly plastic granules, PVC (polyvinyl chloride) compounds, fibre and stainless steel tubes. The table below sets forth details on our cost of raw materials consumed, including as a percentage of our total expense, during the Fiscals stated:

Particulars	**Three months ended June 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (₹ lakhs)	***% of total expenses***	***Amount (₹ lakhs)***	***% of total expenses***	***Amount (₹ lakhs)***	***% of total expenses***	***Amount (₹ lakhs)***	***% of total expenses***
Cost of material consumed	13,257.20	43.66%	46,478.50	42.53%	42,431.20	46.33%	35,327.30	45.87%

Raw material availability and pricing can be volatile due a number of factors beyond our control, including global demand and supply, transportation and labour costs, labour unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and any unanticipated variation in any of these factors could have a material adverse effect on our operations. For instance, volatility in crude oil prices have in the past affected the prices of our raw material and may in the future significantly increase our raw material costs. Further, our ability to counter increases in price of raw materials by using raw material substitutes may be restricted. Even if we are able to obtain substitute raw material, we could incur increased expenditure in procuring them from alternative sources, which could result in reduced profit margins. We may be unable to pass on this increased expenditure to our distributors. Additionally, there may be no alternate vendors for certain of our raw material and non-availability of any raw material may result in disruption of our manufacturing process.

As we exported 69.63% of our products as on Fiscal 2024, including to countries in Europe, Australia, Asia, Americas and Africa, we need our raw material to meet the quality standards prescribed in these countries. In respect of the products that we sell domestically, we are required to meet quality standards prescribed by the GoI. If we are unable to obtain adequate supplies of raw material in a timely manner, which meet quality standards, on commercially acceptable terms, or if there are significant increases in the prices of the raw material which we are unable to pass on to our distributors, our business and results of operations may be materially and adversely affected.

11. Our reliance on third party raw material suppliers, exposes us to certain risks.

We rely on third parties for the supply of raw materials. Our ability to identify and build relationships with reliable vendors contributes to our growth and successful management of our inventory as well as other aspects of our operations. Our raw material particularly plastic granules, PVC (polyvinyl chloride) compounds, fibre and stainless steel tubesthat we typically source from third-parties based on purchase orders, without any long-term contracts with these suppliers.

Our raw material suppliers may fail to consistently deliver products of acceptable quality and within stipulated schedules, which may adversely affect our operations. Although we have initiated an in-house supplier approval process, which involves sample quality checks we cannot assure you that this process would enable us to identify reliable suppliers. We may be required to replace a supplier if its products do not meet our safety, quality or performance standards or if a supplier should unexpectedly discontinue operations due to reasons beyond its or our control (including financing constraints caused by credit market conditions).

Factors such as the financial instability of suppliers, non-compliance with applicable laws by suppliers, trade restrictions, labour disputes, currency fluctuations, changes in tariff or import policies, severe weather, political uncertainty, terrorist attacks and transport capacity and cost may disrupt our supply chains, which may result in increased costs or delivery delays. Further, increase in competition and/or our competitors having established stronger operations and long-term relationships with suppliers may see us facing challenges to secure adequate supply of raw materials or may increase our overall cost of raw materials. Therefore, there is no assurance that third party suppliers will be able to meet their contractual commitments to us, or that we will not be required to incur additional costs to remedy any deficiencies in their services or to obtain alternative sources of supply in the event that our contracted suppliers should default or be delayed in their performance. A significant disruption in supply of raw material or contract labour may, in turn, disrupt our operations and adversely affect our inventory management, business and financial condition, at least until alternative sources of supply of goods and services are arranged.

12. A majority of our revenue from operations is derived from our infusion therapy product vertical. Any reduction in demand for our product offerings in this vertical may have an adverse impact on our business and operations.

While we have a diversified product portfolio, infusion therapy is our key product vertical, under which we manufacture products such as safety intravenous (I.V.) cannula, I.V. cannula, quick flashback I.V. cannula, needle free systems, etc. In Fiscals 2024, 2023 and 2022, and the three months ended June 30, 2024, the contribution of infusion therapy products to our revenue from operations was as follows:

Particulars	Three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	*% of total revenue from operations*	*Amount (₹ lakhs)*	*% of total revenue from operations*	*Amount (₹ lakhs)*	*% of total revenue from operations*	*Amount (₹ lakhs)*	*% of total revenue from operations*
Sales of infusion therapy products	24,453.10	63.55%	86,041.70	62.54%	72,839.20	65.31%	55,404.30	60.02%

We cannot provide assurance that we will continue to have consistent levels of demand for our offerings in this product vertical in the future. Any reduction in demand for our infusion therapy devices on account of competitor offerings which are cheaper or more efficient, may have an adverse impact on our operations and cash flows. We seek to invest in research and development for development of new products and new product verticals as part of our growth strategy. See "***Business – Our Strategies – Enhance our manufacturing capabilities and expand our product portfolio to leverage industry growth drivers"*** on page 169. However, we cannot assure you that any such new products or product vertical divisions will be successful, whether because of any inefficiencies on our part or as a result of circumstances beyond our control, such as general economic conditions or competition from existing or new players in these business verticals or otherwise. We may also be required to comply with additional regulations, incur significant costs to establish specialized infrastructure at some of our manufacturing facilities and recruit appropriately skilled employees for manufacturing new products, and face increased competition for such new products and services, which may strain our business and financial condition. Any of these factors may adversely affect our ability to diversify into new offerings, which may have an adverse effect on our business and prospects.

13. We face intense competition and may not be able to keep pace with the rapid technological changes in the medical devices industry.

The medical device market is intensely competitive and is characterized by extensive R&D and rapid technological change. Companies invest around 6 to 7% of their revenue on R&D expenditure every year, with top multi national companies investing up to 8 to 9%. Thus, high R&D expenditure adversely impacts the industry/ players in case of product development failures. (*Source: CRISIL Report*) Our competition varies by market, geographic areas and type of product. Our customers consider many factors when choosing suppliers, including product quality, technology, breadth of product portfolio, cost, delivery and service, as well as quality and depth of relationships with our senior executives, and other business factors. Therefore, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve the quality and range of our products and our operating efficiencies. Any quality problems with our processes, goods and services could harm our reputation for producing high-quality products and erode our competitive advantage, sales and market share. The markets in which we operate are highly competitive in terms of pricing, product and service quality, product development and introduction time, customer service, financing terms and shifts in market demands, and competitors are increasingly offering services for our installed base.

We face competition from both domestic and international companies. Due to our diversified product portfolio, we compete with various companies for each of our business segments. Our competitors range from small start-up companies to larger companies which have significantly greater resources and broader product offerings than us, and we anticipate that in the coming years, other large companies will enter certain markets in which we currently hold a strong position. Furthermore, our industry has experienced significant consolidation in recent years. Certain of our competitors have been able to expand their portfolio of products and services through this consolidation process, and they are able to offer customers a broader range of products and services than we can, thereby, in some instances, providing them a competitive advantage in the market. In addition, we expect that competition will continue to intensify with increasing price competition and consolidation among healthcare providers. In addition, with the introduction of the PLI scheme by the Government that incentivizes manufacturers of medical devices, more companies may enter the industry and set-up greenfield projects to avail certain benefits.

Pharmaceutical alternative treatments compete vigorously with traditional procedures, such as those carried out with our products. Some pharmaceutical companies, academic and research institutions, or others, may develop new, non-invasive therapies that are more effective, more convenient or less expensive than our current or future products. The introduction of new technologies and more cost effective process technologies by our competitors, along with these new therapies may result in increased competition. They may also be able to manufacture products more efficiently, using environment friendly raw material or manufacture substitutes for our products at more competitive prices. Any such developments could have a material adverse effect on our business, financial condition and results of operations.

14. *Our business is dependent on certain principal customers and the loss of, or a significant reduction in purchases by such customers could adversely affect our business, financial condition, results of operations and future prospects.*

A substantial portion of our revenue is derived from our top 10 customers, as set out below.

Particulars	Three months ended June 30, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (₹ lakhs)	***% of revenue from operations***	***Amount (₹ lakhs)***	***% of revenue from operations***	***Amount (₹ lakhs)***	***% of revenue from operations***	***Amount (₹lakhs)***	***% of revenue from operations***
Top 10 customers	12,123	31.51%	39,884.00	28.99%	34,250.00	30.67%	25,476.00	27.60%
Our largest customer	2,819.00	7.33%	7,788.00	5.66%	7,413.00	6.65%	4,537.00	4.92%

We face the risk of the loss of all or any of our customers as we do not enter into any long-term agreements with fixed periods with our customers, and are dependent on our relationships with them to secure and renew existing arrangements. Relationships with our customers could be adversely affected by various factors, including delays on our part with respect to completion of the orders placed; failure to renew our existing arrangements with one or more of our significant customers; and failure to renegotiate favourable terms with our key customers, all of which could have a material adverse effect on our business, financial condition, results of operations and future prospects. Since our business is presently concentrated among a few significant customers, we may also experience reduction in cash flows and liquidity if we lose one or more of our top customers due to any dispute with respect to our contractual arrangements. Further our customers often undertake vendor rationalisation to reduce costs related to procurement from multiple vendors.

Since we are largely dependent on certain key customers for a significant portion of our sales, the loss of any one of our key customers or a significant reduction in demand from such customers may significantly affect our revenues and we may have difficulty securing comparable levels of business from other customers. In the event of such an occurrence, we may not be able to secure new customers in a timely manner or at all to offset any loss of revenue from the loss of such key customers, including our largest customer or our top ten customers. We may also not be able to easily re-allocate our resources and assets in a timely or efficient manner. Additionally, in order to retain some of our significant customers we may also be required to offer terms to them that may place restraints on our resources and reduce our profitability. The occurrence of any of the above may have a significant adverse impact on our business, financial condition, results of operations and future prospects.

15. If we fail to cost-effectively develop widespread brand awareness and maintain our reputation, or if we fail to achieve and maintain market acceptance for our products, our business could suffer.

We believe that developing and maintaining widespread awareness of our brand and maintaining our reputation for providing access to high quality medical devices in a cost-effective manner is critical to attracting new customers and maintaining our existing relationships. Our business and revenue are significantly dependent on growing and maintaining our base of customers. In Fiscals 2024, 2023, 2022 and the three months ended June 30, 2024, marketing expenses constituted 1.97%, 1.84%, 1.27% and 1.75% of our revenue from operations. Market acceptance of our products and customer acquisition depends on our marketing capabilities and brand awareness including with respect to the distinct features of our products, ease-of-use, cost efficiency and quality compliance. If we are not successful in demonstrating to existing and potential customers the benefits of our products, and maintaining our contracts with them, we could experience lower than expected sales.

Our brand promotion activities may not generate awareness or increase revenue and, even if they do, any increase in revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand, we may fail to attract or retain customers necessary to realize a sufficient return on our brand-building efforts or to achieve the widespread brand awareness that is critical for broad adoption of our products. Our marketing efforts depend significantly on referral from our current customers. Any failure in product quality or adverse publicity regarding us or our products, could adversely impact our business and growth prospectus.

16. We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations.

Our financial statements are presented in Indian Rupees. However, our revenues, expenditure and finance charges are influenced by the currencies of those countries where we sell our products (for example, countries in Europe, South-East Asia, the Middle East and Africa), to a limited extent by currencies of countries from where we procure our raw material (for example United States, Germany, China, Denmark, Portugal, Japan, Korea and Taiwan) and the countries where our Subsidiaries are located. In Fiscals 2024, 2023 and 2022, and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63%, 68.56%, 66.50%, and 72.14% of our revenue from operations, respectively. The exchange rate between the Indian Rupee and these currencies, primarily the U.S. Dollar and the Euro, have fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. Moreover, considering our long term and working capital borrowings are primarily U.S. Dollar denominated, we expect that our cost of borrowing as well as our cost of raw materials incurred by us and our Subsidiaries may rise during a sustained depreciation of the Indian Rupee against the U.S. Dollar, the Euro or the Chinese Yuan. As of March 31, 2024, our unhedged foreign currency receivables amounted to ₹14,015.00 lakhs, and the total value of our outstanding forward exchange contracts amounted to ₹1,943 lakhs.

We may, therefore, suffer losses on account of foreign currency fluctuations for sales to our international distributors and on our international operations, as we may be able to revise prices, for foreign currency fluctuations, only on a periodic basis and we may not be able to pass on all losses on account of foreign currency fluctuations to our distributors. Moreover, we may be required to reconfigure our loan portfolio from time to time, so as to effectively manage our finance charges.

We are, to a limited extent benefitted by a natural hedging process on account of our imports, and further seek to hedge our foreign currency exchange risk by entering into forward exchange contracts. We also have internal policies such as our Foreign Exchange Risk Management Policy and Commodity Risk Management Policy for managing adverse movements in foreign exchange rates and commodity prices. However, any such amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations.

17. We are subject to product liability exposure and have limited insurance coverage. Any product liability claims or regulatory actions could be costly and time-consuming to defend, damage our reputation and materially and adversely affect our business, financial condition and results of operations.

Our main products are medical devices used in treating and monitoring patients, exposing us to potential product liability claims if their use causes or results in, or is alleged to have caused or resulted in, in each case either directly or indirectly, personal injuries or other adverse effects. Any product liability claims or regulatory actions could be costly and time-consuming to defend. If successful, product liability claims may require us to pay substantial damages. As of June 30, 2024 we maintain ₹ 1,16,872.00 lakhs of insurance coverage amounting to 122.77 % of our total assets. We maintain product liability insurance in order to cover potential product liability arising from the use of our products. As a result, future liability claims could be excluded or could exceed the coverage limits of our policy. As we expand our sales internationally and increase our exposure to these risks in many countries, we may be unable to maintain sufficient product liability insurance coverage on commercially reasonable terms, or at all. Any product liability claim or potential safety-related regulatory action, with or without merit, could result in significant negative publicity and materially and adversely affect the marketability of our products and our reputation, as well as our business, financial condition and results of operations. A successful claim not fully covered by our insurance could have a negative impact on our liquidity, financial condition, and results of operations, and even unsuccessful claims could result in substantial costs and diversion of management resources.

Moreover, a material design, manufacturing or quality failure or defect in our products, other safety issues or heightened regulatory scrutiny could each warrant a product recall by us and result in increased product liability claims. If authorities in the countries where we sell our products decide that any of our products fail to conform to applicable quality and safety requirements, we could be subject to regulatory action. Violation of product quality norms and safety requirements may subject us to confiscation of related earnings, penalties, and an order to cease sales of the violating product or to cease operations pending rectification. Further, if the violation is determined to be serious, our material licenses, including to manufacture or sell our products, could be suspended or revoked. Successful medical liability claims could result in substantial damage awards that could adversely harm our reputation, business prospects, results of operations and financial condition.

18. If we fail to accurately project demand for our products, we may encounter problems of inadequate supply or oversupply, which would materially and adversely affect our financial condition and results of operations, as well as damage our reputation and brand.

Our distributors typically order our products on a purchase-order basis. We project product demand based on rolling distributor projections, our understanding of anticipated hospital procurement spending, and distributor inventory levels. However, our lack of significant order backlog and the varying sales and purchasing cycles of our distributors and other customers make it difficult for us to accurately forecast demand.

In countries where we lack a direct sales force, our demand projections are generally less reliable than in countries where we have a direct sales force because we have less available information on which to base our projections. Specifically, we lack consistently reliable information regarding international distributor inventory levels in these markets, and occasionally lack extensive knowledge of local market conditions or about distributor purchasing patterns, preferences, or cycles. Further, as shipping finished products to international distributors typically takes longer than shipping to domestic distributors, inaccurate demand projections can result more quickly in unmet demand. We additionally may have unpredictably large tender sales orders for which we may have insufficient inventory to fill along with the additional orders in our pipeline.

If we overestimate demand, we may purchase more raw materials or components than required. If we underestimate demand, our third-party suppliers may have inadequate raw material or product component inventories, which could interrupt our manufacturing and delay shipments, and could result in lost sales. We seek to manage our procurement and inventory costs by matching our inventories closely with our projected manufacturing needs and by, from time to time, deferring our purchase of raw materials and components in anticipation of supplier price reductions. As we seek to balance inventory costs and production flexibility, we may fail to accurately forecast demand to predict and maintain appropriate levels of inventory reserve, which could cause uneven and unpredictable sales flow or could affect our ability to coordinate our procurement and production to meet demand on a timely basis. Our inability to accurately predict or timely meet demand could materially and adversely affect our financial conditions and results of operations as well as damage our reputation and brand.

19. Our indebtedness and imposition of certain restrictive covenants in our debt financing arrangements could adversely affect our financial condition and results of operations.

As on June 30, 2024, our total short-term borrowings from banks amounted to ₹ 18,318.99 and we did not have any long term-borrowings. Our leverage has several important consequences, including the following:

- a portion of our cash flows being utilized towards repayment of our existing debt, which would in turn reduce the availability of cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future or renegotiate or refinance our existing indebtedness on terms favorable to us may be limited;
- fluctuations in market interest rates will affect the cost of our borrowings, as a majority of our indebtedness is subject to floating interest rates;
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions;
- we may have difficulty satisfying payment and other obligations under our existing financing arrangements and an inability to comply with these requirements could result in an event of default, acceleration of our repayment obligations and enforcement of related security interests over our assets; and
- we may be restricted from making dividend payments to our shareholders under certain circumstances.

The majority of our indebtedness is secured against our immovable and movable properties, including our manufacturing facilities. Certain of our financing agreements include various conditions and covenants restricting certain activities and certain transactions. Specifically, we may require, and may be unable to obtain, lender consents to incur additional debt, change our capital structure, undertake any expansion, provide additional guarantees, change our management structure, change of the constitutional documents, merge with or acquire other companies, or distribute dividends under certain circumstances, whether or not there is any failure by us to comply with the other terms of such agreements.

In the event of any breaches of conditions and covenants in our loan agreements, various remedies are available to lenders, as a consequence of these breaches, including termination of our credit facilities, acceleration of all amounts due under such facilities and trigger of cross default provisions under certain of our other financing agreements, and such breaches may lead to an enforcement of any security provided, including any security over our manufacturing facilities. If the obligations under any of our financing documents are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of our cash flow to meet working capital requirements and use for other general corporate purposes. Further, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. If the obligations under any of our financing documents are accelerated it may also result in a decline in the trading price of the Equity Shares and you may lose all or part of your investment.

20. Certain of our manufacturing facilities in India are located in close proximity to each other in a particular region and any adverse development affecting such region may have an adverse effect on our business, prospects, financial condition and results of operations.

All our nine manufacturing facilities in India are located in the northern part of India across the three states of Haryana, Rajasthan and Uttarakhand. Any materially adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the state or local governments in this region could adversely affect manufacturing activities at our manufacturing facilities, result in modification of our business strategy, or require us to incur significant capital expenditure. Any such adverse development affecting continuing operations at our manufacturing facilities could result in significant loss from inability to meet customer contracts and production schedules and could materially affect our business reputation within the industry. We cannot assure you that there will not be any significant disruptions in our operations in the future. The occurrence of, or our inability to effectively respond to, any such event, could have an adverse effect on our business, results of operations, financial condition and cash flows.

21. Failure to maintain strong working relationships with healthcare professionals could adversely impact our product development and sales and marketing efforts.

If we fail to maintain our working relationships with physicians and other healthcare professionals, many of our products may not be developed and marketed in line with the needs and expectations of the professionals who use and support our products. The research, development, marketing and sales of many of our new and improved products is dependent upon our maintaining working relationships with physicians as well as other healthcare professionals, including hospital purchasing agents, who are becoming increasingly instrumental in making purchasing decisions for our products. We rely on these professionals to provide us with considerable knowledge and experience regarding our products and the marketing and sale of our products. Physicians also assist us as researchers, consultants, advisory board members, inventors and as public speakers. If we are unable to maintain our strong relationships with these professionals and continue to receive their advice and input, the development and marketing and sales of our products could suffer, which could have a material adverse effect on our financial condition and results of operations. Our relationships with physicians and other healthcare professionals and other service providers that use our products are regulated by the Uniform Code of Pharmaceutical Marketing Practices, 2024, the Central Drug Standards Control Organization and applicable foreign laws in the jurisdictions where we sell and market our products. Failure to comply with such legislations could result in criminal or civil penalties and exclusion from healthcare programs.

22. Our operations are subject to environmental, health and safety laws and regulations in jurisdictions where we operate.

Our operations are subject to various international, national state and local laws and regulations relating to environmental protection, occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes, in the various locations in India and other jurisdictions where we operate. For example, we require consents to establish and operate under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, the Hazardous and Other Wastes (Management, Transboundary Movement) Rules, 2016, the Bio-Medical Waste Management Rules, 2016, as well as the Environment Protection Act, 1986 and the Environment Protection Rules, 1986 and registrations with relevant tax and labour authorities in India. Our operations, facilities and properties in China, Egypt and Italy are also subject to local environmental and occupational health and safety laws and regulations. Further, these permits, licenses and approvals are issued for certain fixed periods of time and may expire from time to time in the normal course of our business. There can be no assurance that these relevant authorities will issue such permits in a timely manner or at all. Failure by us to maintain or renew or obtain requisite permits, licenses or approvals may result in the interruption of our operations and could have a material adverse effect on our business, financial condition, result of operations and cash flows.

Further, our licenses and approvals impose certain conditions on us, the compliance of which may result in material increase in our cost of production and its non-compliance may result in the interruption of our operations. Environmental laws and regulations in India and internationally, have become increasingly stringent and it is possible that they will become significantly more stringent in the future. For instance, pursuant to amendments to the Plastic Waste Management Rules, 2016, the manufacture, stocking and usage of PVC banners less than 100 micron has been prohibited. Stricter laws and regulations or stricter interpretation of the existing laws and regulations may impose new liabilities on us or result in the need for additional investment in environmental protection equipment, either of which could affect our business, financial condition or prospects.

23. If we are unable to collect our dues and receivables from our clients, our results of operations and cash flows could be adversely affected.

We extend credit to certain of our distributors and retailers, and are exposed to the risk of uncertainty regarding the receipt of these outstanding amounts. Consequently, we have and may continue to have relatively high levels of outstanding receivables, which may impact on our cash flow statement. The table below sets forth our trade receivables and allowance for doubtful debts as of the dates stated:

Particulars	**As of/ for the year ended**		
	March 31, 2024	**March 31, 2023**	**March 31, 2022**
Trade receivables (₹ lakhs)	26,993.90	23,543.20	20,662.80
Trade receivables turnover ratio	5.44	5.04	5.09
Trade receivables days	73	76	80

If a significant portion of our distributors default in making these payments our profits margins could be adversely affected. Our financial position and profitability therefore depend on the credit-worthiness of our distributors and retailers. Certain of these distributors and retailers may have weak credit histories and we cannot assure that these counterparties will always be able to pay us in a timely fashion, if at all, or that we will be able to accurately assess the creditworthiness of our clients. Any change in the financial condition of these counterparties that adversely affects their ability to pay us may adversely affect our results of operations and financial condition. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Further, we cannot assure you that in the future we will not extend credit to our customers and distributors.

24. Failure to integrate acquired businesses into our operations successfully could adversely affect our business, financial condition and operating results.

As part of our strategy to expand our product portfolio and distribution network, we completed the acquisition of Plan1 Health SRL in Fiscal 2018 and may pursue additional acquisitions in the future. Our integration of acquired businesses requires significant efforts, including corporate restructuring and the coordination of various branches such as information technologies, R&D, sales and marketing, operations, regulatory, supply chain, manufacturing, quality systems and finance. These efforts result in additional expenses and involve significant management time. Some of the factors that could affect the success of our acquisitions include, among others, the effectiveness of our due diligence process, our ability to execute our business plan for the acquired companies, the strength of the acquired technology, results of clinical trials, regulatory approvals, the continued performance of critical transition services, our ability to adequately fund acquired in-process R&D projects and retain key employees and our ability to achieve synergies with our acquired companies, such as increasing sales of our products, achieving cost savings and effectively combining technologies to develop new products.

In addition, foreign acquisitions involve unique risks, including those related to integration of operations across different geographies, cultures and languages, currency risks and risks associated with the economic, political, legal and regulatory environment in specific countries. Our failure to manage successfully and coordinate the growth of the acquired companies could have an adverse impact on our business and our future growth. In addition, we cannot be certain that the businesses we acquire will become profitable or remain so, and if our acquisitions are not successful, we may record related asset impairment charges in the future or experience other negative consequences on our results.

25. We may not be successful in our strategy relating to future strategic acquisitions of, investments in, or alliances with, other companies and businesses, which have been a significant source of historical growth for us, and will be key to our diversification into new markets and technologies.

Our strategic acquisitions, investments and alliances are intended to further expand our ability to offer customers effective and high quality medical devices. These acquisitions, investments and alliances have been a significant source of our growth. If we are unsuccessful in our acquisitions, investments and alliances, we may be unable to grow our business. The success of our strategy relating to future acquisitions, investments or alliances will depend on a number of factors, including our ability to identify suitable opportunities for acquisition, investment or alliance, if at all; to manage such opportunities and prioritize those investments to execute our strategy; to manage our due diligence process to uncover potential issues with targets; to finance any future acquisition, investment or alliance on terms acceptable to us, if at all; to complete acquisitions, investments or alliances in a timely manner on terms that are satisfactory to us, if at all; to successfully integrate and operate acquired businesses; to successfully identify and retain key target employees; to comply with applicable laws and regulations, including foreign laws and regulations, and; to protect intellectual property and to prevail in litigation related to newly acquired technologies.

Any potential future acquisitions we consummate may be dilutive to our earnings and may require additional debt or equity financing, depending on their size or nature.

26. Our insurance coverage may not be sufficient or may not adequately protect us against any or all hazards, which may affect our business, results of operations and financial condition.

Our principal types of coverage include damage to manufacturing facilities due to fire, earthquake, product liability, money for the payment of wages, salaries and marine insurance to cover our products while they are in transit to distributor or customer locations. We cannot assure you that any claim under the insurance policies maintained by us will be covered entirely, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we did not obtain or maintain insurance, or which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be affected. For further information on our insurance arrangements, see "***Business – Insurance***" on page 179.

27. We are dependent on third-party transportation providers for the supply of raw materials and delivery of our finished products.

Our success depends on the supply and transport of the various raw materials required for our manufacturing facilities and of our finished products from our manufacturing facilities to our customers and distributors, which are subject to various uncertainties and risks. We use third-party freight and transportation providers for the delivery of our products and transportation strikes, if any, could have an adverse effect on supplies and deliveries to and from our dealers and suppliers. The table below sets forth our freight expenses for the Fiscals stated:

Description	**Three months ended June 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (₹ lakhs)	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***
Freight expenses	407.30	1.06%	1,199.40	0.87%	741.20	0.66%	620.50	0.67%

In addition, raw materials and finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be a delay in delivery of raw materials and products which may also affect our business and results of operations negatively. In the event we fail to maintain a sufficient inventory of raw materials and delivery of such materials to us is delayed, we may be unable to meet our purchase orders in a timely manner or at all, which may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Any compensation received from insurers or third-party transportation providers may be insufficient to cover the cost of such delays and may not repair damage to our relationships with our affected customers and distributors. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

28. Our products are continually subject to clinical trials and other analyses conducted by us, our competitors or other third parties, the results of which may be unexpected, or perceived as unfavorable by the market, and could have a material adverse effect on our business, financial condition or results of operations.

As a part of the regulatory process of obtaining marketing clearance for new products and new indications for existing products, we conduct and participate in numerous clinical trials with a variety of study designs, patient populations and trial endpoints. Unexpected or inconsistent clinical data from existing or future clinical trials or other analyses conducted by us, by our competitors or by third parties, including acquired businesses prior to acquisition by us, or the market's perception of this clinical data, may adversely impact our ability to obtain product approvals, our position in, and share of, the markets in which we participate and our business, financial condition, results of operations or future prospects.

29. We rely on third parties to manufacture certain of our products. Any failure by or loss of a third party manufacturer could result in delays and increased costs, which may adversely affect our business.

We rely on third parties to manufacture certain of our products. For instance, Vitromed, a member of our promoter group, undertakes production of certain products and components of our medical devices on a job work basis. The table below sets forth job work charges paid to Vitromed as a percentage of our revenue.

Description	**Three months ended June 30, 2024**		**Fiscal 2024**		**Fiscal 2023**		**Fiscal 2022**	
	Amount (₹ lakhs)	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***	***Amount (₹ lakhs)***	***% of total revenue from operations***
Job work charges	1,975.40	5.13%	7,653.30	5.56%	6,693.30	6.00%	5,776.30	6.26%

We depend on Vitromed and other third party manufacturers to allocate to us a portion of their manufacturing capacity sufficient to meet our needs, to produce products of acceptable quality and at acceptable efficiency and to deliver those products to us on a timely basis and at acceptable prices. However, we cannot guarantee that these third party manufacturers will be able to meet our near-term or long-term manufacturing requirements, which could result in lost sales and have an adverse effect on our business.

Other risks associated with our reliance on third parties to manufacture these products include, reliance on the third party for regulatory compliance and quality assurance, misappropriation of our intellectual property, limited ability to manage our inventory, possible breach of the manufacturing agreement by the third party and the possible termination or non-renewal of the manufacturing agreement by the third party at a time that is costly or inconvenient for us. Moreover, if any of our third party manufacturers suffer any damage to facilities, lose benefits under material agreements, experience power outages, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, we may experience significant business disruption. In the event of any such disruption, we would need to seek and source other qualified third party manufacturers, likely resulting in further delays and increased costs which could affect our business adversely.

30. There are outstanding proceedings involving our Company, and any adverse outcome in any of these proceedings may adversely affect us.

There are outstanding legal proceedings involving our Company that are incidental to our business and operations. These proceedings are pending at different levels of adjudication before various courts, tribunals, quasi-judicial authorities and appellate tribunals. For further information, see "***Legal Proceedings – Litigation involving our Company – Litigation Against our Company – Actions by statutory or regulatory authorities***" on page 243. We cannot assure you that these legal proceedings, or any other legal proceedings that we may be involved in future will be decided in favor or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability, reputation, the trading price of our Equity Shares, business, results of operations and financial condition.

31. Our inability to attract and retain key personnel and employees could adversely affect our operations, financial condition and results of operations.

We are dependent on our management, including Mr. Himanshu Baid, our Managing Director and Mr. Rishi Baid, our Joint Managing Director and our skilled personnel, including members of our technical, research, sales and management staff and our employees for the smooth running of our business and our ability to compete effectively. Further, we rely on our skilled employees for several aspects of our manufacturing process. Therefore, retaining the services of our skilled personnel, including engineers and technicians, is a high priority and competition to retain skilled employees will likely result in increased personnel expenses. We may not be able to continuously attract qualified personnel or retain such personnel on acceptable terms, given the rising demand for such personnel and compensation levels in the industry. If we are not able to attract and retain qualified personnel, our results of operations may be adversely affected. Although we believe we enjoy good relations with our staff and employees, we cannot assure you that such relations will not be disrupted.

There can be no assurance that we will be successful in recruiting or retaining an optimum number of sales personnel required for our operations. Although we focus on developing skills, building motivation and inculcating leadership amongst our employees and key personnel, we cannot assure you that we would be successful in attracting, recruiting and retaining such key employees, which may result in an adverse effect on our business and results of operations.

32. Significant disruptions of information technology systems or breaches of data security could adversely affect our business.

Our business is dependent upon complex and interdependent information technology systems, including internet-based systems, to support business processes as well as internal and external communications. For instance, we have implemented an ERP system, to handle purchase of goods, services, inventory, supply chain management, invoicing, accounting, payments, collections, reconciliation, taxation, regulatory compliance, human resources management and other business functions. The complexity of our computer systems may make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. We cannot assure you that we will not encounter disruptions in the future. Any such disruption may result in the loss of key information or disruption of our business processes, which could adversely affect our business and results of operations.

33. ***Export destination countries may impose varying duties on our products. Any increase in such duties may adversely affect our business and results of operations. Further, changes or uncertainty in international trade policies or tariffs could disrupt our global operations or negatively impact our financial results.***

A significant percentage of our products are sold in various countries and markets outside India, including in countries and markets in North America, Europe and Latin America. These destination countries and markets for our products may impose varying duties and other levies on our products, which may affect our ability to compete with local manufacturers and other competitors with more widespread operations that may enable them to coordinate delivery and supplies from strategically located manufacturing facilities in a more cost competitive manner. Our foreign operations expose us to a number of risks related to trade protection laws, tariffs, excise or other border taxes on products exported to certain countries. Changes or uncertainty in international trade policies or tariffs could impact our global operations, as well as our customers. We may be required to incur additional costs to manufacture and distribute certain of our products. There can be no assurance that the duties or other levies imposed on our products by such destination countries will not change or increase, or that such change or increase will not adversely affect our business and results of operations.

34. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely affect our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, which may in turn adversely affect our business, financial condition or results of operations.

35. We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.

As of March 31, 2024, our contingent liabilities not provided for were as follows:

Particulars	**Amount (₹ lakhs)**
Compensation for enhanced cost of land pending with District and Session Court, Faridabad	9.34
Show cause notice issued by Principal Commissioner of Customs	849.03
Show cause notice issued by Joint Commissioner CGST (F.Y. 2017-19 and 2020-22)	4,237.83
Demand by Assistant Commissioner of CGST along with penalty in respect of transitional input tax credit	32.34
Income tax demand for AY 2017-18 under Section 270A of Income Tax Act 1961 and also for AY 2018-19 u/s 143(3) and 154 of Income Tax Act 1961	152.50
Demand from National Pharmaceutical Pricing Authority	66.88
Total	**5,347.92**

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For further information, see "***Financial Information***" on page 248.

36. Under-utilization of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

We operate 12 manufacturing facilities across India, China, Egypt and Italy. In India, we operate nine manufacturing facilities, consisting of six facilities situated in Faridabad (Haryana), two facilities (including a SEZ unit) situated in Jaipur (Rajasthan) and one facility in Haridwar (Uttarakhand). Our ability to maintain our profitability depends on our ability to (i) maintain our high capacity utilization; (ii) optimize the product mix to support high-margin products and products with consistent long-term demand; (iii) maintain demand and supply balance of our key products in the principal and upcoming target markets. High capacity utilization allows us to spread our fixed costs, resulting in a high gross profit margin.

In Fiscal 2024, we had an aggregate annual installed manufacturing capacity of 17,679.5 lakh units per year, and our capacity utilization was 70.46%. For further information, see "***Business – Capacity and Capacity Utilization***" on page 175. These rates are not indicative of future capacity utilization rates, which is dependent on various factors, including demand for our products, availability of raw materials, our ability to manage our inventory and implement our growth strategy of improving operational efficiency. Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could materially and adversely impact our business, growth prospects and future financial performance.

Our capacity utilization is affected by the availability of raw materials, industry/ market conditions as well as by the product requirements of, and procurement practice followed by our customers. Our capacity utilisation is also influenced by the demand and supply balance and the average selling prices of our product mix, which would in turn affect our gross profit margin. In the event that we are unable to procure sufficient raw materials, or optimise our product mix, we would not be able to achieve full capacity utilization of our current manufacturing facilities, resulting in operational inefficiencies which could have a material adverse effect on our business and financial condition. Our capacity utilization levels are also dependent on our ability to procure requisite regulatory approvals in a timely manner; recruit and ensure satisfactory performance of personnel to further grow our business; and the ability to absorb additional infrastructure costs and develop new expertise and utilize our capacities as anticipated. In case of oversupply in the industry or lack of demand, we may not be able to utilise our capacity efficiently.

37. Our business is working capital intensive. If we experience insufficient cash flows from our operations or are unable to borrow funds to meet our working capital requirements, it may materially and adversely affect our business and results of operations.

Our business requires significant amount of working capital primarily due to the fact that a significant amount of time passes between when we purchase raw materials and sell our finished products. Consequently, there could be situations where the working capital facilities available may not be sufficient to fulfil our commitments, and hence we may need to incur additional indebtedness in the future, or utilize internal accruals to satisfy our working capital needs. Our future success depends on our ability to continue to secure and successfully manage sufficient amounts of working capital. Further, our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner.

As of June 30, 2024, we have availed working capital facilities amounting to ₹ 17,593.40 lakhs. As we pursue our growth plan, we expect that we will have to raise additional funds by incurring further indebtedness or issuing additional equity to meet our capital expenditures in the future. If we experience insufficient cash flows or are unable to borrow funds on a timely basis, or, at all, to meet our working capital and other requirements, or to pay our debts, it could materially and adversely affect our business and results of operations. Management of our working capital requirements involves the timely payment of, or rolling over of, our short-term indebtedness and securing new and additional loans on acceptable terms, or re-negotiation of our payment terms for, our trade payables, collection of trade receivables and preparing and following accurate and feasible budgets for our business operations. There can be no assurance that we will be able to effectively manage our working capital. Should we fail to effectively implement sufficient internal control procedures and management systems to manage our working capital and other sources of financing, we may have insufficient capital to maintain and grow our business, and we may breach the terms of our financing agreements with banks, face claims under cross-default provisions and be unable to obtain new financing, any of which would have a material adverse effect on our business, results of operations and financial condition. For further information on the working capital facilities currently availed of by us, see "***Financial Information***" on page 248.

38. Our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees. Further, if more stringent labour laws or other industry standards in India become applicable to us, our profitability may be adversely affected.

As on June 30, 2024, we had 2,847 employees including approximately 300 engineers6. We have in the past had on-site injuries at the premises of our manufacturing facilities. In one instance, the employee suffered a permanent disability and we are currently involved in proceedings for the related claims for reimbursement of medical expenses. Although we have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

Our operations may not have been conducted in full compliance with applicable law in the past and we may have been subject to regulatory action. and are also involved in proceedings following a complaint by a local Drug Inspector alleging irregularities with one of our products. There can be no assurance that we will not be subject to any adverse regulatory action in the future. We are subject to multiple regulators and numerous labour related laws that may differ from state to state across our operations. Thus, due to the possibility of varied interpretations of the applicable regulations by regulators and authorities, we may be subject to penalties and our business could be adversely affected.

Further, in order to rationalize and reform labour laws in India, the Government of India has notified four labour codes which are yet to come into force as on the date of this Placement Document, namely;

(i) the Code on Wages, 2019, which received the assent of the President of India on August 8, 2019, and will repeal the Payment of Bonus Act, 1965, Minimum Wages Act, 1948, Equal Remuneration Act, 1976, and the Payment of Wages Act, 1936;

(ii) the Industrial Relations Code, 2020, which received the assent of the President of India on September 28, 2020, and will repeal the Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946 and Industrial Disputes Act, 1947,

(iii) the Code on Social Security, 2020, which received the assent of the President of India on September 28, 2020, and will repeal certain enactments including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Maternity Benefit Act, 1961, Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, and the Payment of Gratuity Act, 1972; and

(iv) the Occupational Safety, Health and Working Conditions Code, 2020, which received the assent of the President of India on September 28, 2020 and will repeal certain enactments including the Factories Act, Motor Transport Workers Act, 1961, The Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019 and Code on Social Security, 2020, have come into force upon notification dated December 18, 2020 and May 3, 2023, respectively, by the Ministry of Labour and Employment. The remaining provisions of these codes shall become effective as and when notified by the Government of India. We cannot assure you that we would be able to achieve compliance with these codes, once notified, in a timely manner or at all. Bringing our operations into compliance with these codes may be a time-consuming and costly process, which may have an adverse impact on our profitability.

39. There are several restrictions on SEZs and underlying SEZ land in India, which may adversely affect our Jaipur facility.

Our facility at the Jaipur SEZ is classified as an SEZ under the Special Economic Zones Act, 2005 and the Special Economic Zones Rules, 2006. Our lease for these premises, therefore, restrict our ability to use this location to manufacture products for domestic sales (i.e., other than for exports) or to undertake any new line of business. Under the prevailing law governing SEZs in India, the land area in an SEZ may be demarcated into a processing area for setting up units for manufacture of products or provision of services, or an area exclusively for trading or warehousing purposes, or a non-processing area for other activities. The lease period for space in the processing area or the free trade and warehousing zone within an SEZ has to be for a minimum period of five years. Moreover, the developer cannot remove goods from the SEZ to the domestic tariff area ("**DTA**") without permission from the relevant authority and, where applicable, certain duties are to be paid for clearance of goods in DTA. There are also certain restrictions on transfer of SEZ units, including the requirement to obtain the approval of the relevant authority for any proposed sale or transfer of an SEZ unit and a lock-in period in terms of the SEZ land having been leased for a minimum period of five years and a minimum operating history of at least two years from commencement of operations of the SEZ unit proposed to be sold or transferred.

Further, the approvals received by us to develop, operate and maintain the SEZs are subject to us fulfilling certain conditions, including compliance with environmental safety standards, applicable standards relating to planning, sewage disposal, pollution control, labor laws and execution of certain guarantees. In the event we are unable to comply with the restrictions under the laws governing SEZs in India, our rights to use our units demarcated as SEZs may be suspended or withdrawn and the guarantees provided by us may be invoked against us as a penalty, which may in turn adversely affect our business, financial condition, results of operations and prospects.

40. Seven of our manufacturing facilities and offices are located on leased premises. If these leases are terminated, it could have a material adverse effect on our business, financial condition and results of operations.

We have currently obtained on lease four of our manufacturing facilities, two of which are situated in Jaipur (Rajasthan) and two of which are situated in Haridwar (Uttarakhand) and three offices. We have entered into long term lease agreements with the State Industrial Development Corporation of Uttarakhand Limited for a term of 90 years, for the land where our Haridwar Facility is located and with Mahindra World City (Jaipur) Limited for a of 90 years, where our Jaipur Facility is located. Though we have entered into long term lease agreements for our properties, we may not be able to renew or extend these agreements at commercially acceptable terms, or at all in the future. Further, we may be required to re-negotiate rent or other terms and conditions of such agreements during their currency. We may also be required to vacate the premises at short notice period prescribed in the lease agreements, and we may not be able to obtain an alternate location, in a short span of time. Occurrence of any of the above events may have a material adverse effect on our business, results of operations and financial condition. Further, any adverse impact on the ownership rights of our landlords may impede our effective future operations.

Additionally, our manufacturing facility located in Haridwar (Uttarakhand) is operated on industrial land allotted to us by the State Industrial Development Corporation Uttarakhand Limited, subject to various compliance requirements such as obtaining prior approvals before any major constructions and erections, timely payment of maintenance fees, adhering to the timelines for completion of setting up of the manufacturing facility and commencement, amongst others. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition. For further information, see "***Business – Property***" on page 180.

41. This Placement Document contains information from industry sources including the industry report from CRISIL.

Certain information in "***Industry Overview***," "***Business***" and "***Management's Discussion and Analysis of Financial Conditions and Results of Operations***" on pages 117, 165 and 82, respectively, has been derived from the various industry sources and the report titled '*Market Assessment of the Medical Device Industry in India*' issued by CRISIL ("**CRISIL Report**"), pursuant to an engagement with our Company. Neither we nor any other person connected with the Preliminary Placement Document has verified the information in the CRISIL Report or the other industry sources. Furthermore, these reports are prepared based on information as of specific dates, which may no longer be current or reflect current trends. The CRISIL Report may also base its opinion on estimates, projections, forecasts and assumptions that may prove to be incorrect.

The CRISIL Report also highlights certain industry, peer and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely amongst different industry sources. Furthermore, such assumptions may change based on various factors. We cannot assure that CRISIL Report assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Placement Document. Furthermore, the commissioned report is not a recommendation to invest or disinvest in our Company and shall not be construed as an expert advice or investment advice. Prospective investors are advised not to unduly rely on the CRISIL Report or extracts thereof as included in this Placement Document, when making their investment decisions.

42. Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Placement Document. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance including EBITDA, Debt to Equity Ratio and Interest Coverage Ratio ("**Non-GAAP Financial Measures**") have been included in this Placement Document. These Non-GAAP Financial Measures are not defined under Ind AS and are not presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Financial Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other manufacturing companies.

43. We engage contract labour for carrying out certain business operations.

We engage independent contractors through whom we engage contract labour for performance of certain functions at our manufacturing units as well as at our offices. Although we do not engage these labourers directly, we are responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and our financial condition.

44. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have in the past entered into, and may continue to enter into transactions with certain of our Promoters, relatives of our Promoters, Directors, and enterprises over which our Promoters and Directors have a significant influence. Such related party transactions may potentially involve conflicts of interest. In particular, we outsource manufacture of certain products and components of our medical devices to Vitromed, a member of our promoter group, on a job work basis. For details of charges paid to Vitromed, see "***Risk Factors** – **We rely on third parties to manufacture certain of our products. Any failure by or loss of a third party manufacturer could result in delays and increased costs, which may adversely affect our business.***" on page 54. While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

45. Our customers may engage in certain transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. Although we believe we have compliance systems in place that are sufficient to block prohibited transactions, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. Our customers may be located in and/ or may enter into transactions with end customers located in, jurisdictions to which certain OFAC-administered and other sanctions apply, such as Iran, Iraq and Syria. Although we do not believe that we are in violation of any applicable sanctions, if it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to penalties, and our reputation and future business prospects could be adversely affected. Further, investors in the Equity Shares could incur reputational or other risks as a consequence.

46. Withholding may be imposed on payments on the Equity Shares under the U.S. Foreign Account Tax Compliance Act.

Certain U.S. tax provisions commonly referred to as FATCA may impose 30% withholding on "foreign passthru payments" made by a "foreign financial institution" (an "**FFI**"). Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether or to what extent payments on the Equity Shares would be considered foreign passthru payments. Withholding on foreign passthru payments would not be required with respect to payments made before the date that is two years after the date of publication in the Federal Register of final regulations defining the term "foreign passthru payment." The United States has entered into an intergovernmental agreement with India (the "**IGA**"), which potentially modifies the FATCA withholding regime described above. Our Company believes that it may be subject to diligence, reporting and withholding obligations under the FATCA rules and the IGA. It is not yet clear how the IGA will address foreign passthru payments. Prospective investors in the Equity Shares should consult their tax advisors regarding the potential impact of FATCA, the IGA and any non-U.S. legislation implementing FATCA on their investment in the Equity Shares.

RISKS RELATING TO INVESTMENT IN INDIA

47. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document.

The financial statements for Fiscals 2024, 2023 and 2022 and the three months ended June 30, 2024, presented in this Placement Document are prepared and presented in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Ind AS, U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind AS contained in this Preliminary Placement Document. Accordingly, the degree to which our financial statements included in this Preliminary Placement Document provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should accordingly be limited. In addition, as the transition to Ind AS is recent, there is no significant body of established practice from which we can draw on, in forming judgments regarding the implementation and application of Ind AS, as compared to other established principles generally, or in respect of specific industries, such as the industry in which we operate.

48. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA and the rules thereunder. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. The DPIIT, has issued the Consolidated FDI Policy, which, with effect from October 15, 2020 consolidated and superseded all previous press notes, press releases, circulars and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Non-debt Instruments Rules, 2019. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/tax clearance certificate from the income tax authority. The Indian government may also impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

49. A slowdown in economic growth in India or political instability or changes in the Government in India could adversely affect our business.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. In the recent past, Indian economy has been affected by global economic uncertainties and liquidity crisis, domestic policy and political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, rising inflation rates and various other factors. Risk management initiatives by banks and lenders in such circumstances could affect the availability of funds in the future or the withdrawal of our existing credit facilities. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operation and the trading price of our Equity Shares. Volatility, negativity, or uncertain economic conditions could undermine the business confidence and could have a significant impact on our results of operations. Changing demand patterns and economic volatility and uncertainty could have a significant negative impact on our results of operations.

50. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.

We propose to utilise the Net Proceeds for the purposes described in "***Use of Proceeds***" on page 70. The funding requirements are based on internal management estimates and current conditions which are subject to changes due to external circumstances, costs, other financial conditions or business strategies. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may place a burden on our finance plans. We may also face delays or incur additional costs due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Our proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or any other independent agency and is based on management estimates. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, financial condition, results of operations and cash flows. Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

51. Financial instability in other countries may cause increased volatility in Indian financial markets and may have a material adverse effect on our business and the trading price of the Equity Shares.

The Indian economy is influenced by economic and market conditions in other countries, including, but not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, materially and adversely affect the Indian economy and financial sector and its business.

Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. For instance, the war in Ukraine has contributed to rising rates of inflation, including in India. In response to the rising rates of inflation, various central banks, including the RBI has increased interest rates, resulting in increased cost of credit. Further, the ongoing conflict between Israel and Palestine could result in increased volatility in, or damage to, the worldwide financial markets and economy. Further deterioration in the global economy because of the Russia-Ukraine or Israel-Palestine conflict, any significant escalation of an existing or new pandemic or otherwise, or the perception that such deterioration or escalation could occur, may continue to adversely affect global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Such disruptions could in turn materially and adversely affect our business, prospects, financial condition and results of operations.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. These could include further falls in stock exchange indices and/or greater volatility of markets in general due to the increased uncertainty. These and other related events could have a significant impact on the global credit and financial markets as a whole, and could result in reduced liquidity, greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets.

There are also concerns that a tightening of monetary policy in emerging markets and some developed markets will lead to a moderation in global growth. In particular, as China is one of India's major trading partners, there are rising concerns given that the United States has announced increased tariffs on Chinese imports in the recent past, and of a possible slowdown in the Chinese economy. Such factors might also result in a slowdown in India's export growth momentum and could materially and adversely affect our operating results and financial performance.

In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilizing effects. Any significant financial disruption in the future could have a material adverse effect on our cost of funding, loan portfolio, business, future financial performance and the trading price of the Equity Shares. Adverse economic developments overseas in countries where we have operations could have a material adverse effect on our business and the trading price of the Equity Shares.

52. Adverse geopolitical conditions such as increased tensions between India and China, could adversely affect economic, political and trade related conditions in the region our business, results of operations and financial condition.

Adverse geopolitical conditions such as increased tensions between India and China resulting in any military conflict in the region could adversely affect our business and operations. Such events may lead to countries imposing restrictions on the import or export of products or raw materials, among others, and affect our ability to procure raw materials required for our manufacturing operations. Our position is further exacerbated given the presence of our manufacturing facility in China. We could also be affected by the introduction of tariffs by countries to which we export our products, or changes in trade agreements between India and China. Moreover, increase in border tension or armed conflicts may further impact the economic and political conditions in the region thereby impacting our business prospects.

53. Changing laws, rules and regulations and legal uncertainties including adverse application of tax laws and regulations could adversely affect our business, prospects and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("**GST**") regime with effect from July 1, 2017, that combines multiple taxes and levies by the Central and State Governments into a unified tax structure.

The Government has enacted the GAAR which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us. In addition, the implementation of Ind AS is recent and new pronouncements may have a material impact on our profitability going forward and our revenue may fluctuate significantly period over period.

The Government of India has also announced the interim union budget for Fiscal 2025 and has enacted the Finance Act, 2024. While the Finance Act, 2024 does not propose any significant changes to Income-tax Act, 1961 ("**IT**

Act"), the full union budget which is likely to be announced later this year may introduce amendments to the IT Act. Additionally, pursuant to the Finance Act, 2020, dividend distribution tax is no longer payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and likely be subject to tax deduction at source. There is no certainty on the impact of the full union budget on tax laws or other regulations, which may adversely affect the Company's business, financial condition, results of operations or on the industry in which we operate.Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

54. Political, economic or any other factors beyond our control may have an adverse impact on our business and results of operations.

We are incorporated in India and we conduct our corporate affairs and our business primarily in India. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. These external risks include:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in government or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- strikes, lock-outs, work stoppages or increased wage demands by employees, suppliers or other service providers;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war;
- India has experienced natural calamities such as earthquakes, tsunamis, floods and drought in recent years' instability in the financial markets and volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- epidemic or any other public health emergency in India or in countries in the region or globally, including in India's various neighbouring countries;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs
- downgrading of India's sovereign debt rating by rating agencies; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

If such events should impact the national or any regional economies, our business and results of operations would be adversely affected.

RISKS RELATING TO THE ISSUE AND THE EQUITY SHARES

55. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

56. An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognised Indian stock exchange for a period of 12 months from the date of Allotment of the Equity Shares pursuant to the SEBI ICDR Regulations.

The Equity Shares in this Issue are subject to restrictions on transfers. Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of Equity Shares in this Issue, QIBs subscribing to the Equity Shares in the Issue may only sell their Equity Shares on the Stock Exchanges and may not enter into any off market trading in respect of these Equity Shares. We cannot be certain that these restrictions will not have an effect on the price and liquidity of the Equity Shares.

57. After this Issue, our Equity Shares may experience price and volume fluctuations.

The offer price of the Equity Shares in this Issue will be determined by us in consultation with the Book Running Lead Managers, based on the Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Offering is complete. You may be unable to resell your Equity Shares at or above the offer price and, as a result, you may lose all or part of your investment.

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, developments in the Indian healthcare sector, adverse media reports on us or the Indian healthcare industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies, and significant development in India's fiscal regulations.

58. Fluctuations in the exchange rate between the Indian Rupees and foreign currencies may have an adverse effect on the trading price of, and returns on, our Equity Shares, independent of our operating results.

Our Equity Shares are quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend foreign investors receive. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have a material adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

59. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements and capital expenditure. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends in the future. For further details, see "***Dividend***" on page 81.

60. Any adverse revision to India's debt rating by a domestic or international rating agency could adversely affect our business.

India's sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

61. Any future issuance of Equity Shares or convertible securities or other equity linked securities by our Company may dilute your shareholding and adversely affect the trading price of our Equity Shares.

Any future issuance of our Equity Shares or convertible securities or other equity linked securities by us, including pursuant to the ESOP Schemes, could dilute your shareholding. Any such future issuance of our Equity Shares or convertible securities or other equity linked securities, including pursuant to the ESOP Schemes, or sales of our Equity Shares by any of our significant Shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares or convertible securities, or other equity linked securities or that the Shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

62. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

Further, the Finance Act, 2020 has clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. With effect from July 1, 2020, the stamp duty for transfer of certain securities, other than debentures, on a delivery basis is at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any such laws or regulations would have a material adverse effect the Company's business, financial condition and results of operations.

Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares. See also "***Taxation***" on page 236.

63. Your ability to acquire and sell Equity Shares is restricted by the distribution and transfer restrictions set forth in this Placement Document.

No actions have been taken to permit a public offering of the Equity Shares in any jurisdiction, including India. As such, the Equity Shares have not and will not be registered under the U.S. Securities Act, any state securities laws or the law of any jurisdiction other than India. Furthermore, the Equity Shares are subject to restrictions on transferability and resale. You are required to inform yourself about and observe these restrictions, which are set forth in this Placement Document under the heading "***Selling Restrictions***" on page 215. We, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares made other than in compliance with the restrictions set forth herein.

MARKET PRICE INFORMATION

As on the date of this Placement Document, our issued, subscribed and paid-up equity share capital is ₹ 47,98,57,085 divided into 9,59,71,417 Equity Shares of ₹ 5 each. The face value of our equity shares is ₹ 5 per equity share. The Equity Shares are listed and traded on the BSE and NSE.

On August 16, 2024 the closing price of the Equity Shares on the BSE and NSE was ₹ 1,951.95 and ₹ 1,952.45, respectively. The tables below set out, for the periods indicated, the high, low and average closing prices and the trading turnover on the NSE and the BSE for our Equity Shares.

A. The following tables set out the reported high, low and average of the closing prices of our Equity Shares on the NSE and the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded for the Fiscals 2024, 2023 and 2022.

NSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakh)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakh)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in lakh)
Fiscal 2024	1,666.75	December 7, 2023	58,503	969.64	927.70	April 18, 2023	26,461	247.70	1,326.57	3,14,26,437	4,17,772.80
Fiscal 2023	1,031.35	November 9, 2022	3,80,475	3,868.58	667.75	June 20, 2022	18,954	127.56	861.74	1,45,96,643	1,29,430.15
Fiscal 2022	1,133.15	May 21, 2021	8,19,068	9,212.96	707.05	February 22, 2022	47139	330.02	930.99	30806053	2,95,563.77

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Fiscal	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakh)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakh)	Average price for the year (₹)	Total Volume of Equity Shares traded in the Fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in lakh)
Fiscal 2024	1,664.2	December 7, 2023	2,973	0.49	929.45	April 18, 2023	909	0.09	1,326.21	35,48,802	507.77
Fiscal 2023	861.64	June 20, 2022	900	6.11	668.85	November 9, 2022	28,575	289.63	861.64	9,64,756	8,635.08
Fiscal 2022	1136.45	May 21, 2021	42,384	476.62	702.45	February 22, 2022	3492	24.34	931.02	32,23,460	30,811.03

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

B. The following tables set out the reported high and low closing prices of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months.

NSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakh)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakh)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in lakh)
July 31, 2024	2,150.60	July 11, 2024	51,367	1,100.85	1,871.60	July 31, 2024	1,32,706	2,515.80	2,047.47	23,47,778	48,615.01
June 30, 2024	2,067.80	June 21, 2024	25,76,786	50,447.54	1,708.80	June 4, 2024	47,247	807.78	1,906.76	43,02,076	83,733.28
May 31, 2024	1,833.95	May 29, 2024	44,364	809.18	1,590.30	May 9, 2024	27,276	439.40	1,705.31	27,45,948	48,423.36
April 30, 2024	1,643.20	April 30, 2024	29,177	478.99	1,533.55	April 23, 2024	50,186	767.88	1,573.38	11,77,170	18,544.23
March 31, 2024	1,624.50	March 1, 2024	47,935	770.32	1,396.10	March 13, 2024	1,86,534	2,622.92	1,531.14	11,68,909	17,717.35
February 29, 2024	1,625.30	February 27, 2024	5,54,628	8,792.63	1,480.20	February 1, 2024	1,12,971	1,682.76	1,564.48	25,07,704	39,931.56

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

BSE

Month	High (₹)	Date of High	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakh)	Low (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakh)	Average price for the month (₹)	Equity Shares traded in the month	
										volume	Turnover (₹ in lakh)
July 31, 2024	2,148.60	July 11, 2024	1,440	30.90	1,872.00	July 31, 2024	9,161	174.66	2,047.16	1,30,850	2,686.17
June 30, 2024	2,067.85	June 21, 2024	17,248	346.95	1,718.00	June 4, 2024	2,442	41.55	1,907.02	94,827	1,837.58
May 31, 2024	1,832.85	May 29, 2024	82,300	1,426.61	1,588.80	May 9, 2024	2,645	42.47	1,704.51	82,300	1,426.61
April 30, 2024	1,640.85	Apr 30, 2024	1,772	29.06	1,530.10	April 23, 2024	3,222	49.30	1,572.27	12,1604	1,891.71
March 31, 2024	1,625.85	March 1, 2024	1,511	24.17	1,395.75	March 13, 2024	3,264	46.21	1,529.73	60,092	907.57
February 29, 2024	1,626.45	February 27, 2024	214,173	3,417.48	1,478.50	February 1, 2024	4,583	67.98	1,564.04	16,46,519	25,676.58

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen

C. The following table sets forth the market price of our Equity Shares on NSE and BSE on July 1, 2024, the first working day following the approval of the Board of Directors for the Issue.

NSE						BSE					
Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in lakh)	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in lakh)
1,950.05	1,993.55	1,935.05	1,983.95	48,419	956.30	1,996.75	1,996.75	*1,983.95*	*48,419*	*956.30*	*1996.75*

(Source: www.nseindia.com and www.bseindia.com)

USE OF PROCEEDS

The gross proceeds of the Issue will aggregate to ₹ 99,999.98 lakh ("**Gross Proceeds**"). Subject to compliance with applicable laws, after deducting fees, commissions and expenses of the Issue of approximately ₹ 1,500 lakh, the net proceeds from the Issue shall be ₹ 98,499.98 lakh ("**Net Proceeds**").

Objects of the Issue

Subject to compliance with applicable laws and regulations, our Company proposes to utilize the Net Proceeds towards the following objects:

(a) Funding capital expenditure to be incurred by our Company for setting up of manufacturing facilities ("**Project**");

(b) Pursuing inorganic initiatives; and

(c) General corporate purposes

(together, referred to hereinafter as the "**Objects**").

Our main objects clause and objects incidental or ancillary to the attainment of the main objects clause of our Memorandum of Association enables us to undertake the objects contemplated by us in this Issue.

Requirements of Funds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ lakh)

Sr. No.	Particulars	Amount which will be financed from Net Proceeds
1.	Funding capital expenditure to be incurred by our Company for setting up of manufacturing facilities	49,973.16
2.	Pursuing inorganic initiatives	25,026.84
3.	General corporate purposes(1)	23,499.98
	Total Net Proceeds	**98,499.98**

(1) The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified basis the final Issue size in this Placement Document.

Proposed schedule of implementation and utilisation of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in lakh)

Particulars	Total estimated amount / expenditure (A)	Amount to be funded from Net Proceeds	Estimated deployment of Net Proceeds in		
			Fiscal 2025	Fiscal 2026	Fiscal 2027
Funding capital expenditure to be incurred by our Company for setting up of manufacturing facilities	57,814.65	49,973.16	9,823.12	20,412.57	19,737.47
Pursuing inorganic initiatives	25,026.84	25,026.84	15,000.00	10,026.84	-
General corporate purposes(1)	23,499.98	23,499.98	9,999.98	10,000	3,500
Total	**1,06,341.47**	**98,499.98**	**34,823.10**	**40,439.41**	**23,237.47**

(1) The amount to be utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Our fund requirements, deployment of funds and the intended use of the Net Proceeds as described herein are based on (a) our current business plan, management estimates, other commercial and technical factors and other agreements entered into by our Company, which are subject to change in the future; and (b) certificate dated August 18, 2024 obtained from Asheesh Mittal, Chartered Engineer for the building cost, and in relation to the plant and machinery proposed to be purchased towards the proposed Project ("**CE Capex Certificate**"). Such fund requirements and deployment of funds have not been appraised by any bank or financial institution. For details on risks involved, see "***Risk Factors – Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.***" on page 62. We may have to revise our fund requirements and deployment on account of a variety of factors such as changes in costs, our financial condition, business and strategy or external circumstances such as market conditions, competitive environment, interest or exchange rate fluctuations and finance charges, increasing regulations or changes in government policies, which may not be in our control. This may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management, subject to compliance with applicable laws.

Further, in case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the Net Proceeds are not utilized (in full or in part) for the Objects during the period stated above due to factors including such as (i) the timing of completion of the Issue; (ii) economic and business conditions; (iii) increased competition; (iv) delay in procuring equipment; (v) market conditions outside the control of our Company; and (vi) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in the subsequent periods as may be determined by the management of our Company, in accordance with applicable laws.

Details of use of proceeds

(a) Funding capital expenditure to be incurred by our Company for setting up of manufacturing facilities

Our Company intends to establish three manufacturing facilities in order to manufacture medical devices, to be situated at Jaipur, Rajasthan ("**Rajasthan Facility**"), Palwal, Haryana ("**Haryana Facility**") and Haridwar, Uttarakhand ("**Uttarakhand Facility**", and together with the Rajasthan Facility and Haryana Facility, the "**Proposed Facilities**"). To fund the capital expenditure for setting up of these Proposed Facilities, we propose to utilize ₹ 49,973.16 lakh from the Net Proceeds over Fiscal 2025, Fiscal 2026 and Fiscal 2027. Also see "***Use of Proceeds - Proposed schedule of implementation and utilisation of Net Proceeds***" on page 70.

We currently operate through 12 manufacturing facilities situated across India, China, Egypt and Italy. In India, we operate through nine manufacturing facilities, with six facilities situated in Faridabad, Haryana, two facilities (including a SEZ unit) situated in Jaipur, Rajasthan, and one facility situated in Haridwar, Uttarakhand.

The land on which the Rajasthan Facility is proposed to be set up, is spread across a built-up area of 18,194 sq mtrs and has been leased out to us pursuant to a lease deed dated March 28, 2024 entered into with Mahindra World City for a period of 81 years. We have paid a consideration of ₹ 2,097.92 lakh, inclusive of applicable taxes, towards lease in respect of this facility. The land on which the Haryana Facility and the Uttarakhand Facility are proposed to be set up, are spread across a built-up area of 39,158 sq mtrs and 11,740 sq mtrs, respectively, and have been acquired by us for an aggregate consideration of ₹ 4,306.30 lakh, inclusive of applicable taxes.

Estimated Project cost and means of finance

The total estimated cost to establish the Proposed Facilities is ₹ 57,814.65 lakh of which, an amount of ₹ 7,841.49 lakh has already been incurred with ₹ 6,404.22 lakh incurred towards acquisition of land, ₹ 1,354.67 lakh incurred towards plant and machinery and ₹ 82.60 lakh incurred towards utilities. The remaining amount of ₹ 49,973.16 lakh is proposed to be entirely funded through the Net Proceeds. Such cost is based on management estimates in accordance with our business plan, and as certified by Asheesh Mittal in the CE Capex Certificate dated August 18, 2024.

The detailed break-down of estimated cost of the Project proposed to be incurred along with the particulars of the amount already deployed, is set forth below:

(*₹ in lakh*)

Particulars	Total estimated cost of the Project	Amount already deployed	Balance amount which will be funded through Net Proceeds
Rajasthan Facility			
Land	2,097.92	2,097.92	
Building and civil work	5,600.12	-	5,600.12
Plant and machinery	12,626.64	-	12,626.64
Utilities	2,081.86	-	2,081.86
Miscellaneous expenses	179.62	-	179.62
Total (A)	**22,586.16**	**2,097.92**	**20,488.24**
Haryana Facility			
Land	2,866.75	2,866.75	
Building and civil work	8,100.00	1,354.67	6,745.33
Plant and machinery	12,874.69	82.60	12,792.09
Utilities	3,257.91	-	3,257.91
Miscellaneous expenses	229.62	-	229.62
Total (B)	**27,328.97**	**4,304.02**	**23,024.95**
Uttarakhand Facility			
Land	1,439.55	1,439.55	
Building and civil work	650.00	-	650.00
Plant and machinery	5,149.73	-	5,149.73
Utilities	611.90	-	611.90
Miscellaneous expenses	48.33	-	48.33
Total (C)	**7,899.52**	**1,439.55**	**6,459.97**
Total (A+B+C)	**57,814.65**	**7,841.49**	**49,973.16**

Note: *As per the certificate dated August 18, 2024 issued by Asheesh Mittal, Chartered Engineer.*

While acquisition of land for the Proposed Facilities has already been undertaken, as a part of the Project, we require further investment in (a) building and civil work; (b) plant and machinery; (c) utilities; and (d) miscellaneous expenses.

Building and civil work

The total estimated cost for building and civil work for the proposed Project is ₹ 14,350.12 lakh, inclusive of taxes, as applicable, as per the CE Capex Certificate, and our Company proposes to utilise an amount of ₹ 12,995.45 lakh from the Net Proceeds, towards such building and civil work. Expenses towards building and civil work in respect of the Project shall include components such as cement, iron bar, bricks, hardware items, stone, sand, as well as contractor charges, among others.

The breakup of estimated cost of building and civil work across our three Proposed Facilities is set forth hereunder.

(*₹ in lakh*)

Particulars	Total estimated cost	Balance amount which will be funded through Net Proceeds
Building and civil work at Rajasthan Facility	5,600.12	5,600.12
Building and civil work at Haryana Facility	8,100.00(1)	6,745.33
Building and civil work at Uttarakhand Facility	650.00	650.00
Total	**14,350.12**	**12,995.45**

Note: *As per the certificate dated August 18, 2024 issued by Asheesh Mittal, Chartered Engineer.*

(1) Of this, an amount of ₹ 1,354.67 lakh has already been deployed towards building and civil work.

Plant and machinery

The total estimated cost for procurement and installation of plant and machinery for the Project is ₹ 30,651.06 lakh, inclusive of taxes, as applicable, as per the CE Capex Certificate, and our Company proposes to utilise an amount of ₹ 30,568.46 lakh from the Net Proceeds, towards such procurement and installation of plant and machinery.

An indicative list of such plant and machinery that is intended to be purchased and employed across the three Proposed Facilities towards the Project, is set forth below, which has been included in the CE Capex Certificate:

(₹ *in lakh*)

Particulars	Total estimated cost(1)	Balance amount which will be funded through Net Proceeds
Production assembly machine	12,273.72	12,273.72
Part production machine	2,681.31(2)	2,598.71
Injection moulding machine	6,788.56	6,788.56
Measurement equipment	148.19	148.19
Tool room and mould	5,536.28	5,536.28
Clean room	3,223.00	3,223.00
Total	**30,651.06**	**30,568.46**

Note: *As per the certificate dated August 18, 2024 issued by Asheesh Mittal, Chartered Engineer.*

(1) *Amounts mentioned in certain of the quotations are in USD, for which conversion rate of ₹ 83.55 per USD, as applicable on August 12, 2024, has been considered.*

(2) *Of this, an amount of ₹ 82.60 lakh has already been deployed towards purchase of a part production machine, assorted embedment's / SS EP for pool and ventilation duct, intended to be deployed in the Haryana Facility.*

Our Company has already placed an order worth ₹ 82.60 lakh for the purchase of a part production machine, assorted embedment's / SS EP for pool and ventilation duct, intended to be deployed in the Haryana Facility, as on the date of this Preliminary Placement Document. Accordingly, orders worth ₹ 30,568.46 lakh, inclusive of taxes, as applicable, as per the CE Capex Certificate which constitutes 99.73% of the total estimated costs in relation to the purchase of plant and machineries, are yet to be placed.

Other than for the purchase orders already placed, we have not entered into any definitive agreements with any vendor in relation to the aforesaid purchase of plant and machinery and there can be no assurance that the vendors engaged eventually will not increase the estimated cost due to a possible cost escalation. Accordingly, the actual costs for the purchase of plant and machinery may differ from the current estimates. If there is any increase in the costs of equipment, the additional costs shall be paid by our Company from its internal accruals. The quantity of equipment and other materials to be purchased is based on management estimates and our Company shall have the flexibility to deploy such equipment according to the business requirements of such Proposed Facilities and based on the estimates of our management.

Utilities

In addition to the above, the Proposed Facilities shall also be required to undertake expenditure towards utilities including, main light distribution with cables and panels, HVAC work (including chiller, ahu and ducting), goods lift, substation and transformer, fire sprinkler system with wet riser, LAN system, automatic fire alarm system, access control systems and services (electrical, water supply and sanitary). The total estimated cost of utilities for the Project is ₹ 5,951.67 lakh, inclusive of taxes, as applicable, as per the CE Capex Certificate, and such amount is proposed to be entirely funded through the Net Proceeds.

Miscellaneous

Miscellaneous expenses proposed to be incurred by our Company include expenses towards furniture, heavy duty racks and split air conditioners, CCTV camera, among others, amounting to an aggregate of ₹ 457.57 lakh and such amount is proposed to be entirely funded through the Net Proceeds.

Government Approvals

In relation to the Project, we are required to obtain routine approvals from various governmental, regulatory and statutory authorities including building plan approval, consent to establish (air and water), electrical drawings approval, no objection certificate for fire safety all of which will be obtained prior to the commencement of construction, and labour license for construction, final approvals for all electrical equipment and for operating the plant, fire-fighting equipment, layout approval from inspector of factories and consent to operate (air and water), all of which will be obtained after completion of construction of the proposed building. Construction of the proposed building and utilities has not yet commenced as of the date of this Placement Document and accordingly, no approvals are required to be obtained as of such date.

While we do not require any further licenses / approvals from any governmental authorities at this stage of the Project, we will apply for all such necessary approvals that we may require at future relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

(b) Pursuing inorganic initiatives

We intend to use ₹ 25,026.84 lakh of the Net Proceeds to pursue inorganic growth initiatives through acquisitions towards expansion of our operations.

We have, in the past, looked to create strategic value through inorganic growth and have acquired capabilities that have helped expand our product offerings and scale our operations. Pursuant to our strategy to continue scaling our business, we intend to keep pursuing strategic investments and acquisitions which are complementary to our business and operations and which will allow us to (i) enhance our scale and market position; (ii) enhance our product portfolio including product category adjacencies by unlocking potential synergy benefits; (iii) extend our reach to new geographic markets including outside India; and (iv) capture additional revenue opportunities from our existing customer base to improve our margin profile. Also see "***Business – Our Strategies***" on page 168.

While historically, we were primarily focused on growing our business organically, we may selectively acquire businesses which are able to synergise with our existing business model in order to expand our product offerings, thereby providing us new capabilities to serve our existing customers and strengthen or establish our presence in our domestic and targeted overseas markets. We evaluate horizontal acquisitions that allows us to grow our geographic reach and also our customer base.

In Fiscal 2018, we acquired our step-down Subsidiary, Plan1 Health SRL, for a consideration of ₹ 3,417.79 lakh through our Subsidiary Poly Medicure B.V.. Pursuant to this acquisition, we acquired one manufacturing facility, situated in Solari, Italy, to cater to local and international markets for disposable medical devices. This manufacturing facility is accredited with EC certification for quality assurance system and EN 13485:2016 for its quality management system by DEKRA Certification B.V. Netherlands.

For details of Plan1 Health SRL and Poly Medicure B.V., see "***Organizational Structure***" on page 192.

Rationale for acquisitions

Our Company intends to acquire such companies which (i) are in the same line of business as the Company, with the intention of acquiring the products, technologies and intellectual properties of the target. Some of the selection criteria that we may consider when evaluating strategic acquisitions include:

- expertise in the products we wish to expand into;
- strategic fit with our existing business such that the businesses are synergistic with some of our existing businesses/customers or where we can look to leverage some of our existing experience, expertise or relationships, amongst other competencies;
- new customers / users that we can serve with our existing capabilities;
- product portfolio or product category adjacencies that can increase our wallet share from existing as well new customers;
- newer product offerings as well as improvement of our product and customer mix such that our overall margin profile improves;
- acquisition price which we will evaluate very carefully;
- enhance our geographical reach; and
- strengthen market share in existing markets

These factors will also determine the form of investment for any potential acquisitions, i.e., whether they will be directly done by our Company or through investments in our Subsidiaries in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of business, asset or technology acquisitions or joint ventures.

As on the date of this Placement Document, our Company has not identified any potential target for investment or acquisition and has not entered into any definitive agreement for which it intends to utilize Net Proceeds. The amount of Net Proceeds to be used for acquisitions will be based on our management's decision and may not be the total value or cost of any such acquisitions but is expected to provide us with sufficient financial leverage to pursue such acquisitions. For further details, see "***Risk Factors – Our funding requirements and the proposed***

deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency." on page 62.

The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA, Competition Act and the regulations notified thereunder, as the case may be. Further, in accordance with the SEBI Listing Regulations, our Company will disclose to the Stock Exchanges, details of the acquisitions such as name of the target entity, cost and nature of such acquisition, as and when acquired, at the relevant stages as prescribed therein.

(c) General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ 23,499.98 lakh towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include strategic initiatives, working capital requirements, business development activities, funding growth opportunities, including acquisitions and meeting exigencies, meeting expenses incurred by our Company, as may be applicable and approved by our Board, from time to time.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law, including necessary provisions of the Companies Act, 2013.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

If the Net Proceeds are not utilized (in full or in part) for the Objects during the period stated above due to factors including such as (i) the timing of completion of the Issue; (ii) economic and business conditions; (iii) increased competition; (iv) delay in procuring equipment; (v) market conditions outside the control of our Company; and (vi) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in the subsequent periods as may be determined by the management of our Company, in accordance with applicable laws.

Other confirmations

Neither our Promoters, Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Object. Since the Issue is only made to Eligible QIBs, our Promoter, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe in the Issue.

As permissible under applicable laws, our Company's management will have flexibility in deploying the Net Proceeds. The amounts and timing of any expenditure will depend on, among other factors, the amount of cash generated by our operations, competitive and market developments and the availability of acquisition or investment opportunities on terms acceptable to us.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market/mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws.

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC, and the final listing and trading approvals are received from each of the Stock Exchanges, whichever is later. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank.

Monitoring of Utilisation of Funds

In accordance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency for monitoring the utilization of Net Proceeds. The Audit Committee and Monitoring Agency will monitor the utilization of the Net Proceeds and the Monitoring Agency shall submit the report required under Regulation 173A(2) of the SEBI ICDR Regulations, on a quarterly basis, to the Audit Committee until such time as the Net Proceeds have been utilised in full. Such report, along with the comments (if any) shall be submitted to the Stock Exchanges within 45 days from the end of each quarter and uploaded on the website of our Company, or such other time as may be prescribed under the SEBI Listing Regulations. As our Company also intends to utilize the Net Proceeds towards potential acquisitions and strategic initiatives, details pertaining to such acquisitions, as and when undertaken, will be published on the website of the Company and will be disclosed to the Stock Exchanges in accordance with Regulation 30 and Part A of Schedule III, of the SEBI Listing Regulations.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Net Proceeds. Subject to applicable laws, including SEBI Listing Regulations, on an annual basis, our Company shall (i) prepare a statement of funds utilized for purposes other than those stated in this Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Net Proceeds remain unutilized; and (ii) disclose every year, the utilization of the Net Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Net Proceeds have been utilized in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects of the Issue as stated above; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Object of the Issue as stated above.

CAPITALIZATION STATEMENT

The following table sets forth our capitalization on a consolidated basis as of March 31, 2024 which is based on the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the gross proceeds of the Issue. This table should be read in conjunction with "***Selected Financial Information***", "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and other financial information contained in the "***Financial Information***" on pages 32, 38, 82 and 248, respectively.
The following table sets forth our capitalization on a consolidated basis as at March 31, 2024 which is based on the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the gross proceeds of the Issue. This table should be read in conjunction with "***Selected Financial Information***", "***Risk Factors***", "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" and other financial information contained in the "***Financial Information***" on pages 32, 38, 82 and 248, respectively.

(in ₹ lakh)

	Pre – Issue	**Post – Issue**
	As at March 31, 2024 (on a consolidated basis)	**Amount after considering this Issue (on a consolidated basis)**
Borrowings:		
Current Borrowings	16,912.65	16,912.65
Non-Current Borrowings	108.81	108.81
Borrowings (consists of non – current borrowings, current borrowings, current maturity of non-current borrowings, current maturity of deferred payment liabilities but excludes payable for share purchase)	17,021.46	17,021.46
Total Borrowings (A)	**17,021.46**	**17,021.46**
Equity		
Equity Share capital	4,798.58	5,064.54
Other Equity	1,42,206.77	2,41,940.79
Total Equity (B)	**1,47,005.35**	**2,47,005.32**
Total Capitalization (C = A+B)	**1,64,026.81**	2,64,026.78
Ratio: Total Borrowings / Total Equity (D = A/B)	**11.58%**	**6.89**%

Notes:

1. *Amounts derived from the Audited Consolidated Financial Statements as at and for Fiscal 2024.*
2. *The information included under Post-Issue column relating to the Total Equity are derived after considering the impact due to the issue of the Equity Shares only through the qualified institutions placement assuming that the Issue will be fully subscribed and does not include any other transactions or movements / issue related expenses.*

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Placement Document is set out below:

(In ₹ lakh, except share data)

	Particulars	Aggregate value at face value (except for securities premium account)
A	**Authorized Share Capital**	
	12,00,00,000 Equity Shares of ₹ 5 each	60,00.00
B	**Issued, Subscribed and Paid-Up Share Capital before the Issue**	
	9,59,71,417 Equity Shares of ₹ 5 each	4,798.57
C	**Present Issue in terms of this Placement Document**	
	53,19,148 Equity Shares aggregating to ₹ 99,999.98 lakh(1)	99,999.98
D	**Paid-Up Share Capital after the Issue**	
	10,12,90,565 Equity Shares	5,064.54
E	**Securities Premium Account**	
	Before the Issue(2) (in ₹ lakh)	39,332.51
	After the Issue(3) (in ₹ lakh)	1,39,066.53

(1) The Issue has been authorized by the Board of Directors on June 29, 2024 and the Shareholders pursuant to their resolution dated August 5, 2024.

(2) As on the date of this Placement Document.

(3) The securities premium account after the Issue is calculated on the basis of gross proceeds of the Issue. Adjustments do not include Issue related expenses.

Equity Share Capital History of our Company

The history of the Equity Share capital of our Company is provided in the following table:

Date of Allotment	No. of Equity Shares Allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Consideration	Reason / Nature of allotment
March 30, 1995	700	10	10	Cash	Initial subscription of the Memorandum of Association
May 1, 1996	53,99,300	10	10	Cash	Public Issue
May 4, 2004(1)	(1,13,400)	10	–	–	Forfeiture of Shares
December 20, 2004(2)	1,13,400	10	19	Cash	Re-issue of Forfeited Shares
October 29, 2007(3)	1,06,250	10	106	Cash	Issue against conversion of preferential warrants
March 30, 2010(4)	54,00,000	10	N.A.	Bonus issue in the ratio of 1:1	Bonus Issue
October 28, 2010(4)	1,06,250	10	N.A.	Bonus issue in the ratio of 1:1	Bonus Issue
July 11, 2013	1,10,12,500	10	N.A.	Bonus issue in the ratio of 1:1	Bonus Issue
October 11, 2013	8,211	10	25	Cash	Allotment pursuant to exercise under ESOP Scheme, 2011
May 15, 2014	7,537	10	25	Cash	Allotment pursuant to exercise under ESOP Scheme, 2011
July 24, 2014	672	10	25	Cash	Allotment pursuant to exercise under ESOP Scheme, 2011
November 5, 2014	15,300	10	25	Cash	Allotment pursuant to exercise under Amended ESOP Scheme, 2011
Pursuant to Shareholders' resolution dated January 10, 2015, our 2,20,56,720 Equity Shares were sub-divided from every one Equity Share of ₹ 10 each into 2 Equity Shares of ₹ 5 each, resulting in our issued and subscribed number of Equity Shares being 4,41,13,440					
March 29, 2017	4,41,13,440	5	N.A.	Bonus issue in the ratio of 1:1	Bonus Issue

Date of Allotment	No. of Equity Shares Allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Consideration	Reason / Nature of allotment
March 18, 2019	10,050	5	50	Cash	Allotment pursuant to exercise under ESOP Scheme, 2015
May 10, 2019	10,050	5	50	Cash	Allotment pursuant to exercise under ESOP Scheme, 2015
February 19, 2021	76,33,587	5	524	Cash	Allotment pursuant to Qualified Institutions Placement
November 1, 2021	19,775	5	50	Cash	Allotment pursuant to exercise under ESOP Scheme, 2016
August 4, 2022	17,750	5	50	Cash	Allotment pursuant to exercise under ESOP Scheme, 2016
January 27, 2023	26,250	5	100	Cash	Allotment pursuant to exercise under ESOP Scheme, 2020
January 31, 2024	26,375	5	100	Cash	Allotment pursuant to exercise under ESOP Scheme, 2020
March 8, 2024	700	5	100	Cash	Allotment pursuant to exercise under ESOP Scheme, 2020

(1) *Pursuant to forfeiture of Equity Shares.*
(2) *Pursuant to re-issue of Equity Shares forfeited on May 4, 2004.*
(3) *Pursuant to conversion of 106,250 warrants out of 425,000 warrants allotted on March 17, 2007 into Equity Shares. The remaining 3,18,750 warrants stand forfeited on September 16, 2008.*
(4) *Our shareholders approved a bonus issue of 5,506,250 Equity Shares of ₹ 10 each by a resolution dated March 16, 2010, however, our Company initially received in-principle approval from BSE for 5,400,000 Equity Shares of ₹ 10 each, accordingly, our Company allotted 5,400,000 Equity Shares on March 30, 2010. Subsequently, BSE granted in-principle approval for the remaining 106,250 Equity Shares, which were allotted on October 28, 2010.*

Except as stated above, our Company has not made any allotment of Equity Shares, including for consideration other than cash, in the one year immediately preceding the date of this Placement Document.

Employee Stock Option Schemes

Our Company has two employee stock option schemes, Employee Stock Option Scheme, 2016 ("**ESOP 2016**") and Poly Medicure ESOS-2020 ("**ESOP 2020**"), which were instituted for the purpose of attracting, retaining, rewarding and motivating our employees to contribute to our growth and profitability. Set out below are the details of ESOP 2016 and ESOP 2020.

Particulars	Number of options
ESOP 2016	
Total number of options	**50,000**
Options granted	42,950
Options vested	37,525
Options exercised	37,525
Options cancelled	5425
Total options outstanding	Nil
ESOP 2020	
Total number of options	**10,00,000**
Options granted	63,100
Options vested	(53,325
Options exercised	53,325
Options cancelled	9,775
Total options outstanding	**9,46,675**

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, and the percentage of post-Issue share capital that may be held by them is set forth in "***Details of Proposed***

Allottees" on page 444.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below.

Sr. No.	Category	Pre-Issue (As of June 30, 2024)		Post-Issue	
		No. of Equity Shares held	% of share holding	No. of Equity Shares held	% of share holding
A.	**Promoters' holding***				
1.	Indian				
	Individual	3,55,71,516	37.06	3,55,71,516	35.12
	Bodies corporate	2,75,86,624	28.75	2,75,86,624	27.24
	Sub-total	**6,31,58,140**	**65.81**	6,31,58,140	62.35
2.	Foreign promoters	2,07,200	0.22	2,07,200	0.20
	Sub-total (A)	**6,33,65,340**	**66.03**	6,33,65,340	62.56
B.	Non – Promoters' holding				
1.	Institutional Investors	1,84,77,527	19.25	2,37,96,675	23.49
2.	Non-Institutional Investors				
	Private Corporate Bodies	24,62,691	2.57	24,62,691	2.43
	Directors and relatives (other than promoters)	0	0	0	0
	Key Managerial Person	2,950	0	2,950	0
	Indian public	1,09,08,603	11.37	1,09,08,603	10.77
	Others including Non-resident Indians (NRIs)	7,54,306	0.78	7,54,306	0.74
	Sub-total (B)	**3,26,06,077**	**33.97**	**3,79,25,225**	**37.44**
	Grand Total (A+B)	**9,59,71,417**	**100**	**10,12,90,565**	**100**

****Note**: This includes shareholding of the members of the Promoter Group.*

Other Confirmations

(a) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

(b) The Promoter, the Directors and the Key Managerial Personnel of our Company do not intend to participate in the Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottee for a period of one year from the date of allotment, except on recognised stock exchanges in India.

DIVIDENDS

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including Companies Act, 2013 together with the applicable rules issued thereunder. Our Board may also, from time to time, declare interim dividends. For further information, see "***Description of the Equity Shares***" on page 230.

Our Board has approved and adopted a formal dividend distribution policy on August 12, 2017 in terms of Regulation 43A of the SEBI Listing Regulations. In terms of this policy, the declaration of dividend is dependent on a number of internal and external factors, including, but not limited to, state of economy, capital market conditions, statutory restrictions, present and future capital requirements, resources required to business acquisitions, expansion/ modernisation of businesses, outstanding borrowings, past dividends trends, cash flow required to meet contingencies, our Company's profit earned during the year, and such other factors that the Board may deem relevant in its discretion, subject to the approval of our Company's shareholders.

The following table details the dividend proposed and paid by our Company on the Equity Shares in respect of the period from July 1, 2024 until date, the three months ended June 30, 2024 and Fiscals 2024, 2023, 2022:

Particulars	From July 1, 2024 until date	Three months ended June 30, 2024	Fiscal 2024(1)	Fiscal 2023(2)	Fiscal 2022(3)
Face value of Equity Shares (₹ per Equity Share)	5	5	5	5	5
Dividend (interim) per Equity Share (in ₹)	N.A.	N.A.	N.A.	N.A.	N.A.
Dividend (final) per Equity Share (in ₹)	N.A.	N.A.	3	3	2.5
Dividend rate (%)*	N.A.	N.A.	60	60	50
Dividend distribution tax (in ₹ lakh)	N.A.	N.A.	N.A.	N.A.	N.A.
Total dividend on Equity Shares (in ₹ lakh)	N.A.	N.A.	2,879.14	2,878.33	2,397.95

(1) Based on Fiscal 2024 Audited Consolidated Financial Statements.
(2) Based on Fiscal 2023 Audited Consolidated Financial Statements.
(3) Based on Fiscal 2022 Audited Consolidated Financial Statements.
**Dividend rate = Dividend per Equity Share / face value per Equity Share x 100.*

The amounts paid as dividends in the past are not necessarily indicative of the dividend distribution policy of our Company or dividend amounts, if any, in the future. Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not be decreased in the future.

The Equity Shares to be issued in connection with this Issue shall qualify for any dividend, including interim dividend, if any, that is declared in respect of the Fiscal in which they have been allotted.

Also see "***Taxation***" and "***Risk Factors***" on pages 236 and 38, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*This Placement Document may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Placement Document. For further information, see "**Forward-Looking Statements**" on page 16. Also see "**Risk Factors**" and "**- Significant Factors Affecting our Results of Operations**" on pages 38 and 84, respectively, for a discussion of certain factors that may affect our business, results of operations, financial condition and cash flows*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" and "**Presentation of Financial Information and Other Conventions**" on pages 248 and 13, respectively.*

*In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Poly Medicure Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to Poly Medicure Limited on a consolidated basis. Also, see "**Definitions and Abbreviations**" on page 19 for certain terms used in this section.*

*Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Also see "**Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Placement Document.**" on page 61.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "Market Assessment of Medical Device Industry in India" dated August 19, 2024 (the "**CRISIL Report**") prepared by CRISIL MI&A, which is a report exclusively commissioned and paid for by our Company and prepared and issued by CRISIL MI&A pursuant to an engagement letter dated July 12, 2024, in connection with the Issue. The data included herein and in the section "**Industry Overview**" includes excerpts from the CRISIL Report and may have been reordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section "**Industry Overview**". Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. For further information, see "**Industry Overview**" on page 117. For further information, see "**Risk Factors – This Placement Document contains information from industry sources including the industry report from CRISIL.**" on page 59. Also see "**Industry and Market Data**" on page 15.*

OVERVIEW

We are among the top five companies in the medical devices industry in India, in terms of operating income and stand fifth in terms of profit after tax ("**PAT**"), in Fiscal 2023 (*Source: CRISIL Report*). We manufacture and supply, in India and internationally, a diverse portfolio of medical devices in the product verticals of infusion therapy, oncology, anesthesia and respiratory care, urology, gastroenterology, vascular access, surgery and wound drainage, dialysis and renal care, diagnostics, transfusion system, veterinary medical devices, and others. In Fiscal 2023, we expanded into cardiology, and launched a critical care division for focusing on products used in intensive care. As of June 30, 2024, we had over 123 categories with 6,745 SKUs of disposable medical devices.

Over the years, we have developed an extensive sales and distribution network across India. As of June 30, 2024, our distribution network with a pan-India presence included 506 distributors. We believe we have developed long-term relationships with a majority of our distributors. Our sales division is also involved in promotion of our products in 8,000 private and government hospitals and nursing homes across India, as on June 30, 2024. In the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 260 distributors in these jurisdictions, with many of them benefiting from local/regional exclusivity arrangements. In Fiscal 2024 and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively.

We have been recognized as the "India Medical Devices Leader of the Year" in the India Medical Device Awards 2022, by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India. We have also been awarded as the top exporter of plastic medical disposables/ surgical items (including syringes) for the years 2021-2022, and 2022-2023, by the Plastics Export Promotion Council, and recognized as one of the Best Healthcare Brands 2024 by ET Edge. We also received Indian Medical device leader of the year Award by Govt of India for the year 2022. Our Managing Director, Mr. Himanshu Baid, received the Juror Award at the 13th MT India Healthcare Awards 2023. For further information see "***Business – Awards***" on page 179.

We focus on research and development ("**R&D**") for developing more effective, safe to use, and user-friendly products. Our R&D activities are also aimed at improving existing processes and production cost efficiency and developing processes for sustainable manufacturing practices and environmental friendly products. We operate one in-house R&D facility at Faridabad (Haryana) ("**R&D Center**"), which has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("**DSIR**"). Based on the efforts of our R&D division, as of June 30, 2024, we have been granted 325 patents in India and globally and have also filed for grant of 44 patents in India and worldwide. We have developed a number of safety medical devices across product lines, including safety I.V. cannula and safety scalp vein sets within the infusion therapy vertical, safety blood collection sets within the transfusion system vertical, safety fistula needles within the dialysis and renal care vertical, and safety huber needles and safety closed I.V. catether system in our critical care vertical. We have also received US FDA 510k approvals to market two of our product categories, safety IV cannula and IV Set, in the United States.

Our Company is led by Mr. Himanshu Baid, our Managing Director and Mr. Rishi Baid, our Joint Managing Director, each of who have over two decades of experience in the medical devices industry and are first generation entrepreneurs. In addition to our R&D center, we currently operate twelve manufacturing facilities across India, China, Egypt and Italy. In India, we operate nine manufacturing facilities, including six facilities situated in Faridabad (Haryana), two facilities (including a SEZ unit) situated in Jaipur (Rajasthan) and one facility in Haridwar (Uttarakhand). Our Indian manufacturing facilities have been accredited with several international quality certifications. All our manufacturing facilities in India have been accredited with the EC certificates for quality assurance systems and EN ISO 13485:2016 certifications. Further, our Faridabad Facility-I, Faridabad Facility-II, Faridabad Facility-V and Haridwar Facility, have also been accredited with management system certificates for compliance with ISO 9001:2015. For further information, see "***Business – Manufacturing Facilities***" on page 172.

We also operate one manufacturing facility in China through our wholly-owned subsidiary Poly Medicure (Liayang) Company Limited that is certified to be compliant with Korea Good Manufacturing Practices by the Korea Food and Drug Administration, Ministry of Food and Drug Safety, and has been accredited with a EC certificate for quality assurance system and EN ISO 13485:2016 for its quality management system. In addition, we operate one manufacturing facility in Assuit, Egypt, through our associate Ultra for Medical Products that is also accredited with EC certificates for quality assurance system. We also operate one manufacturing facility in Italy through our step-down subsidiary Plan 1 Health S.R.L., which is accredited with EC certification for quality assurance system and EN 13485:2016 for its quality management system by DEKRA Certification B.V. Netherlands. For further information, see "***Business – Manufacturing Facilities***" on page 172.

In Fiscals 2024, 2023, 2022 and in the three months ended June 30, 2024, our revenue from operations was ₹ 1,37,579.63 lakhs, ₹1,11,523.04 lakhs, ₹ 92,306.26 lakhs and ₹ 38,477.64 lakhs, respectively, and our profit after tax, was ₹25,826.97 lakhs, ₹17,928.20 lakhs, ₹14,650.60 lakhs, and ₹7,403.95 lakhs, respectively, during such period. From Fiscal 2022 to Fiscal 2024, we have been able to increase our total revenue from operations at a compound annual growth rate ("**CAGR**") of 20.49%, our profit before tax at a CAGR of 24.12%, and our profit after tax at a CAGR of 23.87%.

PRESENTATION OF FINANCIAL INFORMATION

In this Placement Document we have included the following financial statements prepared under Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 ("**Ind AS**"):

(iv) the audited consolidated financial statements of our Company for Fiscal 2024, comprising the consolidated balance sheet as at March 31, 2024 and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2024 read along with the notes thereto (the "**Fiscal 2024 Audited Consolidated Financial Statements**");

(v) the audited consolidated financial statements of our Company for Fiscal 2023, comprising the consolidated balance sheet as at March 31, 2023 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2023 read along with the notes thereto (the "**Fiscal 2023 Audited Consolidated Financial Statements**"); and

(vi) the audited consolidated financial statements of our Company for Fiscal 2022, comprising the consolidated balance sheet as at March 31, 2022 and consolidated statement of profit and loss (including other comprehensive income), consolidated statement of cash flow and the consolidated statement of changes in equity for Fiscal 2022 read along with the notes thereto (the "**Fiscal 2022 Audited Consolidated Financial Statements**" and collectively with Fiscal 2022 Audited Consolidated Financial Statements and Fiscal 2023 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**"); and

In addition, we have included the unaudited interim standalone and consolidated financial results for the quarter and three months ended June 30, 2024 and the unaudited interim standalone and consolidated financial results for the quarter and three months ended June 30, 2023 (together, the "**Statement of Unaudited Financial Results**").

Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information as at and for Fiscals 2024, 2023 and 2022 included in this Placement Document have been derived from the Audited Consolidated Financial Statements.

The Fiscal 2024 Audited Consolidated Financial Statements, Fiscal 2023 Audited Consolidated Financial Statements and Fiscal 2022 Audited Consolidated Financial Statements were audited by M. C. Bhandari & Company, Chartered Accountants, our current Statutory Auditors, who have issued their audit reports on these financial statements dated May 17, 2024, May 9, 2023 and May 24, 2022, respectively. The Statement of Unaudited Financial Results for the quarter and three months ended June 30, 2024 and the quarter and three months ended June 30, 2023 have been subjected to limited review by our Statutory Auditors and they have issued the review reports, dated July 22, 2024 and August 7, 2023, respectively, based on their review conducted in accordance with Standard on Review Engagement (SRE) 2410 issued by the ICAI. The Audited Consolidated Financial Statements should be read along with the respective audit reports, and the Statement of Unaudited Financial Results should be read along with the review reports issued thereon.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations and financial condition are affected by a number of factors, including:

Regulatory environment

The medical and healthcare industry in India and in the jurisdictions where we sell our disposable medical devices are subject to stringent regulation. Our disposable medical devices are subject to quality control systems of various jurisdictions. In Fiscals 2024, 2023 and 2023 and in the three months ended June 30, 2024, revenue generated from sales outside India, including the regulated markets of South East Asia, Middle East, United States, Europe and commonwealth territories, represented 66.50%, 68.56%, 69.63% and 72.14%, respectively, of our revenue from operations. Our products are therefore subject to regulation by various Indian and international regulatory agencies, and we are required to maintain various regulatory approvals in connection with our business activities.

In India, the products we manufacture are regulated by the provisions of the Medical Devices Rules, 2017, Drugs and Cosmetics Act, 1940, the Drugs and Cosmetics Rules, 1945, Legal Metrology Act, 2009 and the Legal Metrology (Enforcement) Rules of the various states we operate in. Globally, our products are required to adhere to the regulatory requirements of each country to which the products are is exported to. In the United States, medical devices must be cleared or approved by the FDA or an exemption from such clearance or approval must be obtained before they can be commercially marketed in the U.S. In the European Union, we are required to comply with the Medical Device Regulation or EU MDR. We are required to comply with laws and regulations governing the development, testing, manufacturing, labelling, marketing, and distribution of our disposable medical devices. We may also be subject to laws of certain other jurisdictions where we propose to sell our disposable medical devices in the future as part of our growth strategy. We are also subject to various environmental laws and regulations both within and outside, India including but not limited to the Factories Act, 1948, the Environment (Protection) Act, 1986, the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, and the Bio-Medical Waste Management Rules, 2016. Our operations often involve the use of substances regulated under such environmental laws, primarily those used in manufacturing and sterilization processes. We are also subject to other laws and regulations which are applicable to manufacturers in general and if there is any change in these laws and regulations, our results of operations may be adversely affected. In addition, regulatory agencies may at any time reassess the quality and efficacy of our products based on new scientific knowledge or other factors, and may also withdraw approvals for the sale of our existing products.

The Union Cabinet has approved the National Medical Devices Policy, 2023 which aims to foster an innovative and competitive medical devices industry in India to meet both domestic and global demands. The objective of the policy is to establish a comprehensive regulatory framework to create a supportive ecosystem for medical device manufacturers within the country. The Government of India, in March 2020, had introduced a manufacturing support scheme, production linked incentive ("**PLI**") scheme for promoting domestic manufacturing of medical devices and has recently issued guidelines in this regard, for the effective implementation of the PLI scheme. Under the scheme, Indian companies can avail incentives for setting up greenfield manufacturing facilities in India. The PLI scheme for medical devices was introduced with the objective of product diversification and production of innovative and high value medical devices in India. These initiatives will have the potential to contribute significantly towards achieving the objective of affordable healthcare on a sustained basis. The scheme is expected to lead to substantial reduction in import of target segments of medical devices. (*Source: CRISIL Report*) We have obtained approval under the PLI scheme for promoting domestic manufacturing of our renal care medical devices and we are entitled to avail certain financial incentives. Other initiatives by the Government of India include Ayushman Bharat Pradhan Mantri Jan Arogya Yojana that is expected to further boost the consumption of medical devices. We believe that the PLI scheme and other similar schemes and policies proposed by the Government of India are expected to provide significant growth opportunities for our operations.

Product development and registration

Our business depends, to a large extent, on our R&D capabilities. The R&D process is both time consuming and costly, and involves a high degree of business risk. Our business and financial and operating results have been and will be affected by our ability to continue to develop and commercialize new products. With the objective of maintaining a robust product pipeline, we commit substantial time, funds and other resources. In Fiscals 2022, 2023 and 2024 and in the three months ended June 30, 2024, our R&D expenses were ₹ 1,877.11 lakh, ₹ 1,780.25 lakh, ₹ 1,896.02 lakh and ₹ 412.05 lakh, representing 2.03%, 1.60%, 1.38% and 1.07% of our revenue from operations for the respective periods. Our in-house research and development capabilities have enabled us to develop innovative and diversified product offerings such as pre-filled saline syringes and safety needle huber and improve process efficiencies. Our R&D efforts are primarily focused on developing new products within our existing product verticals as well as introduce products to enter into new product verticals, particularly focusing on fluid management within non-communicable diseases segment, including oncology, nephrology and cardiology, and further improving existing processes and production cost efficiency. As a result of our intensive R&D activities, as of June 30, 2024, we have successfully been granted over 325 patents and have also filed for grant of 44 patent applications in India and worldwide, including in the United States of America, Europe, Brazil, Thailand, Japan and Australia.

To develop our product pipeline, we commit substantial time, efforts, funds and other resources for R&D. The R&D process is often time consuming and costly, and obtaining an approval or patent protection in any one jurisdiction would not ensure approval in other jurisdictions. Our processes and products that are currently under development, if and when fully developed and tested, may not perform as we expect, necessary regulatory approvals or registrations may not be obtained in a timely manner, if at all, and we may not be able to successfully and profitably produce and utilize such products or processes. Our competitors and other companies or innovators may try to assert patent and other intellectual property rights against us. As a result, we could become involved in extensive litigation regarding our products. Our future results of operations will, in part, depend upon our ability to successfully commercialize new disposable medical devices, including critical care devices that we seek to develop through our R&D efforts.

Regulatory authorities may also impose pricing controls that apply to our products. Due to rising healthcare costs, there may be additional proposals by legislators and regulators to reduce costs. Extensive industry regulation has had, and will continue to have, a significant impact on our business operations. In addition, any significant changes in excise duties and other commercial taxes levied on our manufacturing operations, raw materials, packing materials and finished products and changes in our production costs, may affect our financial condition and results of operations. The evolving and complex nature of regulatory requirements, the broad authority and discretion of the regulatory authorities and the generally high level of regulatory oversight results in the continuing possibility that our development of new products and manufacturing of existing products may be restricted.

Raw material and employee benefit expenses

Our cost of raw materials including packing materials consumed represented 38.17%, 38.05%, 33.78% and 34.45% of our total revenue, for Fiscals 2022, 2023 and 2024 and for the three months ended June 30, 2024, respectively. Our financial condition and results of operations are significantly impacted by the availability and cost of raw materials that primarily include plastic granules, PVC compounds, fibre and stainless steel tubes. We procure our raw materials from both domestic and international suppliers based on purchase orders and without any long-term contracts. Commodity prices are influenced by, among other factors, changes in global economic conditions, industry cycles, demand-supply dynamics, attempts by particular producers to capture market share and speculation in the market. The changes in raw material costs are generally passed through to our customers. Nonetheless, because such price adjustments based on cost changes only occur at periodic intervals, there is generally a time lag between changes in our raw material costs and any adjustments to our prices which, if such raw material costs increase significantly during this period, can have a negative impact on our profitability.

Employee benefit expenses also constitute a significant and rising portion of our operating expenses. Our employee benefit expenses represented 17.73%, 18.31%, 17.87% and 18.40% of our total revenue from operations for Fiscals 2022, 2023 and 2024 and in the three months ended June 30, 2024, respectively. We expect our employee benefit expenses to continue to increase in the future. Therefore, retaining the services of our skilled employees, including engineers and technicians, is a high priority and competition to retain skilled employees will likely result in increased personnel expenses. While we believe that we have sufficient human resources to sustain our current operations and planned growth, we expect to improve our operational efficiency by reducing our employee costs as a percentage of our total income in future periods. As a significant portion of our overall manpower is located in India, rising wages in India may have a material impact on our net revenues. If we are unable to efficiently manage our operating expenses, it could have a significant impact on our results of operations and financial condition.

Foreign currency fluctuations

Our financial statements are presented in Indian Rupees. However, our revenues, expenditure and finance charges are influenced by the currencies of those countries where we sell our products (for example, in Europe, south-east Asia, the Middle East and Africa) and to a limited extent by currencies of countries from where we procure our raw material (for example the United States, Germany, China, Japan, Korea and Taiwan). Our revenue from export of products accounted for 66.51%, 68.56%, 69.63% and 72.14% of our revenue from operations and we imported 66.35%, 73.97%, 71.75% and 73.97% of our raw material requirement in Fiscals 2022, 2023 and 2024 and in the three months ended June 30, 2024, respectively. The exchange rate between the Indian Rupee and these currencies, primarily the U.S. Dollar and the Euro, have fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. While our exposure to fluctuations in foreign currency is hedged to the extent our revenues are denominated in foreign currencies, there can be no assurance that such revenues will be able to fully offset the impact of foreign currency fluctuations on the expenses we incur towards our raw material costs.

While we seek to hedge our foreign currency risk by entering into forward exchange contracts, any amounts we spend in order to hedge the risks on account of fluctuations in currencies may not adequately hedge against any losses we incur due to such fluctuations. As on June 30, 2024, our total unhedged foreign currency exposure amounted to ₹ 15,791.85 lakh, while the total value of our outstanding forward exchange contracts amounted to ₹ 6,390.49 lakh.

Distribution and sale of our products

We have an extensive sales and distribution network in India that enables us to market our products to a wide base of private and government hospitals and nursing homes. We are dependent on third party distributors for the distribution of our products and as of June 30, 2024, we had over 506 distributors in India. We offer certain distributors with local or regional exclusivity that grants these distributors an area in which only they are authorized to sell our products, subject to certain conditions. In addition to our distribution network, our sales division comprising of 440 employees, as of June 30, 2024, is involved in the promotion of our products in over 8,000 private and government hospitals and nursing homes across India, including by conducting continuing medical education programs in several hospitals.

We constantly seek to grow our product reach to under-penetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. Our success is dependent on our ability to successfully tie up with or appoint new distributors to expand our network and effectively manage our existing distribution network. We may face disruptions in the delivery of our products for reasons beyond our control, including poor handling of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries.

Capacity utilization and operating efficiencies

Higher capacity utilization results in greater production volumes and higher sales, and allows us to spread our fixed costs over a larger production numbers of our products, thereby increasing our profit margins. Production in our manufacturing facilities is also affected by factors like the number of lost days due to periodical maintenance closures and unscheduled plant shutdowns. Our capacity utilization for Fiscals 2022, 2023 and 2024 was 85.07%, 87.96%, and 80.66%, respectively. While we continue to focus on improving our operational efficiencies and reducing operating costs, there are a number of factors that are beyond our control and that could impact our ability to effectively utilize our manufacturing facilities. Any inability to optimally utilize our existing manufacturing capacities or maintain operating efficiencies could impact our business and results of operations.

SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended. The financial statements comply with Ind AS notified by Ministry of Corporate Affairs ("**MCA**").

Accounting policies have been consistently applied except where a newly adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relates to Poly Medicure Limited ("**the Company**") and its subsidiary companies (the company and subsidiaries referred to as "**Group**") and associates. The consolidated financial statements have been prepared on the following basis:

1) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

2) Where the cost of the investment is higher/lower than the share of equity in the subsidiary/ associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule. The said Goodwill is not amortized, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for in the consolidated statement of profit and loss.

3) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.

4) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

5) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

6) Non-controlling interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

7) Non-controlling interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

8) Investment in Associates has been accounted under the equity method as per Ind AS 28 -Investments in Associates and Joint Ventures.

9) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on December 31, 2020	Period of consolidation
Subsidiary			
Poly Medicure (Laiyang) Company Limited, China - Audited	China	100%	April to March
Polymed BV, Netherlands - Management certified (Consolidated)	Netherlands	100%	April to March
Plan 1 Health India Pvt Ltd.	India	99.99%	April to March
Associates			
Ultra For Medical Products Company (Ultra Med), Egypt - Audited	Egypt	23%	January to December

MATERIAL ACCOUNTING POLICIES

a) Basis of Measurement

The Financial Statements of the group are consistently prepared and presented under historical cost convention on an accrued basis in accordance with Ind AS except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees ("**INR**"), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b) Property, plant and equipment

1) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

2) Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013 except in respect of certain categories of assets where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful life and residual values are reviewed at the end of each reporting period with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below:

Type of Assets	Useful life as per Schedule II of the Companies Act 2013	Useful life taken
Lease hold Land	lease period	lease period
Building	30	30
Plant and Equipment	15	15-25
Furniture and Fixture	10	10
Office Equipment	5	5
Computer Equipment	3	3
Vehicle	8	8

The Company believes that the technically evaluated useful lives of automated plant and equipment different from Schedule-II of Companies Act 2013 best represents the period over which assets are expected to be used.

3) When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

4) Stores and spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalized as Property, plant and equipment and until that in capital work in progress.

5) Lease hold assets are amortized over the period of lease.

6) Expenditure during construction/erection period is included under capital work-in-progress and is allocated to the respective property plant and equipment on completion of construction/ erection.

7) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in statement of profit and loss in the year of occurrence.

8) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

9) Capital work in progress includes cost of property, plant and equipment which are not ready for their intended use.

c) Intangible assets:

1) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP software as 10 year and other softwares as 3 years.

2) Software: Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

   The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

3) Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

   Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

   Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

d) Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in Schedule II of the Companies Act 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss in the period of derecognized.

Though the Group measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value of investment property is based on the valuation by a registered valuer as defined in Rule 2 of Companies (Registered Valuer and Valuation) Rules, 2017.

e) Research and development cost:

Research Cost: Revenue expenditure on research is expensed under the respective heads of account in the period in which it is incurred and is grouped as "Research and development expenses".

Development Cost: Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per Ind AS 38 is demonstrated, else charged to statement of profit and loss.

f) Inventories:

1) Raw materials, packing materials, stores and spares are valued at lower of cost (on weighted moving average cost basis) and net realizable value.

2) Stock in process is valued at lower of cost (on weighted moving average cost basis) and net realizable value.

3) Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity and depreciation.

4) Stock in trade is valued at lower of cost and net realizable value.

5) Scrap is valued at estimated realizable value.

g) Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the Group becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

h) Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through other comprehensive income or fair value through statement of profit or loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

1) Investment in equity shares: Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through statement of profit and loss.

2) Investment in associates, joint venture and subsidiaries: The Company's investment in subsidiaries and associates, joint venture are carried at cost except where impairment loss recognized.

3) Trade receivables: Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less credit loss/impairment allowances/ provision for doubtful debts.

4) Loans and other financial assets: Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

i) Impairment of Financial assets:

In accordance with Ind AS 109, the Group uses expected credit loss ("**ECL**") model for evaluating, measurement and recognition of impairment loss.

j) Financial liabilities:

1) Classification: The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

2) Initial recognition and measurement: All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3) Subsequent measurement: All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

4) Loans and borrowings: Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate ("**EIR**") method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the statement of profit and loss.

5) De-recognition 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 de-recognition 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.

6) Derivative financial instruments: The Group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to statement of profit and loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

k) Impairment of non-financial assets:

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

1) In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use,

2) In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of profit and loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

l) Foreign exchange transactions:

1) Functional and presentation currency: The functional and reporting currency of company is INR.

2) Transaction and balances: Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

m) Revenue recognition:

The Group derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the group recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the group expects to receive in exchange for their products or services. The group disaggregates the revenue based on nature of products/Geography.

- Export incentive: Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

- Dividend income: Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

- Interest income: For all Financial instruments measured at amortized cost, interest income is recorded using effective interest rate ("**EIR**"), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

- Rental income: Rental income on investment properties and on operating lease are accounted for on accrual basis.

n) Government Grant:

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.

- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

- In respect of property, plant and equipment purchased under Export Promotion Capital Goods ("**EPCG**") scheme of Government of India, exemption of custom duty under the scheme is treated as, government grant and is recognized in statement of profit and loss on fulfillment of associated export obligations.

o) Employees Benefits:

1) Short term employee benefit: All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

2) Defined contribution plan: Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as defined contribution plan and charged as expenses in the year in which the employees render the services.

3) Defined Benefit Plan: The leave encashment (unfunded) and gratuity (funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the

period of plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The group recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, gains and losses on curtailments and non-routine settlements.

- Net interest income or expense.

4) Long term employees benefits: Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

5) Termination benefits: Termination benefits are recognized as an expense in the period in which they are incurred.

The Group shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and

(b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

p) Share based payments:

Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the Company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the Company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to share based payments reserve. The dilutive effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

q) Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognized as expense in the period in which they are incurred.

r) Leases:

Group as a lessee: In accordance with Ind AS 116, the Group recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of 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 there carrying amounts may not be recoverable. Impairment loss, if any, is recognize in statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments, the group recognizes amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the group recognizes any remaining amount of the remeasurement in statement of profit and loss.

The group has elected not to apply the requirements of Ind AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on straight line basis over lease term.

Group as a lessor: At an inception date, leases are classified as financial lease or operating lease. Leases where the group does not transfer substantially all risk and reward incidental to the ownership of the asset are classified as operating lease. Lease rental under operating lease are recognised as income in profit and loss account on straight line basis.

s) Taxes on income:

(i) Current Tax

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

   Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax:

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

t) Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General: The Group recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the group will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:

- A present obligation arising from past events, when no reliable estimate is possible:

- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in financial statement when an inflow of economic benefits is probable. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(ii) Other litigation claims: Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

(iii) Onerous contracts: Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

u) Financial statement classification:

Certain line items on the balance sheet and in the statement of profit and Loss have been combined. These items are disclosed separately in the notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general, the Group classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

v) Fair value measurement:

The group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

w) Significant Accounting Judgments, Estimates and Assumptions:

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

1) Income taxes: Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Group reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated financial statements.

2) Fair value measurement of financial instruments: When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, discounted cash flow ("**DCF**") model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3) Defined benefit plans: The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

4) Lease: The group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

   The Group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In excising whether the Group is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease or to exercise the option to terminate the lease. The Group revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

5) Depreciation/amortization and useful life of Property, Plant and Equipment: The Group has estimated the useful life of property, plant and equipment ("**PPE**") as specified in schedule II of Companies Act 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

6) Impairment of Financial and Non-Financial Assets: The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Group uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

7) Provisions: The Company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.

8) Contingencies: Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the group as it is not possible to predict the outcome of pending matters with accuracy.

9) Impairment of Goodwill: Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit ("**CGU**") is less than the carrying amount, the impairment loss is accounted. For impairment loss, goodwill is allocated to CGU which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purpose. The recoverable amount of CGU is determined based on higher of value in use and fair value less cost to sell and value in use is present value of future cash flows expected to be derived from CGU.

   Key assumption in the cash flow projection are prepared based on current economic conditions and comprises estimated long term growth rate, estimated operating margin.

x) Capital:

Debt and equity instruments: Ordinary equity shares are classified as equity. Debt instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

y) Other Miscellaneous Expenses

Public issue expenditure / share issue expenses on private placement basis / FCCB's issue expenditure is being written off against securities / share premium, net of taxes, in the year of issue.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies in the last three Fiscals and the three months ended June 30, 2024.

NON-GAAP FINANCIAL MEASURES

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance including EBITDA, Debt to Equity Ratio and Interest Coverage Ratio ("**Non-GAAP Financial Measures**") have been included in this Placement Document. These Non-GAAP Financial Measures are not defined under Ind AS and are not presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Financial Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "***Financial Information***" and "***Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Placement Document. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.***" on pages 248 and 59, respectively.

EBITDA and EBITDA Margin

The following table sets forth our EBITDA and EBITDA Margin, which are Non-GAAP Financial Measures, for Fiscal 2022, 2023 and 2024. We calculate EBITDA as profit before tax plus finance cost and depreciation, amortization and impairment expense. We define our EBITDA Margin as EBITDA divided by revenue from operations.

(₹ in lakh except percentages)

Particulars	**Three months ended**		**Fiscal**		
	June 30, 2024	**June 30, 2023**	**2024**	**2023**	**2022**
Profit before tax	9,845.73	8,304.07	34,426.91	23,749.14	19,524.49
Add: Finance costs	316.20	249.19	1,130.09	883.86	425.48
Add: Depreciation, amortization and impairment expense	1,964.97	1,552.48	6,392.65	5,716.68	5,395.22
EBITDA	**12,126.90**	**10,105.74**	**41,949.65**	**30,349.68**	**25,345.19**
Revenue from operations	38,477.64	32,083.00	1,37,579.63	1,11,523.04	92,306.26
EBITDA Margin (EBITDA as a percentage of revenue from operations)	**31.52**	**31.50**	**30.49**	**27.21**	**27.46**

Debt to Equity Ratio

The following table sets forth our Debt to Equity Ratio, which is a Non-GAAP Financial Measure, for Fiscal 2022, 2023 and 2024. We define our debt as a sum of cash / export credit loan, short term borrowings and long term borrowings. We calculate our Debt to Equity Ratio by dividing total debt by total equity.

(₹ in lakh except for ratio)

Particulars	**Three months ended**		**Fiscal**		
	June 30, 2024	**June 30, 2023**	**2024**	**2023**	**2022**
Total Debt (A)	18,661.91	12,831.27	17,021.46	14,643.39	12,527.45
Total Equity (B)	1,54,534.82	1,30,362.08	1,47,005.35	1,24,162.72	1,08,748.14
Debt to Equity Ratio (A) / (B)	**0.12**	**0.10**	**0.12**	**0.12**	**0.12**

Interest coverage ratio

The following table sets forth our interest coverage ratio for Fiscal 2022, 2023 and 2024. We calculate interest coverage ratio as a sum of profit after tax, depreciation and finance cost divided by finance cost.

(₹ in lakh except for ratio)

Particulars	**Three months ended**		**Fiscal**		
	June 30, 2024	**June 30, 2023**	**2024**	**2023**	**2022**
Profit after tax	7,403.94	6,269.56	25,825.97	17,928.25	14,650.60
Depreciation	1,964.97	1,552.48	6,392.65	5,716.68	5,395.22
Finance Cost	316.20	249.19	1,130.09	883.86	425.48
Total	9,685.10	8,071.23	33,348.71	24,528.79	20,471.13

Particulars	Three months ended		Fiscal		
	June 30, 2024	June 30, 2023	2024	2023	2022
Interest Coverage Ratio (Times)	**30.63**	**32.39**	**29.51**	**27.75**	**48.11**

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprises (i) sale of products comprising domestic sales and sales from exports; (ii) manufactured gooods; (iii) traded goods; and (iv) other operating revenue, comprising export incentives, sale of scrap, other operating revenue, and others such as development charges.

Other Income

Other income includes (i) lease rental; (ii) interest income comprising interest income on fixed and other deposits, gain / loss on purchase of bond / debenture, interest income from financial assets measured at amortised cost, and dividend / governing council share; (iii) other non-operating income comprising rental income from investment property, government grants and subsidies, income from mutual funds, and miscellaneous income; and (iv) other gains comprising provisions / liabilities no longer required written back (net), gain on fixed assets sold / discarded; gain on foreign exchange fluctuation (net), and unrealized gain on valuation of mutual funds measured at fair value through profit or loss.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) purchases of stock-in-trade; (iii) changes in inventories of finished goods, work-in-progress and stock-in-trade; (iv) employee benefits expense; (v) research and development expenses; (vi) finance cost; (vii) depreciation and amortization expense; and (viii) other expenses.

Costs of Materials Consumed

Costs of materials consumed comprises cost of raw materials consumed and cost of packaging material consumed.

Purchases of Stock-in-Trade

Purchases of stock-in-trade comprises machines used for assembly of medical device components, and secureport PLP used in chemotherapy, among others.

Employee Benefit Expense

Employee benefits expense comprises (i) salaries, wages and bonus; (ii) contribution to provident fund and others; (iii) share based payment to employees; and (iii) staff welfare expenses.

Research and Development Expenses

Research and development expenses comprises (i) cost of components and material consumed (net); (ii) employee benefits expenses; (iii) power and fuel; (iv) travelling and conveyance; (v) other miscellenous expenses; (vi) legal and professional charges; and (vii) research and development expenditure relating to foreign susbidiary, Poly Medicure B.V.

Finance Costs

Finance cost comprises (i) interest expense including interest on loans, interest on income tax, exchange difference to the extent considered as an adjustment to interest costs, and interest on lease liabilities; and (ii) other amortized borrowing costs.

Depreciation and Amortization Expenses

Depreciation and amortization expenses comprises (i) depreciation of tangible assets; (ii) amortization of intangible assets; (iii) depreciation of investment properties; and (iii) amortization of right of use.

Other Expenses

Other expenses comprises (i) consumption of stores and spares parts; (ii) power and fuel; (iii) job work charges; (iv) other manufacturing expenses; (v) repairs to building; (vi) repairs to machinery; (vii) repairs to others; (viii) insurance (net); (ix) short-term lease; (x) rates, taxes and fee; (xi) travelling and conveyance; (xii) legal and professional fees; (xiii) auditors' remuneration; (xiv) commission and sitting fees to non-executive directors; (xv) donations; (xvi) bank charges; (xvii) advertisement; (xviii) commission on sales; (xix) freight and forwarding (net); (xx) business promotion; (xxi) exhibition expenses; (xxii) rebates, discounts, and claims; (xxiii) provision for doubtful debts/ advances (net); (xxiv) bad debts/ miscellaneous balances written off; (xxv) CSR expenditure; (xxvi) communication expense; (xxvii) unrealised loss on valuation of mutual funds measured at fair value through profit or loss; (xxviii) listing fees; (xxix) premium on purchase of bond / debenture; and (xxx) other miscellaneous expenses.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for the three months ended June 30, 2023 and June 30, 2024:

Particulars	Three months ended June 30, 2024		Three months ended June 30, 2023	
	(₹ lakh)	Percentage of total income	(₹ lakh)	Percentage of total income
Income				
Revenue from operations	38,477.64	95.79%	32,083.00	96.07%
Other income	1691.91	4.21%	1,311.49	3.93%
Total income	**40,169.55**	**100.00%**	**33,394.49**	**100%**
Expenses				
Cost of raw materials consumed	13,257.17	33.00%	10,524.72	31.52%
Purchases of Stock-in-Trade	89.26	0.22%	176.63	0.53%
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(520.47)	(1.30%)	513.84	1.54%
Employee benefits expense	7,078.96	17.62%	5,774.55	17.29%
Research and development expenses	412.05	1.03%	428.53	1.28%
Finance cost	316.20	0.79%	249.19	0.75%
Depreciation and amortization expense	1,964.97	4.89%	1,552.48	4.65%
Other expenses	7,769.07	19.34%	5945.38	17.80%
Total expenses	**30,367.21**	**75.60%**	**25,165.32**	**75.36%**
Profit before tax, and share of net profit from associates	**9,802.34**	**24.40%**	**8,229.17**	**24.64%**
Share of profits from associates	43.39	0.11%	74.9	0.22%
Profit before tax	**9,845.73**	**24.51%**	**8,304.07**	**24.87%**
Tax expenses				
Current tax	2,268.78	5.65%	1,966.20	5.89%
Deferred tax	173.01	0.43%	68.31	0.20%
Tax adjustment for earlier years (net)	-	-	-	-
Total tax expenses	**2,441.79**	**6.08%**	**2,034.51**	**6.09%**
Profit after tax	**7,403.94**	**18.43%**	**6,269.56**	**18.77%**
Total comprehensive income for the period	**7,266.36**	**18.09%**	**6,245.67**	**18.70%**

THREE MONTHS ENDED JUNE 30, 2024 COMPARED WITH THREE MONTHS ENDED JUNE 30, 2023

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Statement of Unaudited Financial Results, for the three months ended June 30, 2024 and June 30, 2023.

Income

Total revenue increased by 20.29% from ₹ 33,394.49 lakh in the three months ended June 30, 2023 to ₹ 40,169.55 lakh in the three months ended June 30, 2024 primarily due to an increase in our revenue from operations. Revenue from operations increased by 19.93% from ₹ 32,083.00 lakh in the three months ended June 30, 2023 to ₹ 38,477.64 lakh in the three months ended June 30, 2024 and our other income increased by 29.01% from ₹ 1,311.49 lakh in the three months ended June 30, 2023 to ₹ 1,691.91 lakh in the three months ended June 30, 2024, due to the reasons discussed below:

Revenue from Operations

Our revenue from operations increased by 19.93% from ₹ 32,083.00 lakh in the three months ended June 30, 2023 to ₹ 38,477.64 lakh in the three months ended June 30, 2024, primarily due to an increase in sale of products such as intravenous cannula, intravenous set, prefilled syringe and others similar products, by 19.77% from ₹ 31,872.48 lakh in the three months ended June 30, 2023 to ₹ 38,172.53 lakh in the three months ended June 30, 2024.

Other operating revenue increase by 44.94% from ₹ 210.52 lakh in the three months ended June 30, 2023 to ₹ 305.13 lakh in the three months ended June 30, 2024 primarily due to increase in export incentives by 57.14% from ₹ 160.47 lakh in the three months ended June 30, 2023 to ₹ 252.17 lakh in the three months ended June 30, 2024.

Other Income

Other income increased by 29.01% from ₹ 1,311.49 lakh in the three months ended June 30, 2023 to ₹ 1,691.91 lakh in the three months ended June 30, 2024, primarily on account of increase in government grants in relation to custom benefit under the EPCG scheme availed at the time of import of machines, and unrealised income on mutual funds.

Expenses

Our total expenses increased by 20.67% from ₹ 25,165.82 lakh in the three months ended June 30, 2023 to ₹ 30,367.20 lakh in the three months ended June 30, 2024.

Cost of raw materials consumed and purchase of stock-in-trade

Cost of raw materials consumed (which includes plastic granules, PVC sheets, boxes and medical paper) and purchase of stock-in-trade increased by 24.72% from ₹ 10,701.35 lakh in the three months ended June 30, 2023 to ₹ 13,346.43 lakh in the three months ended June 30, 2024, due to increase in production at our facilities.

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

Our change in inventory of finished goods, work-in-progress and stock-in-trade, decreased by 201.29% from ₹ 513.84 lakh in the three months ended June 30, 2023 to ₹ (520.47) lakh in the three months ended June 30, 2024 due to finished goods production and higher conversion of FG stock into sales.

Employee Benefit Expenses

Employee benefit expenses increased by 22.59% from ₹ 5,774.55 lakh in the three months ended June 30, 2023 to ₹ 7,078.96 lakh in the three months ended June 30, 2024, primarily due to an increase in employees, majorly production workers, as well as on account of annual increments.

Finance Costs

Finance costs increased by 26.89% from ₹ 249.19 lakh in the three months ended June 30, 2023 to ₹ 316.20 lakh in the three months ended June 30, 2024 due to an increase in working capital loans availed by our Company, particularly in the nature of cash credit facilities and packing credit loans availed for meeting working capital requirements, by 78.75% from ₹ 9,655.80 lakh in the three months ended June 30, 2023 to ₹ 17,187.01 lakh in the three months ended June 30, 2024.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 26.57% from ₹ 1,552.48 lakh in the three months ended June 30, 2023 to ₹ 1,964.97 lakh in the three months ended June 30, 2024, on account of additional capitalisation of building and machinery.

Other Expenses

Other expenses increased by 30.67% from ₹ 5,945.38 lakh in the three months ended June 30, 2023 to ₹ 7,669.07 lakh in the three months ended June 30, 2024, primarily due to an increase in:

- Power and fuel expenses that increased by 40.41% from ₹ 1,021.49 lakh in the three months ended June 30, 2023 to ₹ 1,434.32 lakh in the three months ended June 30, 2024 in line with the increase in production at our facilities.

- CSR expenses that increased by 151.11% from ₹ 41.89 lakh in the three months ended June 30, 2023 to ₹ 105.19 lakh in the three months ended June 30, 2024 in order to meet the applicable regulatory requirement under the Companies Act.

Profit before Tax, and share of net profit from associates

For the reasons discussed above, profit before tax and share of net profit from associates was ₹ 9,845.73 lakh in the three months ended June 30, 2024 compared with ₹ 8,304.07 lakh in the three months ended June 30, 2023.

Tax Expense

Current tax expenses increased from ₹ 1,966.20 lakh in the three months ended June 30, 2023 to ₹ 2,268.78 lakh in the three months ended June 30, 2024, primarily on account of an increase in profit before tax. Deferred tax increased from ₹ 68.31 lakh in the three months ended June 30, 2023 to ₹ 173.01 lakh in the three months ended June 30, 2024, due to additional charge of depreciation as per the requirements under the Companies Act. As a result, total tax expense amounted to ₹ 2,441.79 lakh in the three months ended June 30, 2024 as compared with ₹ 2,034.51 lakh in the three months ended June 30, 2023.

Profit after Tax

For the various reasons discussed above, we recorded a profit after tax of ₹ 7,403.94 lakh in the three months ended June 30, 2024 compared with ₹ 6,269.56 lakh in the three months ended June 30, 2023.

Total Comprehensive Income for the Period

Restated total comprehensive income for the year was ₹ 7,403.95 lakh in the three months ended June 30, 2024 compared with ₹ 6,269.19 lakh in the three months ended June 30, 2023.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 12,126.90 lakh in the three months ended June 30, 2024 compared with EBITDA of ₹ 10,105.74 lakh in the three months ended June 30, 2023, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 31.52% in the three months ended June 30, 2024 compared with 31.50% in three months ended June 30, 2023.

RESULTS OF OPERATIONS

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscals 2024, 2023 and 2022:

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ lakh)	Percentage of total revenue	(₹ lakh)	Percentage of total revenue	(₹ lakh)	Percentage of total revenue
Income						
Revenue from operations	1,37,579.63	95.90%	1,11,523.04	96.86%	92,306.26	96.06%

Particulars	Fiscal 2024		Fiscal 2023		Fiscal 2022	
	(₹ lakh)	Percentage of total revenue	(₹ lakh)	Percentage of total revenue	(₹ lakh)	Percentage of total revenue
Other income	5,874.81	4.10%	3,618.54	3.14%	3,790.25	3.94%
Total income	**1,43,454.44**	**100%**	**1,15,141.58**	**100%**	**96,096.51**	**100%**
Expenses						
Cost of raw materials consumed	46,478.45	32.40%	42,431.15	36.85%	35,237.25	36.67%
Purchases of Stock-in-Trade	702.15	0.49%	521.31	0.45%	1,065.61	1.11%
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	1,080.16	0.75%	(2,364.94)	(2.05%)	(1,495.41)	(1.56%)
Employee benefits expense	24,591.17	17.14%	20,274.58	17.61%	16,361.99	17.03%
Research and development expenses	1,896.02	1.32%	1,780.25	1.55%	1,877.11	1.95%
Finance cost	1,130.09	0.79%	883.86	0.77%	425.48	0.44%
Depreciation and amortization expense	6,392.65	4.46%	5,716.68	4.96%	5,395.22	5.61%
Other expenses	27,009.52	18.83%	22,342.22	19.40%	17,949.50	18.68%
Total expenses	**1,09,280.21**	**76.18%**	**91,585.11**	**79.54%**	**76,816.75**	**79.94%**
Share of profit from associates	**252.68**	**0.18%**	**192.67**	**0.17%**	**244.73**	**0.25%**
Profit before tax	**34,426.91**	**24.00%**	**23,749.14**	**20.63%**	**19,524.49**	**20.32%**
Tax expenses						
Current tax	7,693.19	5.36%	5,912.91	5.14%	4,632.27	4.82%
Deferred tax	898.41	0.63%	(109.76)	(0.10%)	265.99	0.28%
Tax adjustment for earlier years (net)	9.34	0.01%	17.74	0.02%	(24.37)	(0.03%)
Total tax expenses	**8,600.94**	**6.00%**	**5,820.89**	**5.06%**	**4,873.89**	**5.07%**
Profit after tax	**25,825.97**	**18.00%**	**17,928.25**	**15.57%**	**14,650.60**	**15.25%**
Total comprehensive income for the year	**25,737.61**	**17.94%**	**17,968.86**	**15.61%**	**14,643.03**	**15.24%**

FISCAL 2024 COMPARED WITH FISCAL 2023

Key Developments

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Audited Consolidated Financial Statements, for Fiscals ended March 31, 2024 and March 31, 2023.

Total income

Total income increased by 24.59% from ₹ 1,15,141.58 lakh in Fiscal 2023 to ₹ 1,43,454.44 lakh in Fiscal 2024 due to an increase in our revenue from operations and our other income. Revenue from operations increased by 23.36% from ₹ 1,11,523.04 lakh in Fiscal 2023 to ₹ 1,37,579.63 lakh in Fiscal 2024, and our other income increased by 62.35% from ₹ 3,618.54 lakh in Fiscal 2023 to ₹ 5,874.81 lakh in Fiscal 2024 due to the reasons set forth below.

Revenue from Operations

Revenues from operations increased by 23.36% from ₹ 1,11,523.04 lakh in Fiscal 2023 to ₹ 1,37,579.63 lakh in Fiscal 2024, due to an increase in sale of products by 23.18% from ₹ 1,10,865.82 lakh in Fiscal 2023 to ₹ 1,36,569.37 lakh in Fiscal 2024, particularly medical devices such as intravenous cannula, prefilled syringes and blood bags, both in the domestic and export markets and an increase in other operating revenues by 53.72% from ₹ 657.22 lakh in Fiscal 2023 to ₹ 1,010.26 lakh in Fiscal 2024.

The increase in sale of products was driven by an increase in revenue from sale of manufactured products, such as intravenous cannula, prefilled syringes and blood bags by 23.29% from ₹ 1,10,032.43 lakh in Fiscal 2023 to ₹

1,35,654.01 lakh in Fiscal 2024, as well as an increase in revenue from sale of traded goods, such as blood collection tubes, ECG elect and other products by 9.84% from ₹ 833.39 lakh in Fiscal 2023 to ₹ 915.36 lakh in Fiscal 2024.

The increase in other operating revenues was driven by an increase in export and other incentives such as production linked incentive ("**PLI**") and duty drawback, and Remission of Duties and Taxes on Export Products ("**RODTEP**") scheme leading to an increase in export sales of our products, by 58.46% from ₹ 496.31 lakh in Fiscal 2023 to ₹ 786.46 lakh in Fiscal 2024.

Revenue by Geography

Revenue generated from domestic sales increased by 18.52% from ₹ 34,400.52 lakh in Fiscal 2023 to ₹ 40,771.59 lakh in Fiscal 2024, as a result of an increase in sale of ECG electrode and haemodialysis machines. Revenue generated from exports also increased by 23.97% from ₹ 71,746.76 lakh in Fiscal 2023 to ₹ 88,943.06 lakh in Fiscal 2024 on account of an increase in export of prefilled syringe and suction catheters, and sales related to foreign subsidiaries also increased by 45.27% from ₹ 4,718.54 lakh in Fiscal 2023 to ₹ 6,854.72 lakh in Fiscal 2024 which witnessed an increase in sales of three way stop cock, adva, nouvo safety, among others.

Other Income

Other income increased by 62.35% from ₹ 3,618.54 lakh in Fiscal 2023 to ₹ 5,874.81 lakh in Fiscal 2024, primarily due to increase in interest income comprising interest income on account of fixed and other deposits by 95.97% from ₹ 586.44 lakh in Fiscal 2023 to ₹ 1,149.27 lakh in Fiscal 2024, and an increase in interest income from financial assets measured at amortised cost by 212.86% from ₹ 10.96 lakh in Fiscal 2023 to ₹ 34.29 lakh in Fiscal 2024 as a result of interest on deferred liability. Our Company also received ₹ 261.37 lakh on account of gain on purchase of bond / debenture in Fiscal 2024, whereas no such income was received in Fiscal 2023.

Further, our other gains also increased by 163.75% from ₹ 1,430.69 lakh in Fiscal 2023 to ₹ 3,773.50 lakh in Fiscal 2024, primarily due to an increase in gain on foreign exchange fluctuation (net) by 11.83% from ₹ 1,399.43 lakh in Fiscal 2023 to ₹ 1,564.98 lakh in Fiscal 2024 on account of currency fluctuation and financial assets or liabilities payable or receivable. Our Company also received unrealised gain on valuation of mutual funds measured at fair value through profit or loss amounting to ₹ 2,094.88 lakh in Fiscal 2024 whereas no such income was received in Fiscal 2023.

Our increase in interest income and in other gains were offset by a reduction in other non-operating income which decreased by 59.95% from ₹ 1,558.05 lakh in Fiscal 2023 to ₹ 623.98 lakh in Fiscal 2024, primarily due to no realised income from mutual funds in Fiscal 2024 as compared with ₹ 935.50 lakh received in Fiscal 2023, and a marginal decrease in government grants and subsidies in the nature of custom benefit under the EPCG scheme availed at the time of import of machines which reduced by 0.33% from ₹ 325.19 lakh in Fiscal 2023 to ₹ 324.12 lakh in Fiscal 2024. Miscellaneous income, however, increased marginally by 1.39% from ₹ 295.56 lakh in Fiscal 2023 to ₹ 299.66 lakh in Fiscal 2024 on account of income received from mould development charges.

Expenses

Our total expenses increased by 19.32% from ₹ 91,585.11 lakh in Fiscal 2023 to ₹ 109,280.21 lakh in Fiscal 2024 due to the reasons set forth below.

Cost of raw materials consumed

Cost of raw materials including packaging materials consumed increased by 9.54% from ₹ 42,431.15 lakh in Fiscal 2023 to ₹ 46,478.45 lakh in Fiscal 2024, due to an increase in raw materials consumed such as PVC compound and plastic granules by 10.39% from ₹ 34,015.73 lakh in Fiscal 2023 to ₹ 37,548.67 lakh in Fiscal 2024, and an increase in packaging material consumed by 6.11% from ₹ 8,415.42 lakh in Fiscal 2023 to ₹ 8,929.78 lakh in Fiscal 2024 on account of increase in production at our facilities.

Purchase of stock-in-trade

Purchase of stock-in-trade increased by 34.69% from ₹ 521.31 lakh in Fiscal 2023 to ₹ 702.15 lakh in Fiscal 2024 on account of an increase in sales of our products in Fiscal 2024.

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

Changes in inventory of finished goods, work-in-progress and stock-in-trade was ₹ 1,080.16 lakh in Fiscal 2024 whereas changes in inventory of finished goods, work-in-progress and stock-in-trade was ₹ (2,364.94) lakh in Fiscal 2023.

Employee Benefit Expenses

Employee benefit expenses increased by 21.29% from ₹ 20,274.58 lakh in Fiscal 2023 to ₹ 24,591.17 lakh in Fiscal 2024 due to an increase in the salaries, wages and bonus by 21.08% from ₹ 18,676.64 lakh in Fiscal 2023 to ₹ 22,612.75 lakh in Fiscal 2024 on account of an increase in the number of full time employees, production workers and annual increment.

In addition, contribution to provident fund and others also increased by 20.25% from ₹ 1,230.18 lakh in Fiscal 2023 to ₹ 1,479.23 lakh in Fiscal 2024 due to increase in number of full time employees and workers, staff welfare expenses increased by 64.40% from ₹ 175.02 lakh in Fiscal 2023 to ₹ 287.74 lakh in Fiscal 2024 as a result of incremental business and incremental expense for staff related welfare activities, and share based payment to employees also increased by 9.70% from ₹ 192.74 lakh in Fiscal 2023 to ₹ 211.44 lakh in Fiscal 2024 in light of the employee stock option scheme.

Research and Development Expenses

Research and development expenses increased by 6.50% from ₹ 1,780.25 lakh in Fiscal 2023 to ₹ 1,896.02 lakh in Fiscal 2024, primarily on account of increase in (i) cost of components and material consumed (net) for R&D, which increased by 11.79% from ₹ 1,102.85 lakh in Fiscal 2023 to ₹ 1,232.85 lakh in Fiscal 2024 on account of materials used in research and development activities, and (ii) employee benefit expenses in respect of the research and development professionals by 8.11% from ₹ 517.79 lakh in Fiscal 2023 to ₹ 559.76 lakh in Fiscal 2024 driven by new technical hires, including engineers.

Such increase was partially offset by a reduction primarily in (i) expenses towards travelling and conveyance which decreased by 16.04% from ₹ 23.32 lakh in Fiscal 2023 to ₹ 19.58 lakh in Fiscal 2024, (ii) legal and professional charges which decreased by 56.45% from ₹ 45.28 lakh in Fiscal 2023 to ₹ 19.72 lakh in Fiscal 2024.

Finance Costs

Finance costs increased by 27.86% from ₹ 883.86 lakh in Fiscal 2023 to ₹ 1,130.09 lakh in Fiscal 2024 primarily due to an increase in (i) interest on loans by 74.63% from ₹ 558.96 lakh in Fiscal 2023 to ₹ 976.11 lakh in Fiscal 2024 as a result of increase in our working capital borrowings leading to an increase in interest cost, (ii) interest on lease liabilities by 47.40% from ₹ 28.82 lakh in Fiscal 2023 to ₹ 42.48 lakh in Fiscal 2024 on account of addition floor taken for lease in our office in New Delhi, and (iii) other amortised borrowing costs by 104.23% from ₹ 29.55 lakh in Fiscal 2023 to ₹ 60.35 lakh in Fiscal 2024 on account of an addition in lease in the nature of the additional floor taken on lease in our office in New Delhi.

This increase was off set by a decrease in exchange difference to the extent considered as an adjustment to interest costs by 85.96% from ₹ 261.19 lakh in Fiscal 2023 to ₹ 36.68 lakh in Fiscal 2024 on account of currency fluctuations.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 11.82% from ₹ 5,716.68 lakh in Fiscal 2023 to ₹ 6,392.65 lakh in Fiscal 2024 on account of an increase in depreciation of our tangible assets by 11.30% from ₹ 5,296.74 lakh in Fiscal 2023 to ₹ 5,895.37 lakh in Fiscal 2024, amortisation of intangible assets by 19.58% from ₹ 291.94 lakh in Fiscal 2023 to ₹ 349.11 lakh in Fiscal 2024 and amortisation of rights to use by 18.50% from ₹ 123.69 lakh in Fiscal 2023 to ₹ 146.57 lakh in Fiscal 2024. This was partially offset by a decrease in depreciation of investment properties by 63.11% from ₹ 4.31 lakh in Fiscal 2023 to ₹ 1.59 lakh in Fiscal 2024.

Other Expenses

Other expenses increased by 20.89% from ₹ 22,342.22 lakh in Fiscal 2023 to ₹ 27,009.52 lakh in Fiscal 2024, primarily due to an increase in:

- Consumption of stores and spare parts which increased by 26.31% from ₹ 2,147.70 lakh in Fiscal 2023 to ₹ 2,712.82 lakh in Fiscal 2024 on account of increase in production.

- Power and fuel expenses which increased by 14.78% from ₹ 3,858.53 lakh in Fiscal 2023 to ₹ 4,428.93 lakh in Fiscal 2024 on account of increase in production.

- Job work charges which increased by 16.10% from ₹ 7,962.86 lakh in Fiscal 2023 to ₹ 9,244.78 lakh in Fiscal 2024 as a result of increase in job work services due to increased sales and greater demand for our medical devices.

- Travelling and conveyance expenses which increased by 35.50% from ₹ 1,717.97 lakh in Fiscal 2023 to ₹ 2,327.83 lakh in Fiscal 2024 on account of increased marketing efforts during the period.

- Legal and professional fees which increased by 16.74% from ₹ 1,337.13 lakh in Fiscal 2023 to ₹ 1,560.96 lakh in Fiscal 2024 as a result of additional legal consulting charges.

- Freight and forwarding (net) which increased by 61.82% from ₹ 741.22 lakh in Fiscal 2023 to ₹ 1,199.42 lakh in Fiscal 2024 as a result of increase in sales and freight cost and freight cost in sales bill.

These increases were, however, off set by a reduction primarily in other manufacturing expenses which decreased by 8.89% from ₹ 234.07 lakh in Fiscal 2023 to ₹ 213.27 lakh in Fiscal 2024. Further, our Company had unrealised mark to market loss on valuation of mutual funds measured at fair value through profit or loss amounting to ₹ 400.69 lakh in Fiscal 2023 but no such expense was incurred in Fiscal 2024.

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 34,426.91 lakh in Fiscal 2024 compared to ₹ 23,749.14 lakh in Fiscal 2023.

Tax Expense

Current tax expenses increased from ₹ 5,912.91 in Fiscal 2023 to ₹ 7,693.19 lakh in Fiscal 2024, primarily on account of increase in profit before tax. Deferred tax also increased from ₹ (109.76) lakh in Fiscal 2023 to ₹ 898.41 lakh in Fiscal 2024 on account of additional depreciation claimed in income tax and unrealised gain on mutual funds. However, tax adjustment for earlier years (net) reduced from ₹ 17.74 lakh in Fiscal 2023 to ₹ 9.34 lakh in Fiscal 2024, as a result of tax assessment of earlier years. As a result, the total tax expenses amounted to ₹ 8,600.94 lakh in Fiscal 2024 compared with ₹ 5,820.89 lakh in Fiscal 2023.

Profit after Tax

For the various reasons discussed above, we recorded a profit after tax of ₹ 25,825.97 lakh in Fiscal 2024 compared to ₹ 17,928.25 lakh in Fiscal 2023.

Total Comprehensive Income for the Year

Total comprehensive income for the year was ₹ 25,737.61 lakh in Fiscal 2024 compared to ₹ 17,968.86 lakh in Fiscal 2023.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 41,949.65 lakh in Fiscal 2024 compared to EBITDA of ₹ 30,349.68 lakh in Fiscal 2023, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 30.49% in Fiscal 2024 compared to 27.21% in Fiscal 2023.

FISCAL 2023 COMPARED WITH FISCAL 2022

Set forth below is a discussion of our results of operations, on the basis of amounts derived from our Audited Consolidated Financial Statements, for Fiscals ended March 31, 2023 and March 31, 2022.

Total income

Total income increased by 19.82% from ₹ 96,096.51 lakh in Fiscal 2022 to ₹ 1,15,141.58 lakh in Fiscal 2023 due to an increase in our revenue from operations which increased by 20.82% from ₹ 92,306.26 lakh in Fiscal 2022 to ₹ 1,11,523.04 lakh in Fiscal 2023. Our other income, however, marginally decreased, by 4.53% from ₹ 3,790.25 lakh in Fiscal 2022 to ₹ 3,618.54 lakh in Fiscal 2023.

Revenue from Operations

Revenues from operations increased by 20.82% from ₹ 92,306.26 lakh in Fiscal 2022 to ₹ 1,11,523.04 lakh in Fiscal 2023, due to an increase in sale of products by 20.92% from ₹ 91,688.79 lakh in Fiscal 2022 to ₹ 1,10,865.82 lakh in Fiscal 2023, particularly medical devices such as intravenous cannula, intravenous set, prefilled syringes and blood bags, both in domestic and export markets, and an increase in other operating revenues by 6.44% from ₹ 617.47 lakh in Fiscal 2022 to ₹ 657.22 lakh in Fiscal 2023.

The increase in sale of products was driven by an increase in revenue from sale of manufactured products, such as intravenous cannula, intravenous set, prefilled syringes and blood bags by 21.17% from ₹ 90,805.43 lakh in Fiscal 2022 to ₹ 1,10,032.43 lakh in Fiscal 2023. This was, however, off set by a marginal reduction in revenue from sale of traded goods, such as blood collection tubes, haemodialysis machines and certain other products which decreased by 5.66% from ₹ 883.36 lakh in Fiscal 2022 to ₹ 833.39 lakh in Fiscal 2023.

The increase in other operating revenues was driven by an increase in export incentives such as duty drawback scheme and the RODTEP scheme, by 18.10% from ₹ 420.26 lakh in Fiscal 2022 to ₹ 496.31 lakh in Fiscal 2023, as well as an increase in revenue from sale of scrap by 10.51% from ₹ 145.61 lakh in Fiscal 2022 to ₹ 160.91 lakh in Fiscal 2023 on account of increase in waste product as a result of our manufacturing operations.

In addition, we received other operating revenue from Poly Medicure B.V amounting to ₹ 51.60 lakh in Fiscal 2022 whereas no such revenue was received in Fiscal 2023.

Revenue by Geography

Revenue generated from domestic sales increased by 13.36% from ₹ 30,346.37 lakh in Fiscal 2022 to ₹ 34,400.52 lakh in Fiscal 2023 as a result of increased demand for our products on account of our marketing and distribution efforts. Revenue generated from exports also increased by 25.84% from ₹ 57,012.94 lakh in Fiscal 2022 to ₹ 71,746.76 lakh in Fiscal 2023 on account of improved realization in foreign currencies, and greater demand for our medical devices in foreign countries, and sales related to foreign subsidiaries also increased by 8.99% from ₹ 4,329.48 lakh in Fiscal 2022 to ₹ 4,718.54 lakh in Fiscal 2023 on account of an increase in demand of our products globally. Domestic-export incentives and scrap as part of our other operating revenue also increased by 16.14% from ₹ 565.87 lakh in Fiscal 2022 to ₹ 657.22 lakh in Fiscal 2023 on account of increase in export sales.

Other Income

Other income decreased by 4.53% from ₹ 3,790.25 lakh in Fiscal 2022 to ₹ 3,618.54 lakh in Fiscal 2023, primarily due to a reduction in (i) interest income from financial assets measured at amortised cost by 64.10% from ₹ 30.53 lakh in Fiscal 2022 to ₹ 10.96 lakh in Fiscal 2023 on account of interest on deferred liability, (ii) miscellaneous income comprising miscellaneous charges received, and commission and brokerage income received by 15.39% from ₹ 349.33 lakh in Fiscal 2022 to ₹ 295.56 lakh in Fiscal 2023 on account of miscellaneous charges recovered, (iii) provisions / liabilities no longer required written back (net) by 42.45% from ₹ 36.89 lakh in Fiscal 2022 to ₹ 21.23 lakh in Fiscal 2023 on account of liabilities written back, and (iv) gain on fixed assets sold / discarded by 81.09% from ₹ 53.05 lakh in Fiscal 2022 to ₹ 10.03 lakh in Fiscal 2023 on account of sales of fixed assets such as flats and moulding machines.

Our Company also received unrealised gain on valuation of mutual funds measured at fair value through profit or loss amounting to ₹ 960.03 lakh in Fiscal 2022 whereas no such income was received in Fiscal 2023.

Such increases were, however, partially off set by an increase in (i) lease rental by 206.24% from ₹ 10.58 lakh in Fiscal 2022 to ₹ 32.40 lakh in Fiscal 2023 on account of an increase in duration of lease rental, (ii) interest income on fixed and other deposits by 195.29% from ₹ 198.60 lakh in Fiscal 2022 to ₹ 586.44 lakh in Fiscal 2023 on account of increase in fixed deposit, (iii) other non-operating income on account of government grants and subsidies in the nature of custom benefit under the EPCG scheme availed at the time of import of machines by

65.47% from ₹ 196.53 lakh in Fiscal 2022 to ₹ 325.19 lakh in Fiscal 2023 due to increase in sales generated against respective machines against which we have taken EPCG benefit, (iv) realised income from sale of mutual funds by 30.23% from ₹ 718.34 lakh in Fiscal 2022 to ₹ 935.50 lakh in Fiscal 2023, and (v) gain on foreign exchange fluctuation (net) by 13.67% from ₹ 1,231.10 lakh in Fiscal 2022 to ₹ 1,399.43 lakh in Fiscal 2023 as a result of foreign currency fluctuation on financial assets and financial liabilities.

Expenses

Our total expenses increased by 19.23% from ₹ 76,816.75 lakh in Fiscal 2022 to ₹ 91,585.11 lakh in Fiscal 2023 due to the reasons set forth below.

Cost of raw materials consumed

Cost of raw materials including packaging materials consumed increased by 20.42% from ₹ 35,237.25 lakh in Fiscal 2022 to ₹ 42,431.15 lakh in Fiscal 2023, due to increase in production at our facilities which led to an increase in packing materials consumed such as plastic granules, PVC sheets, boxes and medical paper by 18.98% from ₹ 28,589.56 lakh in Fiscal 2022 to ₹ 34,015.73 lakh in Fiscal 2023, and an increase in raw materials consumed such as plastic granules, PVC sheets by 26.59% from ₹ 6,647.69 lakh in Fiscal 2022 to ₹ 8,415.42 lakh in Fiscal 2023 on account of increase in packing materials such as boxes and medical paper.

Purchase of stock-in-trade

Purchase of stock-in-trade decreased by 51.08% from ₹ 1,065.61 lakh in Fiscal 2022 to ₹ 521.31 lakh in Fiscal 2023 due to the position of opening inventory of stock in trade in Fiscal 2023.

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

Changes in inventory of finished goods, work-in-progress and stock-in-trade was ₹ (1,495.41) lakh in Fiscal 2023 whereas changes in inventory of finished goods, work-in-progress and stock-in-trade in Fiscal 2022 was ₹ (2,364.94) lakh in Fiscal 2023 primarily on account of production and sales.

Employee Benefit Expenses

Employee benefit expenses increased by 23.91% from ₹ 16,361.99 lakh in Fiscal 2022 to ₹ 20,274.58 lakh in Fiscal 2023 due to an increase in the salaries, wages and bonus by 23.42% from ₹ 15,132.26 lakh in Fiscal 2022 to ₹ 18,676.64 lakh in Fiscal 2023 on account of increase in workers and the number of full time employees and annual increment.

In addition, contribution to provident fund and others also increased by 17.20% from ₹ 1,049.66 lakh in Fiscal 2022 to ₹ 1,230.18 lakh in Fiscal 2023, due to increase in number of full time employees, staff welfare expenses increased by 101.24% from ₹ 86.97 lakh in Fiscal 2022 to ₹ 175.02 lakh in Fiscal 2023, as a result of incremental business and incremental expense for staff related welfare activities, and share based payment to employees also increased by 107.02% from ₹ 93.10 lakh in Fiscal 2022 to ₹ 192.74 lakh in Fiscal 2023 on account of the employee stock option scheme.

Research and Development Expenses

Research and development expenses decreased by 5.16% from ₹ 1,877.11 lakh in Fiscal 2022 to ₹ 1,780.25 lakh in Fiscal 2023, primarily on account of a reduction in (i) cost of components and material consumed (net) for research and development, which decreased by 10.49% from ₹ 1,232.04 lakh in Fiscal 2022 to ₹ 1,102.85 lakh in Fiscal 2023 on account of decreased raw material consumption in research and development; and (ii) legal and professional charges which decreased by 47.92% from ₹ 86.95 lakh in Fiscal 2022 to ₹ 45.28 lakh in Fiscal 2023 on account of a reduction in professional charges.

This decrease was partially off set by an increase primarily in (i) employee benefits expenses which increased by 11.90% from ₹ 462.73 lakh in Fiscal 2022 to ₹ 517.79 lakh in Fiscal 2023 on account of an increase in employees and annual increments, and (ii) other miscellaneous expenses which increased by 47.71% from ₹ 32.51 lakh in Fiscal 2022 to ₹ 48.02 lakh in Fiscal 2023 on account of repair and maintenance of plant and machinery used in research and development.

Finance Costs

Finance costs increased by 107.73% from ₹ 425.48 lakh in Fiscal 2022 to ₹ 883.86 lakh in Fiscal 2023 primarily due to an increase in (i) interest on loans by 79.10% from ₹ 312.09 lakh in Fiscal 2022 to ₹ 558.96 lakh in Fiscal 2023 as a result of increase in our borrowings leading to an increase in interest cost, (ii) exchange difference to the extent considered as an adjustment to interest costs by 511.97% from ₹ 42.68 lakh in Fiscal 2022 to ₹ 261.19 lakh in Fiscal 2023 as a result of foreign currency fluctuation, and (iii) interest on lease liabilities by 63.66% from ₹ 17.61 lakh in Fiscal 2022 to ₹ 28.82 lakh in Fiscal 2023 on account of Ind AS impact on lease rent.

This increase was, however, partially offset by a decrease in other amortised borrowing costs which reduced by 44.35% from ₹ 53.10 lakh in Fiscal 2022 to ₹ 29.55 lakh in Fiscal 2023 on account of interest expenses on deferred liabilities.

Depreciation and Amortization Expense

Depreciation and amortisation expense increased by 5.96% from ₹ 5,395.22 lakh in Fiscal 2022 to ₹ 5716.68 lakh in Fiscal 2023 on account of an increase in depreciation of our tangible assets by 5.24% from ₹ 5,033.11 lakh in Fiscal 2022 to ₹ 5,296.74 lakh in Fiscal 2023, amortisation of intangible assets by 9.00% from ₹ 267.84 lakh in Fiscal 2022 to ₹ 291.94 lakh in Fiscal 2023 and amortisation of rights to use by 43.16% from ₹ 86.40 lakh in Fiscal 2022 to ₹ 123.69 lakh in Fiscal 2023. This was partially offset by a decrease in depreciation of investment properties by 45.24% from ₹ 7.87 lakh in Fiscal 2022 to ₹ 4.31 lakh in Fiscal 2023.

Other Expenses

Other expenses increased by 24.47% from ₹ 17,949.50 lakh in Fiscal 2022 to ₹ 22,342.22 lakh in Fiscal 2023, primarily due to an increase in:

- Consumption of stores and spare parts which increased by 22.76% from ₹ 1,749.55 lakh in Fiscal 2022 to ₹ 2,147.70 lakh in Fiscal 2023 on account of increase in production.

- Power and fuel expenses which increased by 29.32% from ₹ 2,983.67 lakh in Fiscal 2022 to ₹ 3,858.53 lakh in Fiscal 2023 on account of increase in production.

- Job work charges which increased by 20.57% from ₹ 6,604.43 lakh in Fiscal 2022 to ₹ 7,962.86 lakh in Fiscal 2023 as a result of increase in job work services due to increased sales and greater demand for our medical devices.

- Travelling and conveyance expenses which increased by 68.84% from ₹ 1,017.49 lakh in Fiscal 2022 to ₹ 1,717.97 lakh in Fiscal 2023 on account of increased marketing efforts during the period as compared with a reduction travelling in Fiscal 2022 due to the spread of COVID-19.

- Commission on sales which increased by 21.09% from ₹ 571.56 lakh in Fiscal 2022 to ₹ 692.09 lakh in Fiscal 2023 as a result of increase in sales.

- Freight and forwarding (net) which increased by 19.45% from ₹ 620.52 lakh in Fiscal 2022 to ₹ 741.22 lakh in Fiscal 2023 as a result of increase in sales.

Further, our Company had unrealised loss on valuation of mutual funds measured at fair value through profit or loss amounting to ₹ 400.69 lakh in Fiscal 2023 but no such expense was incurred in Fiscal 2022.

These increases were, however, offset by a reduction primarily in rates, taxes and fee which decreased by 59.00% from ₹ 189.21 lakh in Fiscal 2022 to ₹ 77.57 lakh in Fiscal 2023 as a result of fees, penalty paid in the nature of differential duty plus interest payment on account of sale from export oriented unit to domestic tariff area in fiscal year 2022 and in other miscellaneous expenses comprising general office expense, postage and courier, membership and subscription and printing and stationery expenses, which decreased by 6.02% from ₹ 687.56 lakh in Fiscal 2022 to ₹ 646.15 lakh in Fiscal 2023.

differential duty plus interest payment on account of sale from EOU to DTA

Profit before Tax

For the reasons discussed above, profit before tax was ₹ 23,749.14 lakh in Fiscal 2023 compared to ₹ 19,524.49 lakh in Fiscal 2022.

Tax Expense

Current tax expenses increased from ₹ 4,632.27 in Fiscal 2022 to ₹ 5,912.91 lakh in Fiscal 2023, primarily on account of increase in profit before tax. Tax adjustment for earlier years (net) also increased from ₹ (24.37) lakh in Fiscal 2022 to ₹ 17.74 lakh in Fiscal 2023, as a result of tax assessment by the Income Tax Department. However, deferred tax decreased from ₹ 265.99 lakh in Fiscal 2022 to ₹ (109.76) lakh in Fiscal 2023 on account of unrealised gain on mutual funds. As a result, the total tax expenses amounted to ₹ 5,820.89 lakh in Fiscal 2023 compared with ₹ 4,873.89 lakh in Fiscal 2022.

Profit after Tax

For the various reasons discussed above, we recorded a profit after tax of ₹ 17,928.25 lakh in Fiscal 2023 compared to ₹ 14,650.60 lakh in Fiscal 2022.

Total Comprehensive Income for the Year

Total comprehensive income for the year was ₹ 17,968.86 lakh in Fiscal 2023 compared to ₹ 14,643.03 lakh in Fiscal 2022.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹ 30,349.68 lacs lakh in Fiscal 2023 compared to EBITDA of ₹ 25,345.19 lakh in Fiscal 2022, while EBITDA margin (EBITDA as a percentage of our revenue from operations) was 27.21% in Fiscal 2023 compared to 27.46% in Fiscal 2022.

Liquidity and Capital Resources

Cash Flows

Historically, our primary liquidity requirements have been to finance our working capital needs, loan repayments, and our capital expenditures.

The following table sets forth certain information relating to our cash flows in the periods indicated:

(*₹ in lakh*)

Particulars	Fiscal		
	2024	2023	2022
Net cash from operating activities	26,608.22	19,105.20	12,347.22
Net cash used for investing activities	(24,093.80)	(17,924.16)	(8,533.16)
Net cash (used for) financing activities	(2,015.35)	(1,250.53)	(3,533.79)
Net increase in cash and cash equivalents	499.07	(69.50)	280.28
Cash and cash equivalents at the beginning of the year	706.24	775.74	495.46
Cash and cash equivalents at the end of the year	1,205.31	706.24	775.74

Operating Activities

Fiscal 2024

In Fiscal 2024, net cash from operating activities was ₹ 26,608.22 lakh. Profit before tax and exceptional items was ₹ 34,426.91 lakh in Fiscal 2024 and adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortization of ₹ 6,392.65 lakh, interest expenses of ₹ 1,130.09 lakh, interest income of ₹ (1,294.58) lakh, share in income of associates of ₹ (252.68) lakh and unrealised gain on mutual fund of ₹ (2,094.88) lakh. Operating profit before working capital changes was ₹ 38,104.04 lakh in Fiscal 2024. The main working capital adjustments in Fiscal 2024 included increase in inventories of ₹ (1,237.56) lakh, increase in sundry debtors of ₹ (3,668.56) lakh, increase in financial assets of ₹ (732.20) lakh and decrease in liabilities of ₹ (445.61) lakh. This was partially offset by decrease in other assets of ₹ 259.79 lakh, increase in trade payables of ₹ 376.15

lakh and increase in other financial liabilities of ₹ 1,358.34 lakh. Cash generated from operations in Fiscal 2024 amounted to ₹ 34,038.35 lakh. Direct taxes paid (net of refunds) amounted to ₹ (7,430.13) lakh.

Fiscal 2023

In Fiscal 2023, net cash from operating activities was ₹ 19,105.20 lakh. Profit before tax and exceptional items was ₹ 23,749.14 lakh in Fiscal 2023 and adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortization of ₹ 5,716.68 lakh, interest expenses of ₹ 883.86 lakh, interest income of ₹ (586.44) lakh and share in income of associates of ₹ (192.67) lakh. Operating profit before working capital changes was ₹ 29,837.88 lakh in Fiscal 2023. The main working capital adjustments in Fiscal 2023 included increase in inventories of ₹ (4,029.05) lakh, increase in sundry debtors of ₹ (2,879.68) lakh and increase in other assets of ₹ (99.10) lakh. This was partially offset by increase in trade payables of ₹ 376.92 lakh, increase in other financial liabilities of ₹ 593.00 lakh, increase in other liabilities of ₹ 977.44 lakh and increase in provisions of ₹ 128.01 lakh. Cash generated from operations in Fiscal 2023 amounted to ₹ 24,891.89 lakh. Direct taxes paid (net of refunds) amounted to ₹ (5,786.69) lakh.

Fiscal 2022

In Fiscal 2022, net cash from operating activities was ₹ 12,347.22 lakh. Profit before tax and exceptional items was ₹ 19,524.49 lakh in Fiscal 2022 and adjustments to reconcile profit before tax to net cash flows primarily consisted of depreciation and amortization of ₹ 5,395.22 lakh, interest expenses of ₹ 425.48 lakh, interest income of ₹ (198.60) lakh, share in income of associates of ₹ (244.73) lakh and Ind AS and other adjustments of ₹ (1,285.65) lakh. Operating profit before working capital changes was ₹ 23,432.26 lakh in Fiscal 2022. The main working capital adjustments in Fiscal 2022 included increase in inventories of ₹ (4,188.23) lakh, increase in sundry debtors of ₹ (5,073.56) lakh and increase in other assets of ₹ (866.81) lakh. This was partially offset by increase in trade payables of ₹ 2,470.15 lakh, increase in other financial liabilities of ₹ 118.09 lakh, increase in other liabilities of ₹ 1,074.60 lakh and increase in provisions of ₹ 62.01 lakh. Cash generated from operations in Fiscal 2022 amounted to ₹ 17,092.82 lakh. Direct taxes paid (net of refunds) amounted to ₹ (4,745.60) lakh.

Investing Activities

Fiscal 2024

Net cash used in investing activities was ₹ (24,093.80) lakh in Fiscal 2024, primarily on account of purchase of fixed assets (including capital advances) of ₹ (27,701.59) lakh and purchase of investments (net) of ₹ (1,501.02) lakh, which was marginally offset by proceeds from fixed deposits (net) of ₹ 3,545.22 lakh and interest income of ₹ 1,317.70 lakh.

Fiscal 2023

Net cash used in investing activities was ₹ (17,924.16) lakh in Fiscal 2023, primarily on account of purchase of fixed assets (including capital advances) of ₹ (23,927.48) lakh and investment in fixed deposits (net) of ₹ (15,080.30) lakh, which was offset by sale of investments (net) of ₹ 20,856.68 lakh and interest income of ₹ 158.31 lakh.

Fiscal 2022

Net cash used in investing activities was ₹ (8,533.16) lakh in Fiscal 2022, primarily on account of purchase of fixed assets (including capital advances) of ₹ (15,557.77) lakh which was marginally offset by sale of investments (net) of ₹ 1,801.56 lakh, proceeds from fixed deposits (net) of ₹ 4,652.76 lakh, proceeds from sale of fixed assets of ₹ 151.40 lakh and interest income of ₹ 387.00 lakh.

Financing Activities

Fiscal 2024

Net cash used for financing activities was ₹ (2,015.35) lakh in Fiscal 2024, primarily on account of dividend paid (including unpaid dividend transferred) of ₹ (2,874.00) lakh, interest/ finance charges paid of ₹ (1,102.40) lakh and repayment of lease liabilities (including interest) of ₹ (177.29) lakh. This was partially offset by proceeds from borrowings of ₹ 2,111.96 lakh.

Fiscal 2023

Net cash used for financing activities was ₹ (1,250.53) lakh in Fiscal 2023, primarily on account of dividend paid (including unpaid dividend transferred) of ₹ (2,397.30) lakh, interest/ finance charges paid of ₹ (845.74) lakh and repayment of lease liabilities (including interest) of ₹ (141.60) lakh. This was partially offset by proceeds from repayment of borrowings / deferred payment liabilities (net) of ₹ 2,098.99 lakh.

Fiscal 2022

Net cash used for financing activities was ₹ (3,533.79) lakh in Fiscal 2022, primarily on account of dividend paid (including unpaid dividend transferred) of ₹ (2,391.56) lakh, interest/ finance charges paid of ₹ (409.96) lakh, repayment of lease liabilities (including interest) of ₹ (114.00) lakh and repayment of borrowings / deferred payment liabilities (net) of ₹ (628.16) lakh. This was partially offset by proceeds from proceeds from share allotments of ₹ 9.89 lakh.

INDEBTEDNESS

As of June 30, 2024, we had total borrowings of ₹ 18,661.91 lakh. Our Debt to Equity Ratio was 0.12 as of June 30, 2024.

The following table sets forth certain information relating to our outstanding indebtedness as of June 30, 2024, and our repayment obligations in the periods indicated:

Particulars	**As of June 30, 2024**				
	Payment due by period (₹ lakh)				
	Total	**Not later than 1 year**	**1-3 years**	**3 -5 years**	**More than 5 years**
Long Term Borrowings					
Term loans (secured)	0	0	0	0	0
Term loans (unsecured)	0	0	0	0	0
Total long term borrowings	**0**	**0**	**0**	**0**	**0**
Short Term Borrowings					
Secured	18,661.91	18,661.91	-	-	-
Unsecured	-	-	-	-	-
Total Short Term Borrowings	**18,661.91**	**18,661.91**	**-**	**-**	**-**
Total Borrowings	**18,661.91**	**18,661.91**	**-**	**-**	**-**

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2024, our contingent liabilities that have not been accounted for in our financial statements, were as follows:

Particulars	**Amount (₹ lakhs)**
Compensation for enhanced cost of land pending with District and Session Court, Faridabad	9.34
Show cause notice issued by Principal Commissioner of Customs	849.03
Show cause notice issued by Joint Commissioner CGST (F.Y. 2017-19 and 2020-22)	4,237.83
Demand by Assistant Commissioner of CGST along with penalty in respect of transitional input tax credit	32.34
Income tax demand for AY 2017-18 under Section 270A of Income Tax Act 1961 and also for AY 2018-19 u/s 143(3) and 154 of Income Tax Act 1961	152.50
Demand from National Pharmaceutical Pricing Authority	66.88
Total	**5,347.92**

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. Also see "***Financial Information***" and "***Risk Factors - We have certain contingent liabilities that have not been provided for in our financial statements, which if they materialise, may adversely affect our financial condition.***" on pages 248 and 56, respectively

Except as disclosed in the "Audited Consolidated Financial Statements" or elsewhere in this Placement Document, there are no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to future payments due under known contractual commitments as of June 30, 2024, aggregated by type of contractual obligation:

Particulars	As of June 30, 2024				
	Payment due by period				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(₹ lakh)				
Contractual obligations					
Long-term debt obligations	-	-	-	-	-
Capital (finance) lease obligations	-	-	-	-	-
Operating lease obligations	349.04	182.38	167.67	-	-
Purchase obligations	12,340.33	12,340.33	-	-	-
Other long-term liabilities	-	-	-	-	-
Lease arrangements	-	-	-	-	-
Total	12,689.37	12,521.70	167.67	-	-

For further information on our capital and other commitments, see "***Financial Information***" on page 248.

CAPITAL EXPENDITURES

In Fiscal 2022, Fiscal 2023 and Fiscal 2024, our capital expenditure towards additions to fixed assets (property, plant and equipment's and intangible assets) were ₹ 11,749.73 lakh, ₹ 20,485.23 lakh and ₹ 29,478.45 lakh, respectively. The following table sets forth our fixed assets for the years indicated:

(*₹ in lakh*)

Particulars	Fiscal		
	2024	**2023**	**2022**
Property, plant and equipment	29,128.94	20,183.03	11,535.45
Intangible Assets	349.51	302.21	214.28
Capital Work in Progress (including intangible under development)	(245.22)	3,476.29	2,218.59
Total	**29,233.23**	**23,961.53**	**13,968.32**

For further information, see "***Financial Information***" on page 248.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration to executive Directors, Key Managerial Personnel and Senior Management. For further information relating to our related party transactions, see "***Financial Information***" on page 248.

AUDITOR's OBSERVATIONS

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our Statutory Auditors in their auditor's reports on the Audited Consolidated Financial Statements as of and for the years ended March 31, 2022, 2023 and 2024, and in their limited review reports on the Statement of Unaudited Financial Results for the three months ended June 30, 2024.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosure about 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 prices are subject to commodity price risk, foreign exchange risk and interest rate risk.

The financial instruments that are affected by these include loans and borrowing, deposits, available-for-sale investments and derivative financial instruments. We, from time to time, undertake analysis in relation to the amount of our net debt, the ratio of fixed to floating interest rates of our debt and our financial instruments that are in foreign currencies. We use derivative financial instruments such as foreign exchange contracts to manage our exposures to foreign exchange fluctuations.

Commodity price risk

Commodity price risk is the possibility of impact from changes in the prices of raw materials, which we use in the manufacture of our products. While we seek to pass on input cost increases to our customers, we may not be able to fully achieve this in all situations or at all times.

Foreign exchange risk

We face foreign exchange risk in respect of our foreign currency loans, and expenses in relation to imported raw materials. However, as a substantial portion of our sales are exports, and revenues generated from these sales are denominated in foreign currencies, our exposure to foreign exchange fluctuations is relatively hedged.

Inflation risk

Inflationary factors such as increases in the raw material costs may adversely affect our operating results. There may be time lag in recovering the inflation impact from our customer and we may not be able to recover the full impact of such inflation. A high rate of inflation in the future may, therefore, have an adverse effect on our ability to maintain our profit margins.

Credit risk

We are subject to the risk that our counterparties including under various financial agreements will not meet their obligations. Our credit risk exposure relates to our operating activities and our financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Interest rate risk

We are subject to market interest risks due to fluctuations in interest rates primarily in relation to our debt obligations with floating interest rates. As of June 30, 2024, 100.00% of our total loans carried floating interest rate. The interest rate on remaining loans, although fixed, is subject to periodic review by lending banks / financial institutions in relation to their respective base lending rates, which may vary over a period result of any change in the monetary policy of the Reserve Bank of India.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "***– Significant Factors Affecting our Results of Operations and Financial Condition***" and the uncertainties described in "***Risk Factors***" on pages 84 and 38, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in " ***– Significant Factors Affecting our Results of Operations and Financial Condition***" and the uncertainties described in "***Risk Factors***" on pages 84 and 38, respectively. To our knowledge, except as discussed in this Placement Document, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "***Risk Factors***", "***Business***" and " – ***Significant Factors Affecting our Results of Operations and Financial Condition***" on pages 38, 165 and 82 respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Placement Document, we have not announced and do not expect to announce in the near future any new business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "***Business***", "***Industry Overview***" and "***Risk Factors***" on pages 165, 117 and 38, respectively, for further details on competitive conditions that we face across our various business segments.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue in the last three Fiscals are as described in "***– Fiscal 2024 compared with Fiscal 2023***" and "***– Fiscal 2023 compared with Fiscal 2022***" above on pages 104 and 107, respectively.

SEGMENT REPORTING

The operating segment is medical devices, as evaluated in accordance with Ind AS - 108 '*Operating Segment*'. We accordingly report our financial statements under one segment, namely, '*Medical Devices*'.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

Given the nature of our business operations, we do not believe our business is dependent on any single or a few customers.

SEASONALITY/ CYCLICALITY OF BUSINESS

Our business does not exhibit seasonality. For further information, see "***Industry Overview***" and "***Business***" on pages 117 and 165, respectively.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

There have been no significant developments after March 31, 2024 that may affect our future results of operations.

INDUSTRY OVERVIEW

*The information in this section is derived from the report "Market Assessment of Medical Device Industry in India" dated August 19, 2024 ("**CRISIL Report**") prepared and released by CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited ("**CRISIL**"), which was commissioned and paid for by our Company in connection with the Issue. Also see, "**Presentation of Financial Information and Other Conventions**" on page 13. The recipient should not construe any of the contents in the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the Issue.*

*For further information, see "**Risk Factors - This Placement Document contains information from industry sources including the industry report from CRISIL.**" on page 59.*

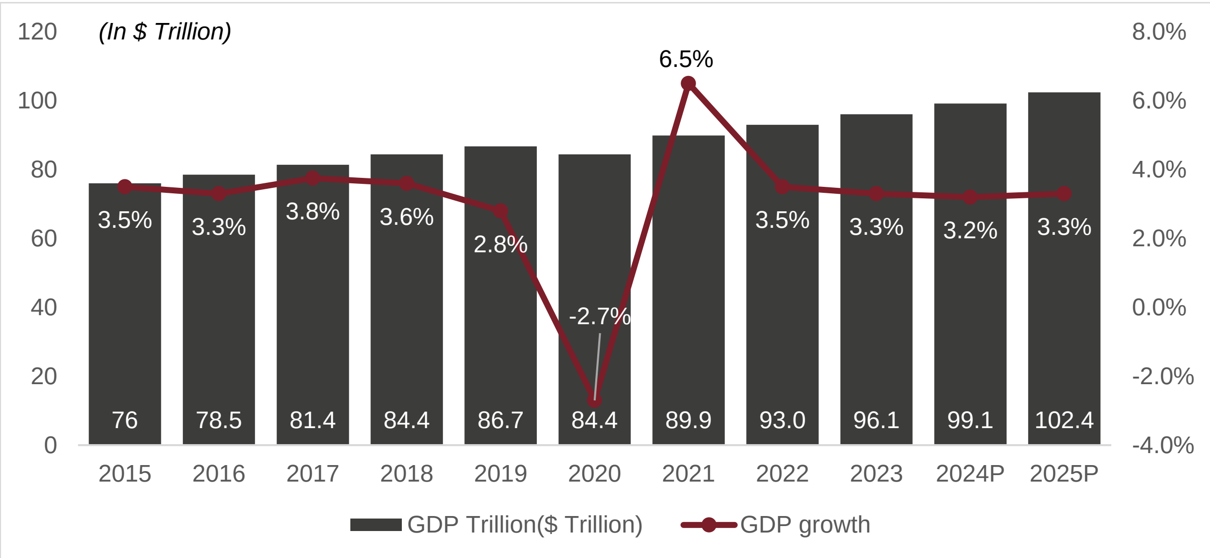
Global macro-economic overview

Global GDP is estimated to grow at 3.2% in CY 2024 and 3.3% in CY 2025 amid moderating inflation and steady growth in key economies

As per the International Monetary Fund's (IMF) July 2024 update, global gross domestic product (GDP) growth is projected at 3.2%,3.3% and 3.3% in 2024,2025 and 2026 respectively. The latest estimate for 2024 is in line with IMF's previous forecast in April 2024, mainly due to stabilization of economic activities and strong first quarter growth in many countries. Emerging market and developing economies are also expected to experience stable growth through 2024 and 2025, with regional differences.

With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. Amid favorable global supply developments, inflation has been falling faster than expected, however service inflation is holding up the progress on disinflation. On the upside, faster disinflation could lead to further easing of financial conditions. On the downside, new commodity price spikes from geopolitical shocks and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions.

Global GDP trend and outlook (2018-2025P, $ trillion)



Note: E: Estimated, P: Projection
Source: IMF economic database, CRISIL Market Intelligence and Analytics (MI&A)

India among the world's fastest-growing key economies

Following the recovery from the COVID-19 pandemic, India exhibited a faster growth rate of 7.2% in FY2023, surpassing both advanced economies at 2.6% and emerging and developing economies at 4.1%. This trend is expected to continue, with India leading the growth compared to its key counterparts.

United States: In the United States, growth is projected to shift from 2.5% in 2023 to 2.6% in 2024 and 1.9% in 2025, with the lagged effects of monetary policy tightening, gradual and a softening in labour markets slowing the aggregate demand.

United Kingdom: Growth in the United Kingdom is projected to rise modestly from an estimated 0.1% in 2023 to 0.7% in 2024, due to lagged negative effects of high energy prices wane. Then in 2025, as disinflation allows an easing in financial conditions and permits real incomes to recover, the economy is expected to see a growth of 1.5%.

Euro zone: Growth in the euro area is projected to recover from 0.5% in 2023, which reflected relatively high exposure to the war in Ukraine, to 0.9% in 2024 and 1.5% in 2025. As per IMF estimates, the growth in is driven by strong household consumption as the energy prices subside and inflation falls, supporting the real income growth. Further, in recent years, the EU technology industry has faced disruptions due to currency fluctuations on account of fall in Euro and Pound against US dollar impacting the imports coupled with Russia-Ukraine conflict disrupting the supply chains which further impacted the sector.

Real GDP growth comparison among India vs Advanced and emerging economies

Real GDP growth (Annual % change)	2018	2019	2020	2021	2022	2023	2024P	2025P
China	6.8	6.0	2.2	8.4	3.0	5.2	5.0	4.5
Euro Zone	1.8	1.6	-6.1	5.9	3.4	0.4	0.8	1.5
India*	6.5	3.9	-5.8	**9.7***	**7.0***	**8.2***	**7.0***	**6.5**
Japan	0.6	-0.4	-4.1	2.6	1.0	1.9	0.7	1.0
UK	1.4	1.6	-10.4	8.7	4.3	0.1	0.7	1.5
USA	3.0	2.5	-2.2	5.8	1.9	2.5	2.6	1.9
World	**3.6**	**2.8**	**-2.7**	**6.5**	**3.5**	**3.3**	**3.2**	**3.3**

*Note: P: Projected. * Numbers for India are for financial year (2020 is FY2021 and so on) and as per the IMF's forecast. ^India GDP estimate for the FY2024 is 8.2% according to provisional estimates from MoSPI. Note: Projection as per IMF update*
Source: IMF economic database, CRISIL Market Intelligence and Analytics (MI&A)

India's per capita GDP grew faster than global average

Between 2018 and 2023, global per capita GDP clocked a CAGR of 3.1% and that of emerging markets and developing economies a higher 4.4%, according to the IMF. Meanwhile, India witnessed a higher per capita GDP CAGR of 4.8% during the same period.

GDP per capita, current prices ($)

Regions	2018	2019	2020	2021	2022	2023	2024P	2025P	CAGR (2018-23)
Canada	46,618	46,431	43,573	52,521	55,613	53,548	54,866	57,021	2.8%
China	9,849	10,170	10,525	12,572	12,643	12,514	13,136	14,037	4.9%
Euro area	39,866	39,014	37,938	42,587	41,062	44,463	45,826	47,322	2.2%
India	1,974	2,050	1,916	2,250	2,366	2,500	2,731	2,984	4.8%
Japan	39,850	40,548	40,172	40,114	34,005	33,806	33,138	34,922	-3.2%
United States	63,165	65,505	64,367	70,996	77,192	81,632	85,373	87,978	5.3%
World	11,472	11,518	11,111	12,527	12,894	13,359	13,836	14,368	3.1%

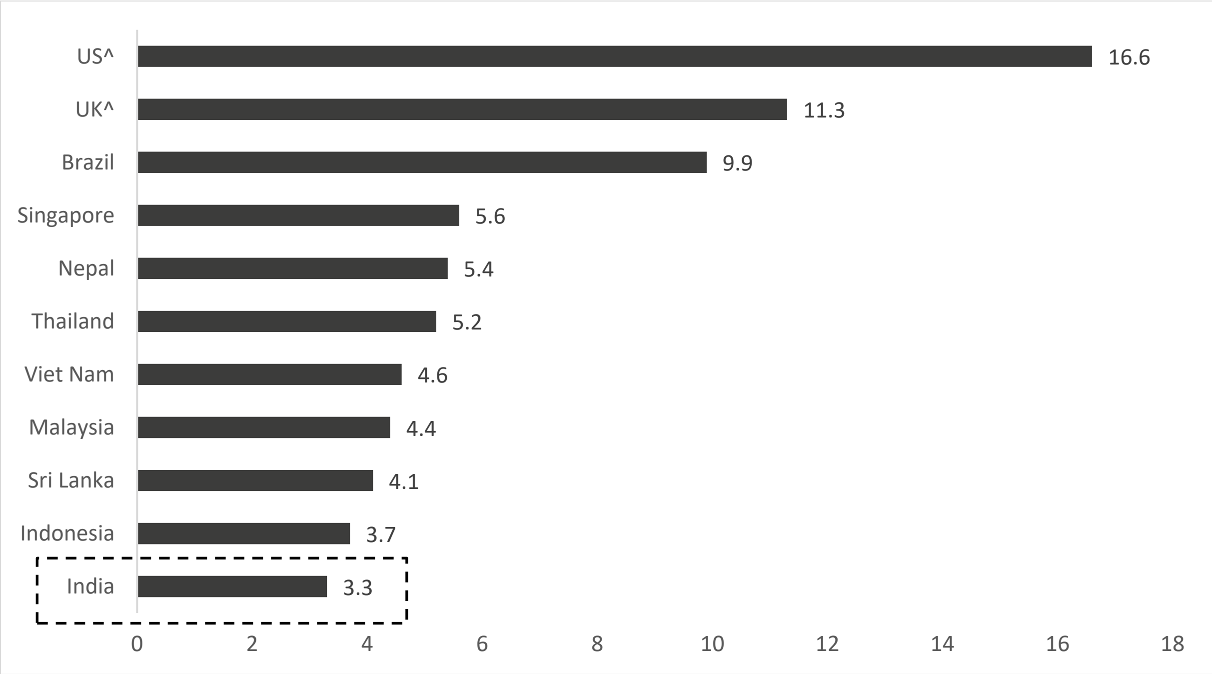
Notes: E – estimated; P – projected
Source: IMF, CRISIL MI&A

Healthcare expenditure

Global healthcare spending has been rising fast in keeping with economic growth. As the economy grows, public and private spending on health grows, too. Also, increase in sedentary work is giving rise to chronic diseases, which is also pushing up healthcare spending. Fast growing economies with low spending on healthcare are seeing it increasing dramatically as they move up the income ladder. The US, the UK, France, and Germany are among the top five nations with the highest expenditure on healthcare as a percentage of GDP.

India Lags peers in healthcare expenditure

Current healthcare expenditure (CHE) as % of GDP (CY21, CY22)

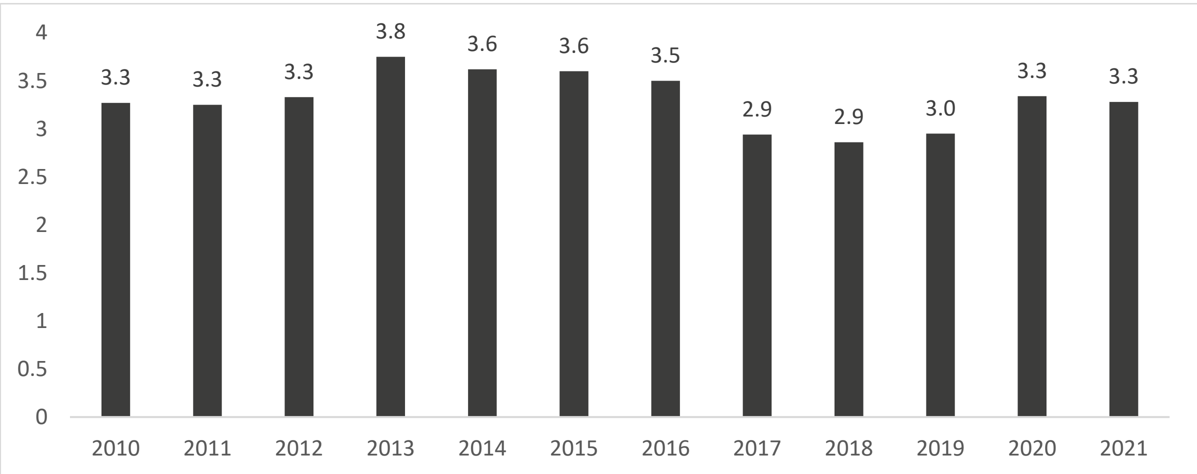


Note:
^ For US and UK, CY22 data has been used, for rest of the countries CY21
Source: Global Health Expenditure Database- World Health Organisation, CRISIL MI&A

According to the Global Health Expenditure Database compiled by the WHO, in CY2021, India's expenditure on healthcare was 3.3% of GDP. As of CY2021, India’s healthcare spending as a percentage of GDP is less than not only developed countries, such as the US and UK, but also developing countries such as Brazil, Vietnam, Sri Lanka Malaysia and Indonesia.

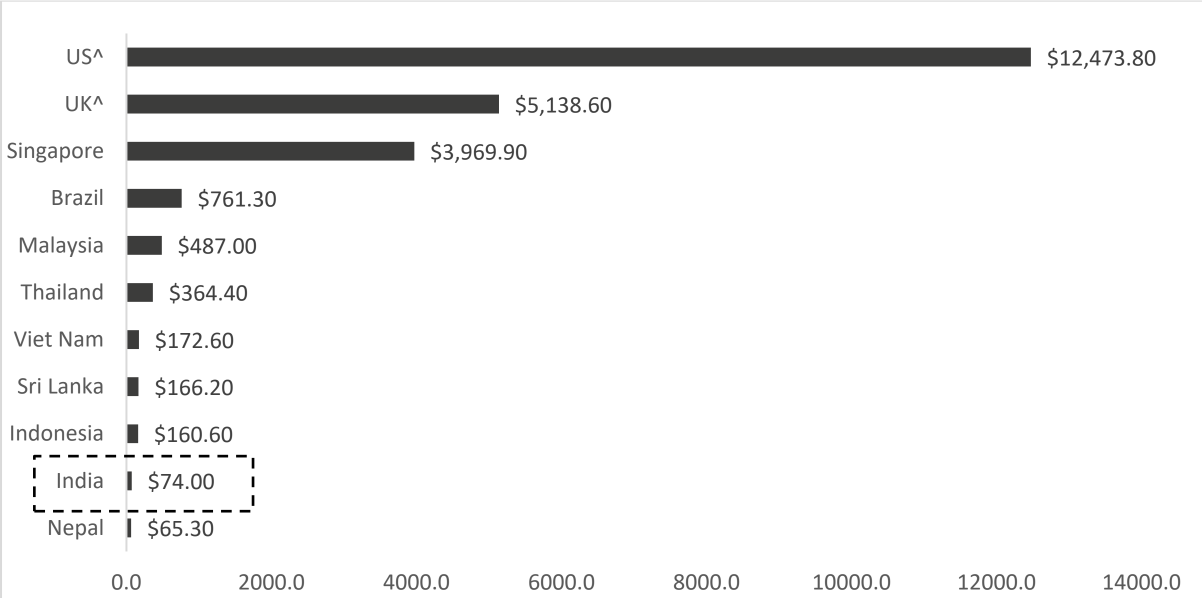
India Spends too little on its healthcare

Current healthcare expenditure (CHE) as % of GDP in India (2010-2021)



Source: Global Health Expenditure Database- World Health Organisation, CRISIL MI&A

Per capita current expenditure on health in USD (CY21, CY22)



Note:
^ For US and UK, CY22 data has been used, for rest of the countries CY21
Source: Global Health Expenditure Database - World Health Organisation, CRISIL MI&A

India's current healthcare expenditure has decreased over 2013-18 from 3.75% in 2013 to 2.86% in 2018.However from 2018 to 2021, this percentage has slightly increased to 3.28% in 2021. India spending on healthcare is very low and almost 50% is out-of-pocket expenditure by the public. The high OOPE healthcare expenditure is primarily due to under-penetration of healthcare and insurance services and lower public spending on healthcare.

Further, India's public spending on healthcare services remains much lower than its global peers. For example, India's per-capita total expenditure on healthcare (at an international dollar rate, adjusted for purchasing power parity) was only $74 in CY21 versus the US's $12,012(CY21 data for comparison purpose) the UK's $5,739(CY21 data for comparison purpose) and Singapore's $3,970.

Macro-economic assessment of India

A review of India's GDP growth

India's real GDP grew at 5.9% CAGR between FY12 and FY24

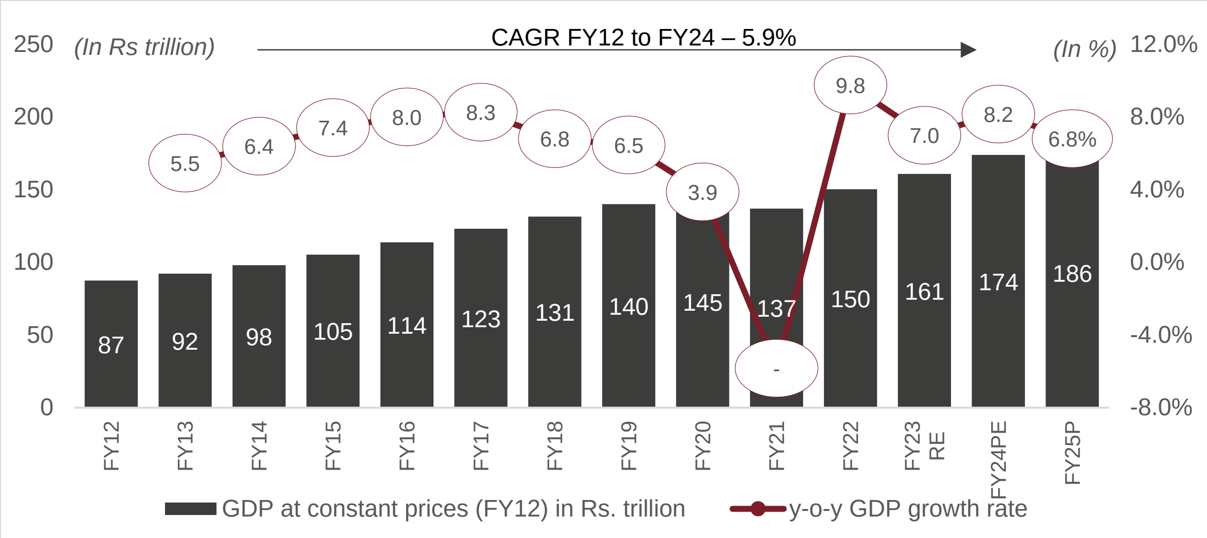
India's GDP grew at 5.9% compounded annual growth rate (CAGR) between FY12 and FY24 to Rs 173.8 trillion in FY24. A large part of the lower growth rate was because of challenges heaped by the Covid-19 pandemic in FY20 and FY21. In FY22, the economy recovered with abating of the pandemic and subsequent easing of restrictions and resumption in economic activity.

In FY23, GDP rose 7% on continued strong growth momentum, propelled by investments and private consumption. The share of investments in GDP was at 33.3% and that of private consumption was at 58.0%.

The National Statistics Office (NSO) in its provisional estimates of Annua Gross Domestic Product (GDP) for FY24, estimated India's real GDP growth to be 8.2% which is higher than its Second Advanced Estimate of 7.6%. Even as the agricultural economy slowed sharply following a weak monsoon, the surge in non-agricultural economy has more than made up for it. The government's investment push, along with easing input cost pressures for industry, has also played a major role in shoring up growth. However, services have been slowing owing to waning pent-up demand (post the pandemic), with the exception of financial, real estate and professional services, which has powered ahead on the back of robust growth in banking and real estate sectors.

Analysis of the FY24 year's growth reveal notable dichotomies. Growth has primarily been fueled by fixed investments, exhibiting a robust 9% expansion, while private consumption growth lagged at 4%, trailing overall GDP growth. On the supply side, the manufacturing sector experienced the most substantial growth at ~9.9%, while the agriculture exhibited more modest growth rate of 1.4%. These trends underscore the varied performance across sectors, highlighting the nuanced dynamics shaping India's economic landscape in FY24. Overall, real GDP of India is estimated to have grown at 8.2% in FY24 compared with 7.0% in FY23.

India real GDP growth at constant prices (new series)



RE – revised estimates, PE – Provision estimates, P – projection
Notes: The values are reported by the government under various stages of estimates
Actuals, estimates and projected data of GDP are provided in the bar graph
Source: Ministry of Statistics and Programme Implementation (MoSPI), CRISIL MI&A

CRISIL forecasts India's real GDP to grow 6.8% in FY25

After a strong GDP print in the past three fiscals, CRISIL expects GDP growth to moderate in FY25 as fiscal consolidation will reduce the fiscal impulse to growth, rising borrowing costs and increased regulatory measures could weigh on demand, net tax impact on GDP is expected to normalize, and exports could be impacted due to uneven growth in key trade partners and any escalation of the Red Sea crisis. On the other hand, another spell of normal monsoon and easing inflation could revive rural demand.

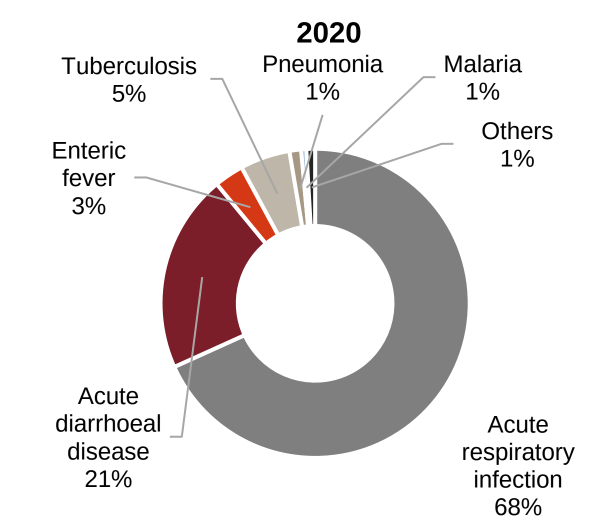
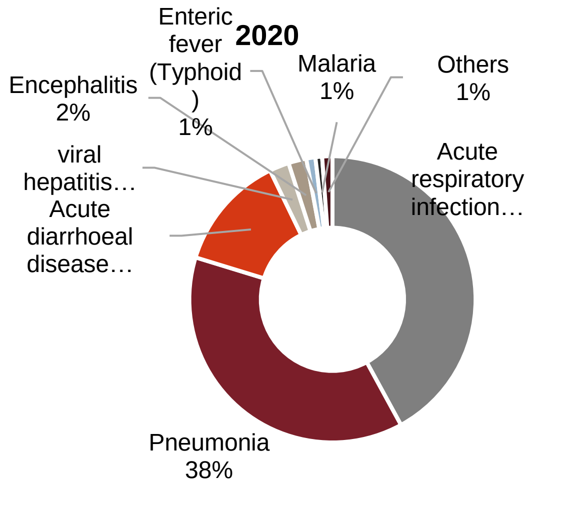
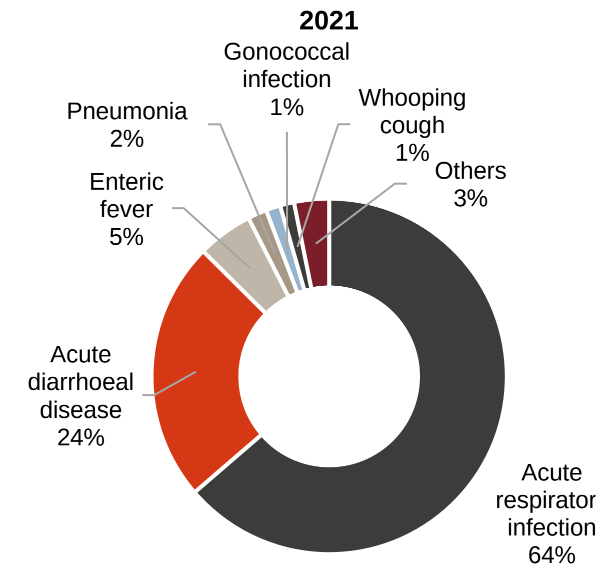
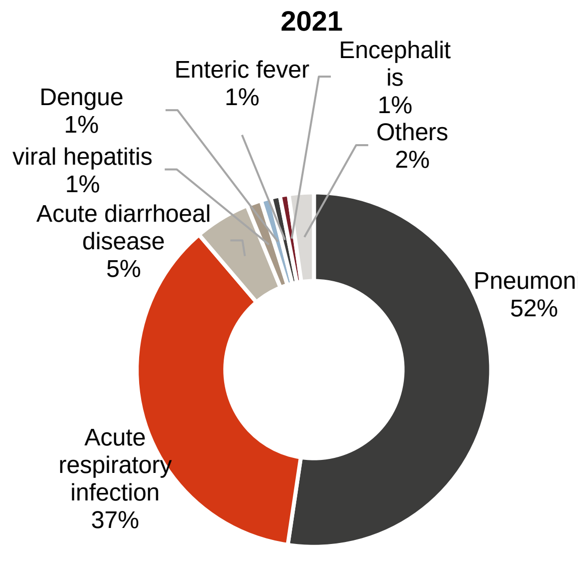
At an overall level, India's real GDP is expected to be 6.8% in FY25. This slower growth rate vs. FY24 will be because of slowing global growth, impact of rising interest rates, waning of pent-up demand for services and increasing geopolitical uncertainty. Still, the manufacturing sector, investments and domestic demand will remain resilient.

Disease profile in India

A review of communicable diseases in India

Overall, communicable diseases have been decreasing in India, especially with a considerable fall in cases and deaths due to malaria, dengue, chikungunya, chicken pox, encephalitis, and viral meningitis.

Morbidity reported on major communicable diseases	Mortality reported on major communicable diseases
Among the various communicable diseases reported by states/union territories (UTs) in 2020 and 2021, the following communicable diseases accounted for the maximum percentage of cases reported	Among the various communicable diseases reported by states/UTs in 2020 and 2021, the following communicable diseases accounted for the maximum percentage of deaths reported

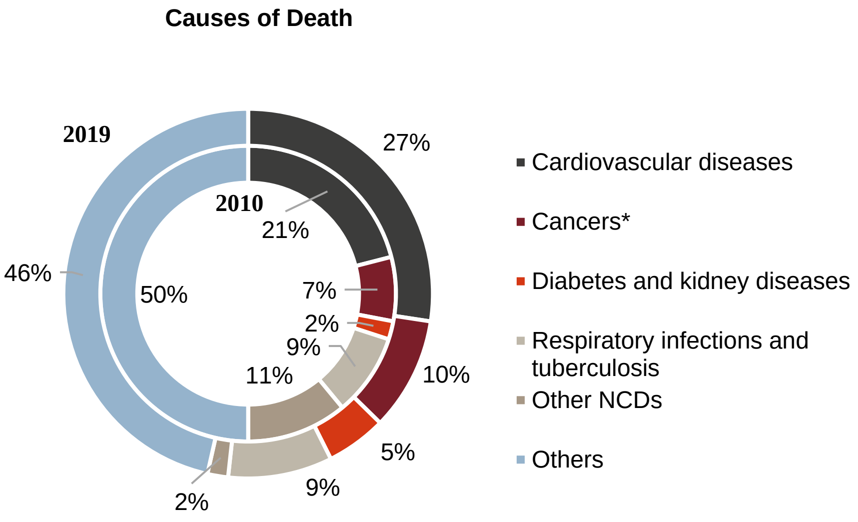
Morbidity reported on major communicable diseases	Mortality reported on major communicable diseases
	
	

Source: National Health Profile-2021, National Health Profile-2022, CRISIL MI&A

From 2020 to 2021, Pneumonia deaths have increased from 38% to 52%, while the acute respiratory infection deaths have seen a decrease from 42% to 37%. Taken together, Pneumonia and acute respiratory infection deaths account for ~90% of the mortality for major communicable diseases. In terms of morbidity, acute respiratory infection has seen a decrease from 68% to 64% while acute diarrheal disease saw its share increase from 21% to 24%. Communicable diseases such as enteric fever, tuberculosis, pneumonia, malaria and others formed a smaller share of the total morbidity reported during these two years.

A review of non-communicable diseases in India

Disease epidemiology shifting towards lifestyle diseases



*Note: Inner pie represents 2010 data, while outer pie represents 2019 data; * *Neoplasms which are tumors are considered as cancer in the above chart; Others include digestive diseases, HIV/AIDS, transport injuries, mental disorders, neurological disorders, sense organ diseases etc.*
Source: WHO global burden of disease, CRISIL MI&A

As opposed to the decreasing rate in communicable diseases, lifestyle-related illnesses or non-communicable diseases (NCDs) have been increasing rapidly in India over the past few years. The contribution of NCDs to the disease profile rose from 30% in 1990 to 55% in 2016. Recent statistics show these illnesses accounted for nearly 66% of all deaths in India in 2019.

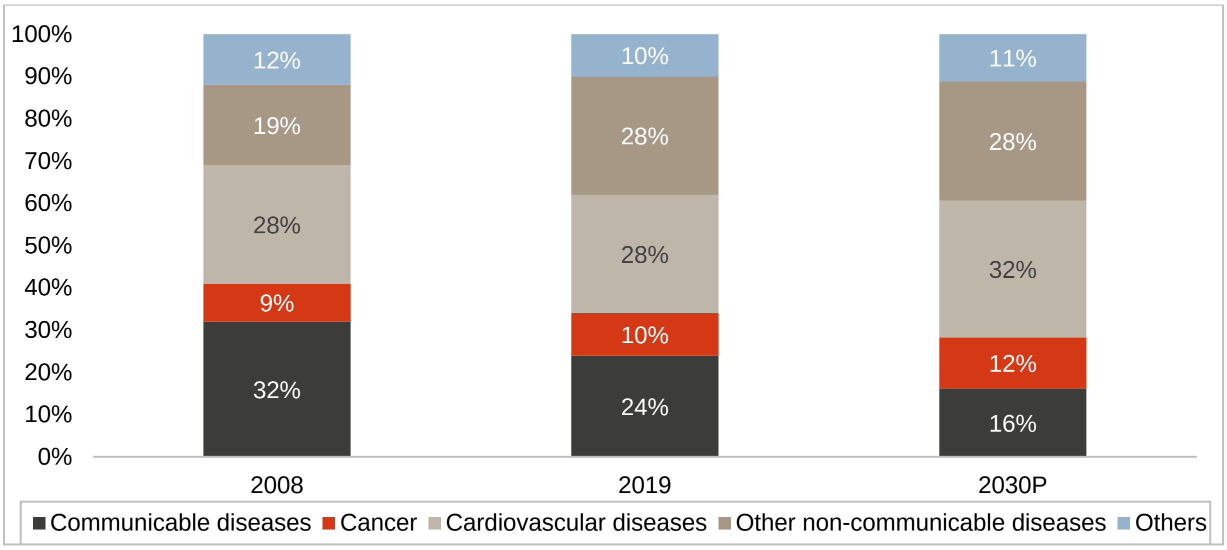
As per the World Economic Forum, the world will lose nearly $30 trillion by 2030 for treatment of NCDs and India's share of this burden will be $5.4 trillion.

In 2019, of the total disease burden, the contribution of the group of risks (unhealthy diet, high blood pressure, high blood sugar, high cholesterol, and overweight) which mainly cause ischemic heart disease, stroke and diabetes rose to~27%.

Non-communicable diseases: A silent killer

CRISIL MI&A believes NCDs exhibit a tendency to increase in tandem with rising income levels. WHO projects an increasing trend in NCDs by 2030, following which CRISIL forecasts demand for healthcare services associated with lifestyle-related diseases such as cardiac ailments, cancer and diabetes to rise. Another emerging market in the country is orthopedics, which currently comprises a very small proportion compared with NCDs, but has a potential market in the country. The orthopedics market can be classified into four different segments, viz., knee, hip, trauma, and spine, of which the knee replacement market holds the biggest share, followed by trauma and spine. Hip replacement in India is still a very small segment compared with knee replacement in contrast to the worldwide trend.

Causes of death in India



Source: WHO global burden of disease, India: Health of the Nation's States, CRISIL MI&A

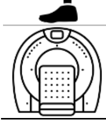
Overview of India's medical device industry

The medical device market varies greatly in complexity and application. As per the World Health Organization (WHO), there are an estimated 2 million different kinds of medical devices on the world market, categorized into more than 7000 generic devices groups. Medical devices are critical to the delivery of healthcare for prevention, diagnosis and treatment of diseases. Making appropriate medical devices available and affordable is important for healthcare delivery. A medical device can be any instrument, apparatus, equipment, appliance, machine, implant and reagent for in vitro use, software, material or other similar or related article, intended by the manufacturer to be used, alone or in combination, for a medical purpose.

Without medical devices, common medical procedures – from bandaging a sprained ankle, to diagnosing HIV/AIDS, implanting an artificial hip or any surgical intervention – would not be possible. Medical devices are used in many diverse settings, for instance, by laypersons at home, by paramedical staff and clinicians in remote clinics, by opticians and dentists, and by healthcare professionals in advanced medical facilities for prevention and screening and in palliative care. Such health technologies are used to diagnose illness, to monitor treatments, to assist disabled people, and to intervene and treat illnesses, both acute and chronic. They are not only used for screening, diagnostics and treatments but also in regular monitoring to enable timely diagnostics of any diseases. With technology advancement and introduction of economics healthcare solutions, it is now possible to provide quality healthcare at effective cost.

Medical devices help in correct diagnostics and accurate treatment, helping to reduce length of hospital stay and increase access of healthcare to all. Technology advancement also make the diagnostics process fast to enable timely delivery of healthcare treatment.

In line with the global medical device market, the Indian market is also divided into four major categories.

Segments		Coverage
	Consumables and disposables	Disposable plastic syringes, sutures, blood bags, IV fluid set, wound management, medical apparels, and others. Syringes and needles constitute the majority of the sales because of frequency of usage
	Implants	Stents, artificial joints and other artificial body parts, and fixation devices, prosthetics, orthopedics, pacemaker, etc.
	Medical equipment and devices	MRI machines, CT scanners, ultrasound machines, dental X-ray machines, ventilators, scintigraphy apparatus and other electro-diagnostic apparatus, and electro-cardiographs, blood pressure machine, dialysis machine

Segments	Coverage
Diagnostics (reagents)	Medical equipment and reagents used for laboratory purposes, radiation, imaging parts,

Source: CRISIL MI&A

Industry structure

Indian medical device industry is fragmented and largely manufacturers consumables

India's medical device market is highly fragmented. There are more than 800 domestic medical device manufacturers in the country. The industry was dominated by multinational companies (MNCs) in the 1980s and is slowly evolving towards a regulated sector. Some of the MNCs manufacturing in India include 3M Healthcare, Abbott, Baxter, Boston Scientific, B. Braun, Becton Dickinson, GE Healthcare, Johnson & Johnson, Medtronic, Nipro, Philips, Siemens Healthcare, Transasia, and Terumo.

In the 1990s, several Indian players entered the medical device market – Trivitron Healthcare, Sahajanand Medical Technologies, Poly Medicure, Relisys Medical Devices, Allengers Medical Systems (AMSL), and Agappe Diagnostics Ltd. But the regulatory environment was weak during the time and medical devices were still covered under the Drugs and Cosmetics (D&C) Act as drugs. As a result, foreign players required only an import license to penetrate the Indian medical device market and there were no specific regulations and standards for medical devices. In 2000's, India opened its market for foreign players and MNCs, many of the global players increased their presence in India and established firms in India to cater to domestic demand of medical device. With potential for increase in per capita income and spending for healthcare, many Indian domestic players also ventured into the market to either support the MNCs influx or directly cater to medical device demand in India. Still India continued to be import dependent as technology investment were limited, supply chain did not exist for technology heavy medical devices, lack of specific regulation for medical device manufacturing supported imports than investments in India for medical device manufacturing.

In 2014, medical device sector was provided separate recognition from pharmaceutical industry and 100% FDI was allowed through automatic route. 2017, saw introduction of medical device bill that laid out separate regulations for 15 notified medical devices but covered only few products under the regulations.

Government of India announced Production Linked Incentive (PLI) scheme in 2020 to promote manufacturing of medical devices domestically and reduce the imports of medical devices. In view of this the government has proposed setting up of medical devices parks and has proposed incentivizing some of the target segment in the medical device industry in India. The scheme is expected to encourage manufacturing of medical devices in medium to long term.

The government approved the Promotion of Medical Devices Parks scheme in 2020, Under this scheme, Medical devices park would be developed that will provide common infrastructure at one place thereby creating a robust ecosystem for medical devices manufacturing in the country while reducing the manufacturing cost. The tenure of the scheme is from FY21- FY25 with the total financial outlay being Rs. 400 crore. This scheme aims to promote medical device parks in the country in partnership with the state governments. A maximum grant-in-aid of Rs 1,000 million per park will be provided to the states. The scheme for Promotion of Medical Device Parks is to be implemented by a state implementing agency (SIA). Under the sub-scheme for the promotion of medical device parks, common infrastructure facilities would be created in four medical device parks, which is expected to reduce the manufacturing cost of medical devices in the country. In line with the PIB notification dated December 1, 2020, the PLI Scheme for bulk drugs and medical devices was approved by the government on March 20, 2020. In total, proposal from 16 States/UTs were received under the scheme. The ranking methodology for States/UTs is based on the parameters prescribed in the scheme guidelines such as utility charges, State policy incentives, total area of the park, land lease rate, connectivity of the park, ease of doing business ranking, availability of technical manpower etc. Based on the evaluation, the proposals of State Government of Himachal Pradesh, Tamil Nadu, Madhya Pradesh and Uttar Pradesh have been given "in-principle" approval under the scheme.

In 2023, the government approved the National Medical Devices Policy 2023, to ensure accelerated growth of the medical devices sector with a patient-centric approach in order to meet the public health objectives of affordability, access, innovation and quality. The vision of this policy is to emerge as a global leader in the manufacturing and innovation of medical devices. The policy will cover six broad areas of policy interventions such as Regulatory

Interventions, Enabling Infrastructure, Facilitating R&D and Innovation, Attracting Investments in the sector, Human Resources Development and Brand Positioning and Awareness Creation.

In the last twenty years medical devices industry has undergone a transformation – from being dominated by MNC players entirely prior to 1991 with limited supply of medical devices to conversion to import dependence post – new economic policy 1991, to being a non-regulated sector prior to 2006 to regulation of 15 notified devices to the new Medical Device Rules announced in 2017 to the National Medical Policy in 2023.

The medical devices industry in India has seen traction for domestic manufacturers with govt schemes like PLI and medical devices parks encouraging domestic manufacturing of medical devices.

Timeline for Indian medical device industry

1980s	Dominated by large MNCs; India imported 85-90% of medical devices
1990s	Entry of Indian players with investments from MNC players; India had weak regulatory environment; medical devices were covered under the D&C Act
2000s	Increase in number of Indian players and MNCs with liberalisation
2014	The medical device sector was separate from the pharmaceutical sector, allowing 100% foreign direct investment (FDI) under the automatic route
2017	Medical Device Bill 2017 and medical device classification introduced
2020	Production linked incentives(PLI) scheme for promotion of manufacturing medical devices in the domestic market
2020	Promotion of Medical Devices Parks scheme
2023	National medical Devices Policy 2023 approved

Source: CRISIL MI&A

Indian medical equipment industry dominated by foreign MNCs

The Indian medical equipment industry is dominated by large MNCs, which have capacities outside and within India; however, most of them have large capacities outside India for major equipment, which they import to the Indian market. India's imports for medical and scientific devices are largely from Europe, contributing to 33% followed by China and USA with share of 16% and 15% respectively in fiscal 2024.

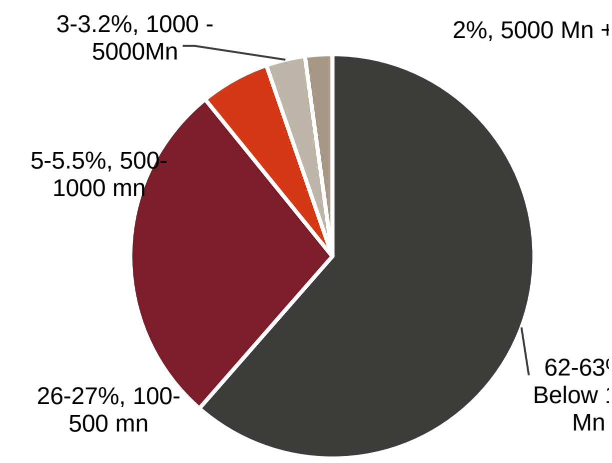
The industry in value terms is import-dependent with ~70% of demand met though imports. Domestic manufacturers dominate the low-tech, disposable equipment and supplies segment of the industry. Around 65% of Indian manufacturers operate in the consumables segment and cater to domestic consumption with limited export revenue. Large MNCs lead the high-tech end of the medical device market with extensive service networks. Only a few Indian companies have moved to producing high-tech-driven products, leaving the high-tech segment majorly to foreign entities. Also, the electronics supply chain required for manufacturing on critical components is not well established. The Indian market has been heavily dependent on imported products for end-products as well as components. But the medical industry in India has potential for growth in the mid-high tech medical devices segment on account of Make in India, derisking supply chain from China, expertise in healthcare segment to make quality value products.

Some domestic firms have expanded local manufacturing operations to produce cost-effective, medium-end medical devices. Currently , India imports ~80% of key tech-driven medical devices, and is higher for critical and specialized medical devices and stents. More advanced equipment in India is usually produced in joint ventures (JVs) with large European and US companies. Indian players present in medium-high technology intensive products largely have JVs with foreign MNCs for technical expertise.

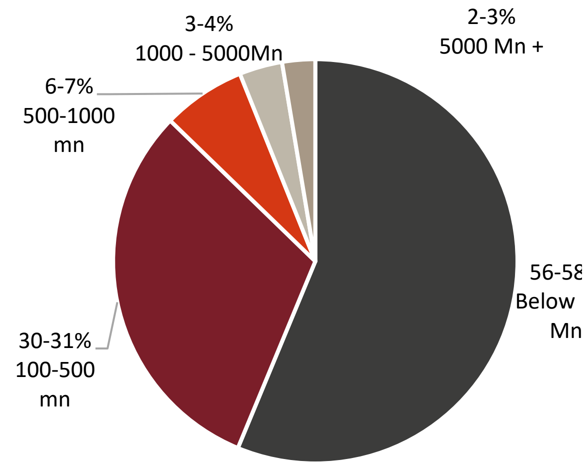
Smaller domestic players act more like contractor manufacturers and provide manufacturing facilities to foreign or domestic players. Their expertise in only limited to manufacturing proves of the desired product.

The Indian medical device manufacturing industry largely comprises consumables manufacturers. As of fiscal 2024, It is fragmented as around 56-58% of players have annual turnover of less than Rs 100 million, and around 85-87% have turnover of less than Rs 500 million. CRISIL MI&A estimates 56-58% of players in the industry had income below Rs 100 million in 2024, compared with 62-63% in 2019. Majority of the manufacturers are in the low-tech space, catering to the consumables segment. With robust ~12% CAGR between fiscals 2019 and 2024, players' turnover rose and is heading towards the Rs 100-500 million bracket. The share of players with income of Rs 100-500 million rose to 30-31% in 2024 from 26-27% in 2019.

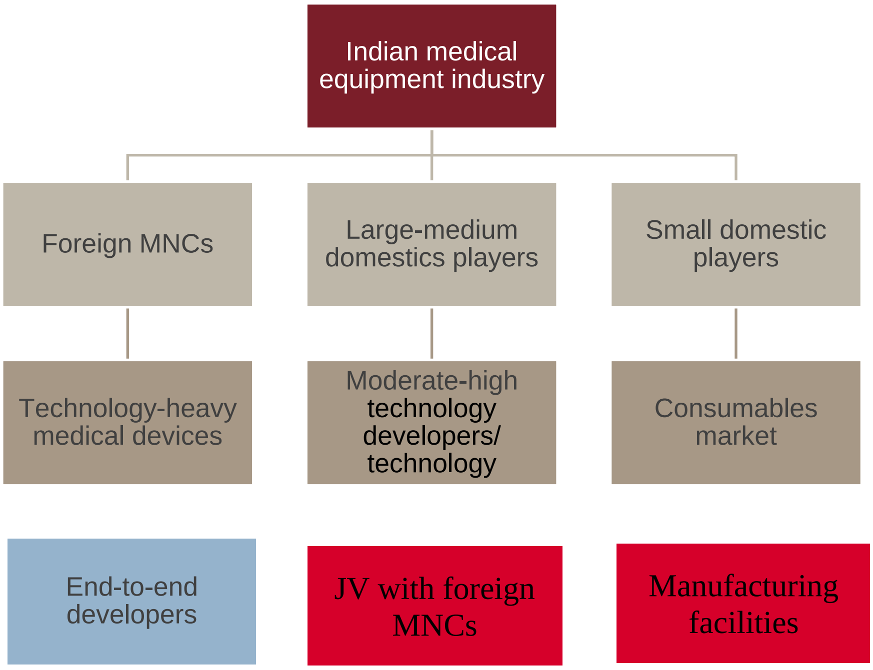
Fiscal 2019: Market dominated by players with revenue less than Rs 100 million



Fiscal 2024: With increase in demand, share of players with revenue over Rs 100 million rose



Note: Revenues are mentioned is Rs. million.
Source: Draft National Health Policy 2015, Association of Indian Medical Device Industry (AIMED), CRISIL MI&A



India has very few end-to-end medical device developers

In India, international players were mostly involved in the distribution of medical technology products. They acquire a distributor in India and penetrate the consumption market. International companies also target Asia and neighboring markets and set up facilities in India to cater to both domestic and Asian markets.

MNC players still continue with distribution approach but some of them have either set up facilities of their own or acquire domestic manufacturers to penetrate the Indian market. Some players form JVs with domestic players to transfer technology; domestic manufactures carry out the production process. A few international players also establish their own plant to penetrate the Indian market – for instance, 3 M's manufacturing plant in Pune, Becton Dickinson's manufacturing facility in Haryana, Hollister's manufacturing facility in India, and Philips Medical Systems' acquisition of Medtronics and Alpha X-Ray Technologies. The Government of India has proposed medical technology parks, in addition to the existing parks, to encourage domestic manufacturing of medical equipment.

Few domestic players indigenously manufacture medical devices. Some of the key players in the Indian medical industry include Hindustan Syringes & Medical Devices, Poly Medicure, Skanray Technologies Opto Circuits (India), Wipro GE Healthcare, 3 M, Medtronic, Johnson & Johnson, Becton Dickinson, Abbott Vascular, Bausch & Lomb, Baxter, Zimmer India, Healthium Medtech, Edwards Life Sciences, St. Jude Medical (Abbott), Smith & Nephew, Cochlear, Stryker, Baxter, Boston Scientific, BPL Healthcare India, Sushrut Surgicals, Trivitron Diagnostics, Accurex Biomedical, Biopore Surgicals, Endomed Technologies, HD Medical Services (India), Skanray Technologies, Eastern Medikit, Harsoria Healthcare, Nidhi Meditech System, Philips Medical, Wipro Technologies, HCL Technologies, and Texas Instruments.

The medical devices manufacturers compete on the basis of product offerings to serve different markets. Apart from multi national companies and Indian companies, the consumables segment in Indian medical devices industry also has various local players which cater to regional and local markets.

End-to-end medical devices players have huge potential in India and will drive growth for India to become manufacturing hub of medical device. End-to-end medical device players also help to make products suitable to Indian consumer markets. Players innovate and design affordable and portable medical device suitable to needs of Indian market.

MNC OEMs / technology providers	Phillips Healthcare, Siemens Healthcare, WIPRO GE Healthcare, Becton Dickinson
Suppliers to OEMs	BL Lifesciences, Johari Digital Healthcare Designs, Angiplast, B&A Health

Indigenous manufacturers and technology innovators	Hindustan Syringes, Skanray Technologies, Poly Medicure, Sushrut Surgicals, Trivitron Diagnostics, Sahajanand Medical Technologies
Importers	Entities of foreign OEMs in India, MSME domestic players and traders, etc

Note: The list above is an indicative list and not an exhaustive list
Source: CRISIL MI&A

Product development by Indian medical device companies

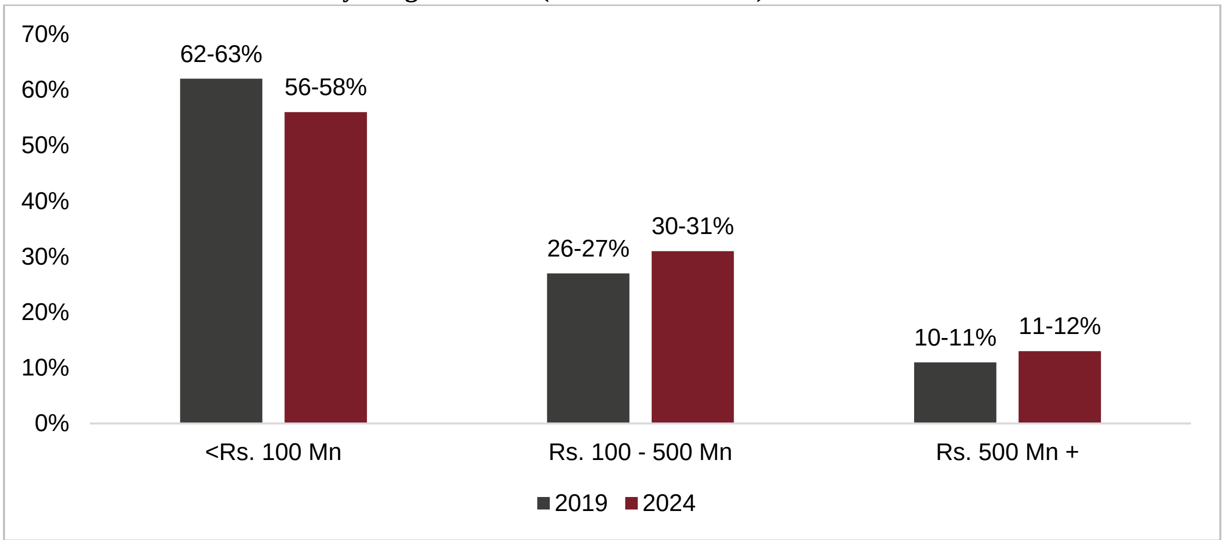
Company	Product	Key offerings
Meril Life Sciences	Vascular intervention medical devices	Vascular interventional devices like structural heart, bioresorbable coronary stents, mechanical heart valves etc
Perfint Healthcare	PIGA-CT	Easy-to-use and minimally invasive outpatient device for cancer detection and therapy
Skanray	X-ray imaging systems	High-frequency digital X-rays with radiation leakage control
Bigtec Labs	Micro polymerase chain reaction (PCR)	Miniaturised, no-frills and portable version of bulky PCR machine
MediVed	Pacemaker	Cardiac rhythm management (single and dual pace makers, cardiac leads, pacing system analyzers)
Poly Medicure	Dialyzer	First Indian company to indigenously manufacture dialyser in India

Note: The list above is an indicative list and not an exhaustive list
Source: CRISIL MI&A

There are several reasons why the medical devices industry in India hasn't picked up or has limited end-to-end developers

1. Lack of favourable policy for foreign players to manufacture in India
2. Medical devices, unlike pharma, is dependent on engineering capabilities, innovation, material science and information technology. The industry is capital intensive as well. Hence, most domestic players can't compete with established foreigner players and imports
3. There is no cost advantage for domestic supply as large MNCs, with expertise in medical technology, export to India the high valued products with better product efficacy. Also domestic supply is weak in terms of availability of electronic components and key raw materials, limiting the price competitiveness of domestic players
4. Local brands are not easily trusted for high-end use, as trust and quality assurance are built by players over years of operations and R&D investments

Indian medical device industry - Segmentation (based on turnover)



Source: Industry reports, CRISIL MI&A

Segments	Key players	Technology application
Consumables and disposables	Hindustan Syringes, Lotus Surgical, B Braun, Becton, Dickinson and Company, Poly Medicure	Low
Implants	Smith & Nephew, Narang Medical, Johnson & Johnson, Relisys Medical Devices	Medium-high
Medical equipment and devices	GE Healthcare, Philips Healthcare, Danaher Corporation, Mectron India, Roche Diagnostics, Narang Medical, Skanray, Remi Laboratories	High
Diagnostics (reagents)	Abbott Laboratories, Becton Dickinson and Company	Low-medium (raw materials are key)

Note: The list above is an indicative list and not an exhaustive list
Source: CRISIL MI&A

Indian medical device players largely cater to single segment or product line

There are very few indigenous players that cater to multiple segments or products in the medical devices industry. MNC original equipment manufacturers (OEMs) or technology providers like Philips Healthcare, Meditronics and GE Healthcare mainly cater to multi-product segments.

Majority of the Indian players in the Indian landscape cater to a single segment / product line. Even the consumables market is largely dominated together by MNC players and imports. They mostly manufacture consumables such as syringes, needles, suturing materials, bandages and dressing, and medical utility devices under consumables such as catheters, IV cannulas, nasal oxygen cannulas, oxygen masks, ventilator circuits and mucus extractors.

The Indian medical equipment manufacturing industry is fragmented in both size and geography. The industry is spread over more than 20 clusters across states like Gujarat, Haryana – Delhi, Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Uttar Pradesh, Rajasthan, and Maharashtra with majority of clusters located in Uttar Pradesh, Maharashtra and Haryana. The government plans to develop medical devices parks in these clusters to create a large ecosystem of manufacturers, suppliers and technology players. With enhanced manufacturing capabilities and R&D, the sector will see improvement in quality and reduced dependence on imports.

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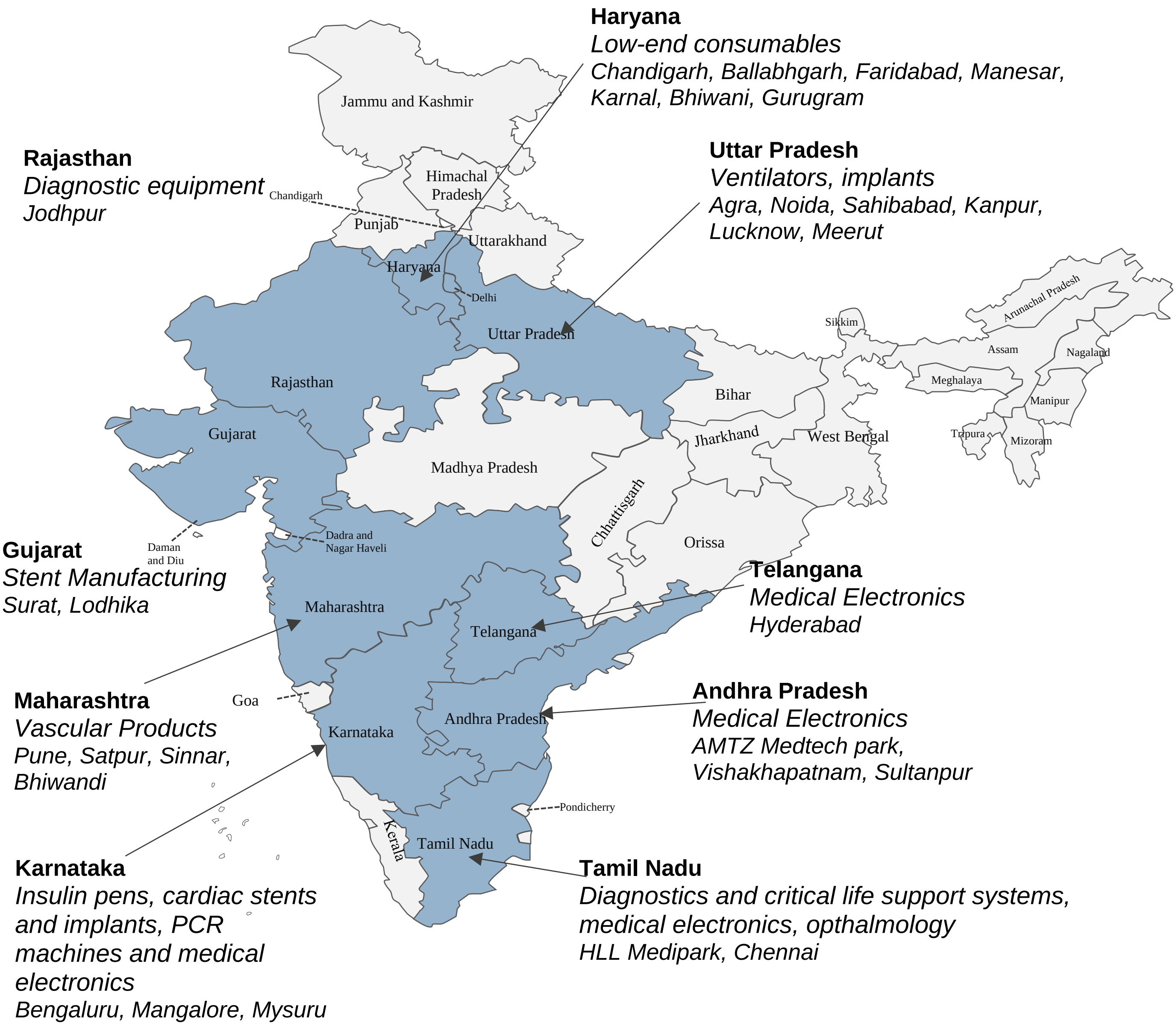


Region	Key Players
North- Haryana & Delhi	Hindustan Syringes, Poly Medicure, BL Lifesciences, Becton, Dickinson and Company, Hollister
North – Uttar Pradesh	Agva Healthcare, Bone life surgicals,
North - Rajasthan	Johari Digital Healthcare, Allengers Medical Systems, Elbee medical devices
West – Gujarat	Envision Scientific, Invent Bio-med, Sahajanand Medical Technologies, Meril lifesciences
West - Maharashtra	Stryker, Medtronic
South – Tamil Nadu	Trivitron Healthcare, Opto Circuits, B Braun, Perfint Healthcare
South – Karnataka	Biocon, GE Medical, Skanray, Bigtec Labs, Glastronix
South – Andhra Pradesh	Transasia, Trivitron healthcare, Venticare Medical, Molbio diagnostics
South - Telangana	Medtronic, Sahajanand Medical Technologies

Note: The list above is an indicative list and not an exhaustive list
Source: CRISIL MI&A

Medical equipment manufacturing is developing in scale and geography. Manufacturing clusters in India clusters have medical devices parks developing around them. States have committed to set up dedicated industrial parks that will facilitate efficient domestic manufacturing at lower costs. The state government of Himachal Pradesh,

Tamil Nadu, Madhya Pradesh and Uttar Pradesh are developing medical devices parks to create a robust ecosystem for medical device manufacturing in the country.
The Indian government has identified medical devices as a priority sector under its ‘Make in India’ program and is dedicated to enhancing the manufacturing ecosystem. To support this vision, the production linked incentive (PLI) scheme for promoting domestic manufacturing of medical devices and the PLI scheme for pharmaceuticals (PLI 2.0) have been introduced. These schemes aim to boost domestic manufacturing, reduce reliance on imports, and encourage export competitiveness, ultimately positioning India as a global manufacturing hub for medical devices.

The medical devices industry is driven by technological advancements which plays a key role in medical devices manufacturing. Domestic manufacturing of medical devices is expected increase backed by policy impetus and government initiatives such as PLI scheme and medical devices park.
The Indian medical devices industry is highly competitive. Domestic players face competition among themselves as well as from MNCs.

Review and outlook for medical devices industry in India

Indian medical device sector is estimated at Rs. 900-915 Bn in fiscal 2024

Indian medical devices sector, valued at Rs 900-915 billion in fiscal 2024, comprises more than 14,000 different product types, ranging from wound closure pads to stents. The sector is highly fragmented and is predominantly import driven. Imports account for ~80% of the total market and sales of medical electronics, hospital equipment, surgical instruments, implants and diagnostic reagents. Consumables and disposables are primarily manufactured in India, with imports accounting for ~30-40% of the sales. More than 800 domestic firms are primarily involved in manufacturing low-technology products. Indian firms engaged in this industry are typically small and medium-scale enterprises, manufacturing products such as disposable and medical supplies and competing in low-priced, high-volume segments.

Medical devices industry registered ~12% CAGR between fiscals 2019 and 2024 as public and private healthcare spending rose robustly

The medical devices industry in India grew to Rs 900-915 billion in fiscal 2024 from Rs 501 billion in fiscal 2019 at ~12% CAGR driven by strong growth in the healthcare industry. The hospital healthcare industry registered 12-14% CAGR during the period, driving growth for the medical devices and equipment industry. The medical devices industry grew because of increased spending on healthcare and expansion of healthcare facilities. Health expenditure increased to 1.9% of the GDP in fiscal 2024 from 1.4% of GDP in fiscal 2018, and PFCE healthcare spending logged 6% CAGR from fiscals 2012 to 2024 at constant prices.

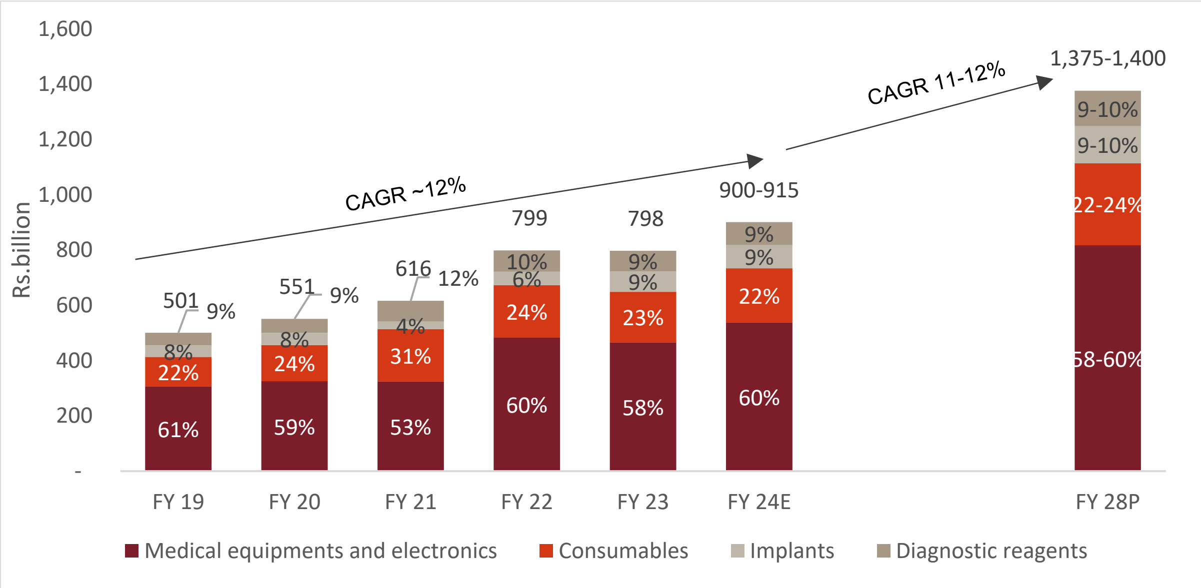
Medical consumables and disposables grew as Ayushmaan Bharat helped increase health service penetration in India, aiding to increase the medical procedure and treatments conducted in India. Increase in insurance penetration, medical treatments supported by the PMJAY Ayushmaan Bharat, and usage of technological and medical equipment in public as well private hospitals across rural and urban India also supported the medical devices industry.

Medical devices industry grew at 12-13% in fiscal 2024

The medical devices industry exhibited a flat growth in fiscal 2023 as pent up demand due to covid-19 receded and Import of some of the equipment like ventilators reduced. The demand of ventilators and oxygen equipment had grown significantly in fiscal 2021 and 2022 but as covid-19 receded the demand for these equipment have fallen, However, this demand is substituted by x-ray machines, CT scan machines, MRI machines etc. to some extent as surgeries in hospitals return to pre-covid level because of which the industry has grown at 12-13% in fiscal 2024 to reach Rs. 900-915 billion.

In the consumables segment too, many of the unorganised players had ventured into production of different consumables. These unorganised players are expected to have been impacted as the demand related to covid-19 receded. In the implants segment the demand remained robust as more surgeries are performed in hospitals across the country. Owing to these factors the total medical devices industry is estimated to have reached Rs. 900-915 billion in fiscal 2024.

Trend in medical devices industry



Note-E: Estimated; P: Projected
Source: CRISIL MI&A

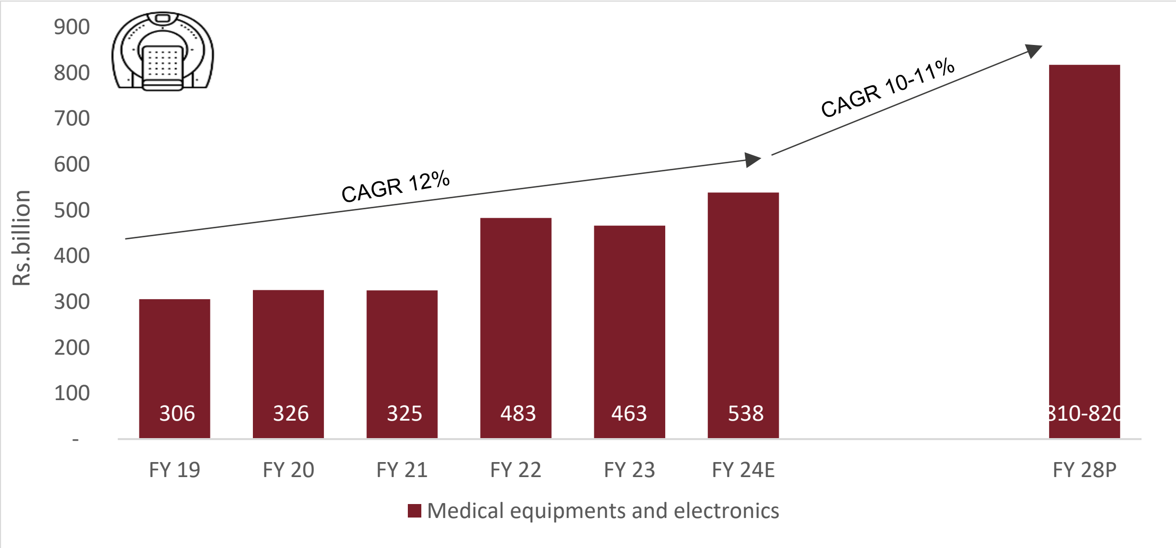
Medical devices industry to log 11-12% CAGR over fiscals 2024-2028

The medical devices industry is expected to log a robust 11-12% CAGR from fiscals 2024 to 2028 on account of increase in healthcare facilities and demand for healthcare services from the middle-income group. The healthcare delivery market is projected to clock 11-12% growth over the period supporting demand for medical devices and consumables. Rise in per capita income, awareness about health diagnostics, healthcare spend, chronic and non-chronic diseases, and penetration of medical insurance will aid growth of the medical devices industry. With Government of India focus on policy framework and ecosystem support, and the increase in demand of healthcare services in India, Indian medical device industry is expected to grow faster at 11-12% between fiscal 2024 and 2028 than global industry, which is expected to grow at 5.5-6.5% CAGR between CY 2024 and CY 2028.

Medical equipment and electronics form the largest component of medical devices industry

- Medical equipment and electronics segment is valued at Rs ~538 billion in fiscal 2024
- The segment logged 12% CAGR from fiscals 2019 to 2024.The demand for covid-19 related equipment saw a decline in fiscal 2023 . In fiscal 2024, The demand was estimated to have been substituted by other products like x-ray machines, CT scan machines, MRI machines to some extent as hospitals saw a rise in elective and regular procedures.
- With ~55-60% share, medical devices and equipment is the largest segment in the overall medical devices industry
- The segment is expected to grow at 10-11% from fiscals 2024 to 2028 on improvement in hospitals infrastructure, and government's aim to increase healthcare spending to 2.5% of GDP, hospital beds to 2.5 million in fiscal 2025 from 2.0 million in fiscal 2020 and beds per 10,000 people to 16.0-16.5 from 15.2 in fiscal 2020. Increased usage of technology in Indian healthcare services will also drive the demand for medical equipment

Trend in medical equipment and electronics segment

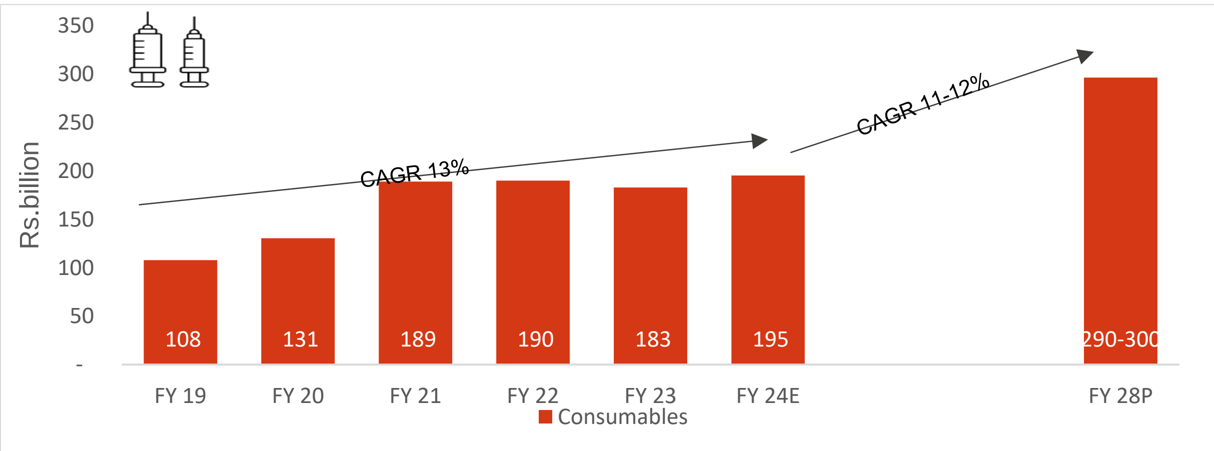


Note-E: Estimated; P: Projected
Source: CRISIL MI&A

Medical consumables and disposables saw robust rise in demand in the pandemic situation

- Medical consumables and disposables segment is valued at Rs 195 billion in fiscal 2024
- The segment clocked 13% CAGR from fiscals 2019 to 2024,
- With 20-25% share, it is the second largest segment in the medical devices market
- Medical consumables saw a flat growth in fiscal 2022 on account of higher base in fiscal 2021. Fiscal 2021 saw a huge growth over fiscal 2020 on account of increased demand from pandemic driven sales of PPE kits, masks, gloves and other consumables etc.
- In fiscal 2022, as the economy opened up and vaccinations picked up demand for medical consumables like syringes increased and the medical consumables was able to sustain the demand witnessed in the fiscal 2021.
- In fiscal 2023, the unorganised manufacturers who entered the market in the pandemic were impacted as covid-19 related demand receded.
- In fiscal 2024, growth in the segment was supported by increased focus on preventive healthcare driving the demand for diagnostic tests leading to an increase in the usage of consumables as well as middle class with rising disposable income seeking better healthcare services, driving demand for high-quality medical consumables, Apart from this the segment is expected to be aided by increased usage of consumables and disposables for infection protection and rise in medical procedures and treatments with the penetration of healthcare facilities in India .

Trend in consumables segment



Note-E: Estimated; P: Projected
Source: CRISIL MI&A

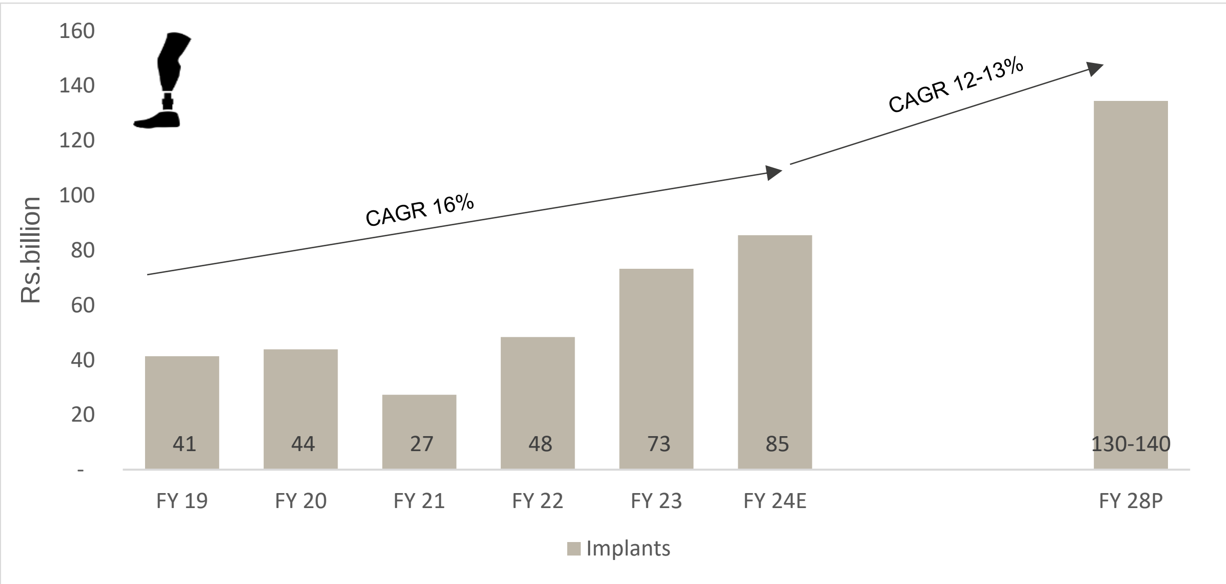
Some of the medical safety devices and consumables include safety I V cannula & safety vein sets used in infusion therapy; safety blood collection sets, safety fistula needles used in dialysis; safety huber needles and safety closed I.V. catether system used in critical care.

Overall consumables industry in India is expected to witness a growth of ~11-12% from fiscal 2024 to fiscal 2028

Implants segment to see rise in demand as health treatment increase with increase in insurance penetration and increase in penetration of healthcare facilities

- Implants segment is valued at Rs 85 billion in fiscal 2024
- Implants segment was severely impact in fiscal 2021 as planned surgeries were postponed and delayed indefinitely. Subsequently, the Implants segment saw a decline in fiscal 2021. However the segment saw quick recovery in fiscal 2022 as pent-up treatments were carried out the segment recovered in fiscal 2022.
- The segment clocked 16% CAGR from fiscals 2019 to fiscal 2024.
- Share of the segment in the overall medical devices industry stood at 9% as of fiscal 2024
- The implant segment is expected to register stable growth of ~12-13% from fiscals 2024 to 2028 on account of increase in hospital beds and medical procedures, awareness about early detection and treatment, and chronic diseases

Trend in Implants segment

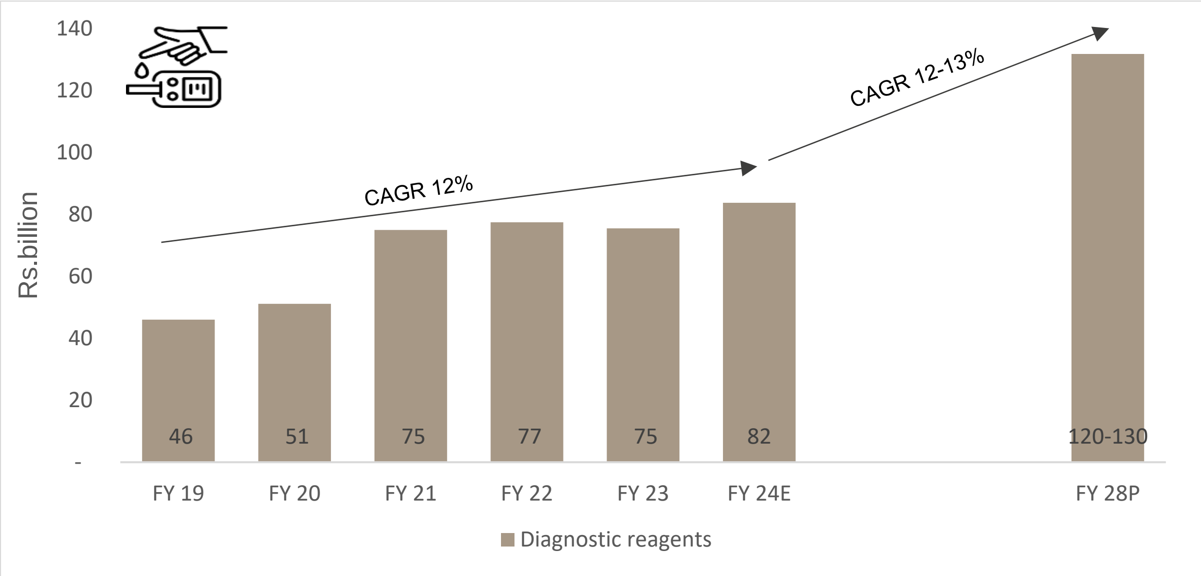


Note-E: Estimated; P: Projected
Source: CRISIL MI&A

IV diagnostics and reagent segment to see 12-13% CAGR over fiscals 2024-2028

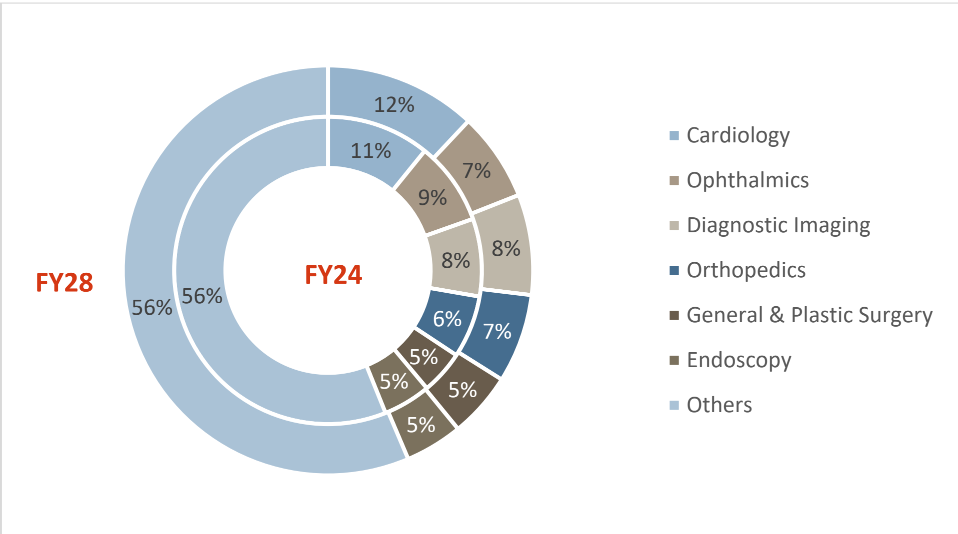
- IV diagnostics and reagent segment is valued at Rs 82 billion in fiscal 2024
- The segment clocked 12% CAGR from fiscals 2019 to 2024
- In fiscal 2023, the segment saw a slight fall due to post-pandemic normalization.
- IVD segment saw an increase in demand for COVID-19 tests and increased demand for test kits. The segment witnessed a significant rise in fiscal 2021. The market sustained the demand in fiscal 2022 amid second wave of covid-19 infection and rise in demand for at home diagnostic kits etc..
- Share of the segment in the overall medical devices industry is ~9% .
- The segment is expected to grow at 12-13% from fiscals 2024 to 2028 on account of increased diagnostic tests, increase awareness of diseases early detection and regular health-care check up .

Trend in IVD industry



Note-E: Estimated; P: Projected
Source: CRISIL MI&A

Cardiology and surgery segments to grow moderately faster than other segments in medical devices industry



Source: Industry estimates, CRISIL MI&A

Medical device segments	FY24	FY28P	CAGR FY24-FY28
Cardiology	11%	12-13%	12-13%
Diagnostic Imaging	8%	7-8%	10-11%
Orthopedics	7%	7-8%	11-12%
General & Plastic Surgery	5%	5-6%	11-12%
Endoscopy	5%	5-6%	10-11%
Others	56%	54-56%	10-11%

Note- P: Projected
Source: Industry estimates, CRISIL MI&A

Cardiology segment had 11% share in the medical devices industry in fiscal 2024. The segment is expected to grow at 12-13% CAGR from fiscal 2024 to fiscal 2028 with share of 12-13% in the medical device segments in fiscal 2028. Orthopedic segment is another growing segment which is expected to grow 11-12% CAGR from fiscal 2024 to fiscal 2028 with the rising prevalence of Orthopedic diseases like Arthritis, Osteoporosis, and fractures due to aging, lifestyle changes and rising obesity rates driving the demand for orthopedic devices.

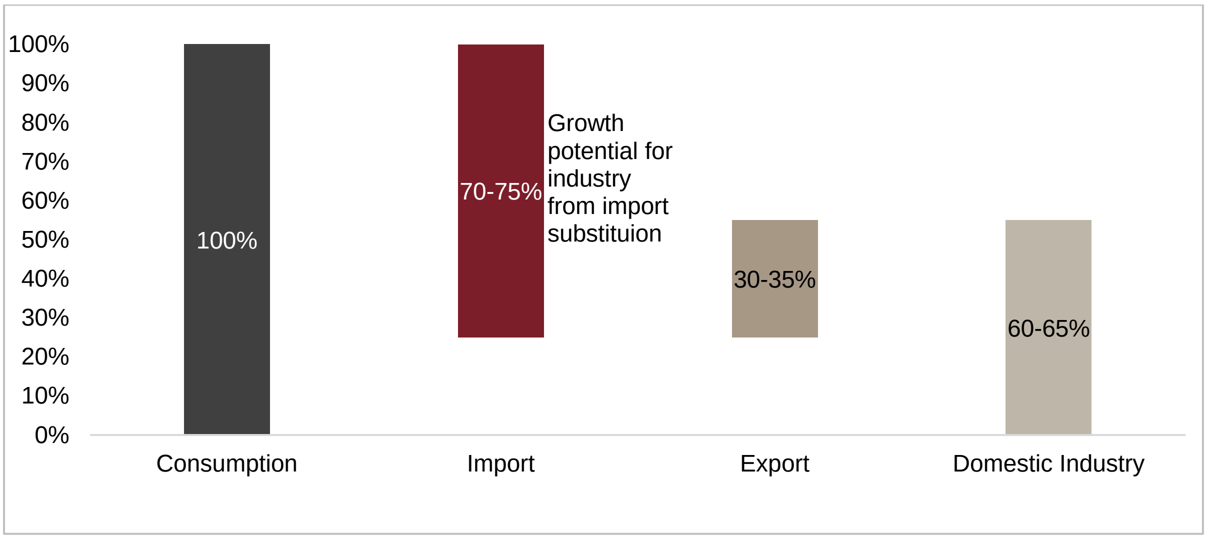
General and plastic surgery segment is expected to clock 11-12% CAGR from fiscal 2024 to fiscal 2028. Diagnostic imaging segment will continue to contribute 7-8% share growing at 10-11% CAGR between fiscal 2024 and 2028 as preventive check-ups, medical treatments rise with increased expenditure on healthcare, potential increase in per capita income, and increased awareness for regular diagnostics.

India's medical device consumption is highly dependent on imports

70-75% of India's demand for medical devices is met through imports. Indian manufacturers are largely present in the consumables segment. Medical devices with high to medium-level technological features are imported or manufactured by OEMs themselves or through Tier I suppliers.

Domestic industry has the potential to cater to domestic consumption by import substitution, but is constrained by challenges such as lack of supply chain for components, low R&D expenditure, lack of product experience and customer confidence in newer brands, and cash flow issues from public healthcare sector payments. A duty structure historically favoring import of finished goods than raw materials and components, has not allowed the domestic manufacturing industry to flourish among stiff competition. Also the medium and high end technology products are manufactured or marketed by large MNC companies, who have plants outside India and import their products for Indian market

Import-export scenario



Source: CRISIL MI&A

Imports grew slower than exports at 10% CAGR from fiscals 2019-24

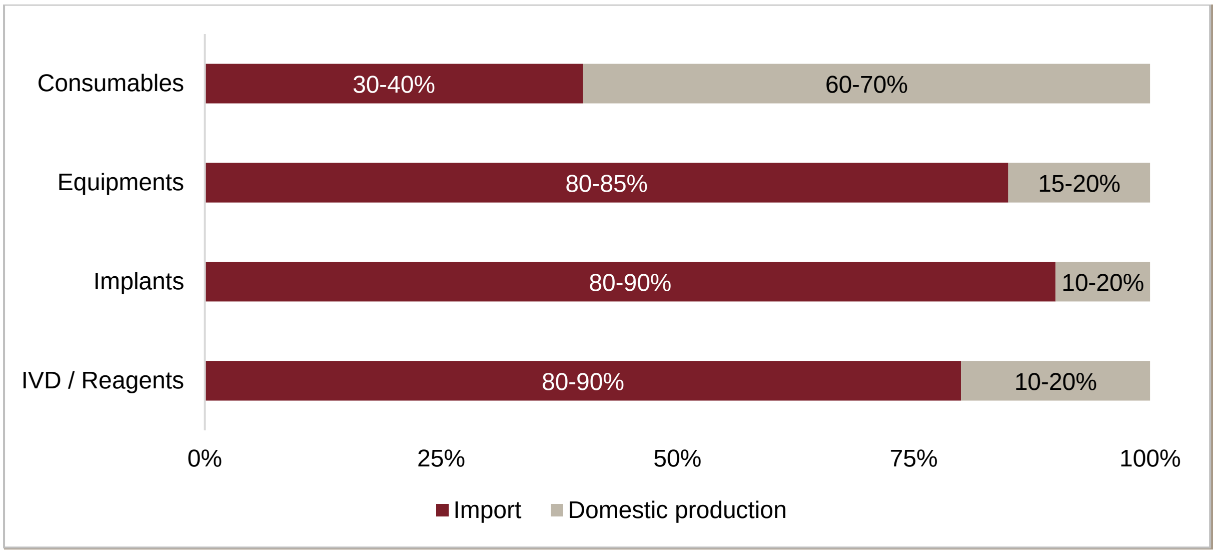
India imports 70-75% of its medical device demand, mainly for medical device equipment and instruments. Imports have been growly strongly over the past five years, from Rs 399 billion in fiscal 2019 to Rs 650 billion in fiscal 2024.

Since both the cost of production and requirement for technological components is low, the consumables and disposable industry in India is only marginally dependent on imports. Still, ~30-40% of the demand is met though imports. Import dependency is lower is surgical bandages, needles, and syringes and higher is consumables instruments and devices such as catheters and cannulas.

High cost of research and development expenditure, high investment risk to set up a plant, limited supply chain availability for critical electronics components and raw materials, investments for testing, and approvals for medical devices have kept imports high for other segments.

Exports have been growing faster than imports supported by consumables and low tech medical instrument and devices export by Indian players. Exports has potential to rise further with increase in capacities and investments on manufacturing supported by PLI scheme.

Share of imports and domestic production in medical device consumption

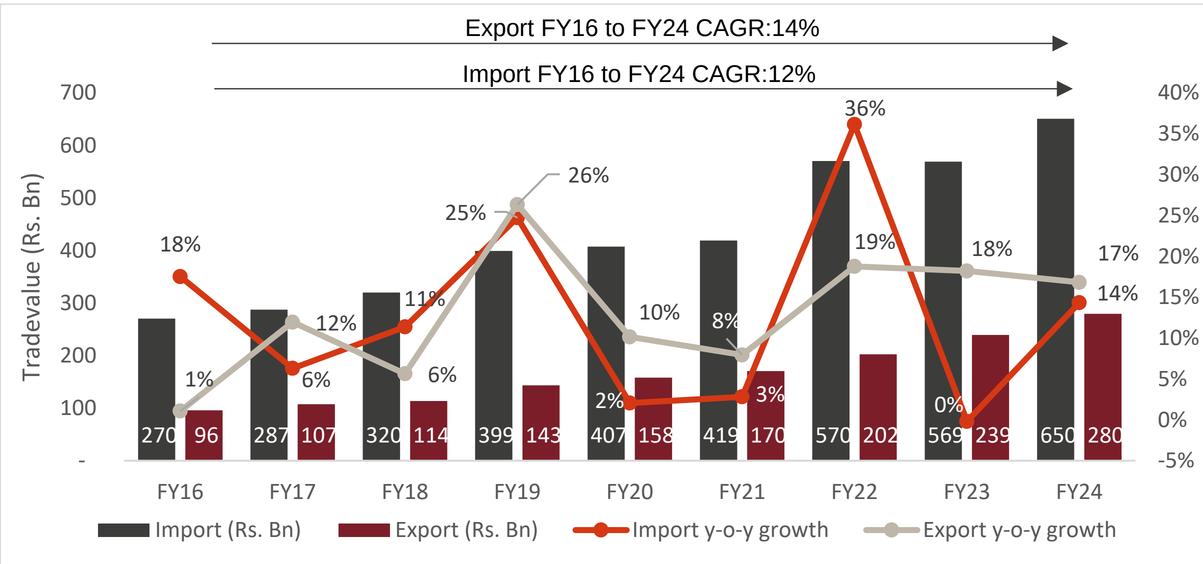


Source: CRISIL MI&A

Exports contribute to nearly 50-55% of production value

India has an established exports market for production of medical devices, with exports contributing to nearly 50-55% of the production industry size. Exports grew at 14% CAGR, from Rs 143 billion in fiscal 2019 to Rs 280 billion in fiscal 2024. India has fairly concentrated exports, with the top countries/regions contributing to ~55%, and exports majorly in the equipment segment. The import of medical and scientific instruments by India in FY24 has been predominantly from Europe which has a share of 33%, followed by China and US at 16% and 15% respectively.

Import-export trend for the medical device industry



Source: DGFT, DGCIS, CRISIL MI&A

Top countries for import of medical devices and scientific instruments

	Countries / Region	Share in imports		Countries / Region	Share in exports
Top originator for imports in India	Europe	33%	Top destinations for exports from India	Europe	22%
	China	16%		USA	16%
	USA	15%		UAE	4%

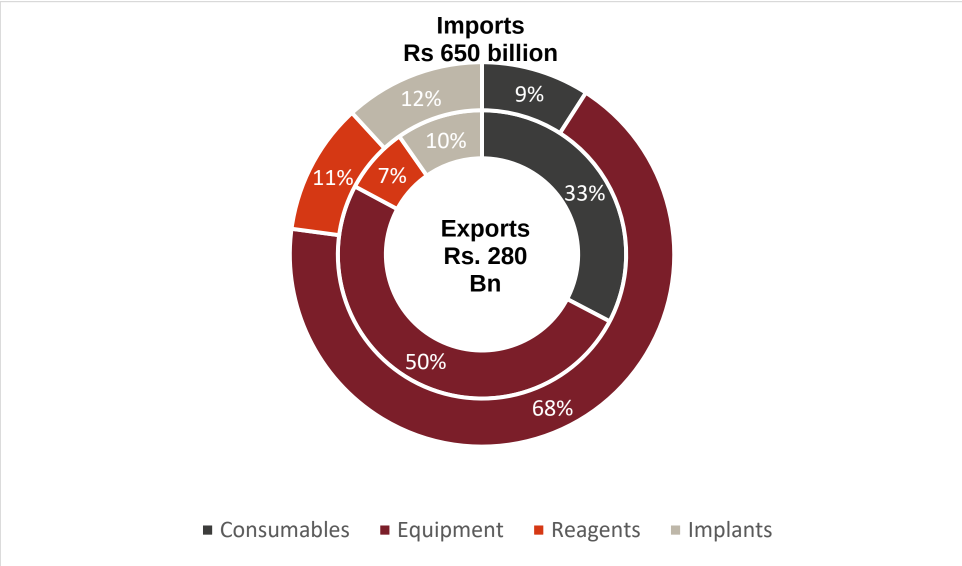
Countries / Region	Share in imports	Countries / Region	Share in exports
Singapore	7%	Russia	4%
Japan	7%	China	3%
United Kingdom	4%	United Kingdom	3%
South Korea	3%	Turkey	3%
Top 7	**85%**	**Top 7**	**55%**

Source: DGCIS, CRISIL MI&A

Imports of medical equipment and instruments form 68% of the total medical devices imported in FY24

Imports of medical equipment and instruments with high dependency on technology constitute a larger share of India's imports. From an exports point of view, India exports medical devices and equipment with low-to-moderate technology criticality. Consumables and low-tech medical devices are exported from India to the European region, the US, China, Africa, and neighboring countries in the Subcontinent.

Break-up for trade for key medical device segments (FY24)



Source: DGCIS, CRISIL MI&A

Growth drivers

Both demand- and supply-side factors are driving growth for the medical device industry in India. While demand-side factors include rising income level and healthcare expenditure, ageing population, increased occurrence of chronic and lifestyle disease, and increased awareness about healthcare diagnostics and prevention, demand for quality healthcare, increase in health insurance; it is the government's focus on 'Make in India', industry-supportive policies and schemes like production linked incentive(PLI) scheme, potential for import substitution, and shift from geographic concentration of imports from the supply side. Regulation of product pricing and Government's focus on providing cost effective healthcare service in India will lead to higher demand for cost-effective products which will generate demand for locally manufactured products that are distributed at competitive prices. Owing to pricing pressures and supply chain challenges during and post covid-19 pandemic, OEMs are seeking cost-competitive alternatives, which is giving rise to India as an emerging hub for manufacturing of high complexity and medium volume medical devices. This provides opportunity for indigenous medical device manufacturers to upgrade their production facilities and cater to rise in demand for locally manufactured cost effective medical devices.

India is among the fast-growing markets for healthcare and medical devices in the Asia-Pacific. With improving medical device regulations, setting up of the National Medical Devices Promotion Council, and the government's focus on manufacturing of medical device, there is huge potential for the Indian medical manufacturing industry.

Consumption market factors

- Key government healthcare schemes and programmes under implementation/ announced (Ayushman Bharat, National Health Policy, etc)
- Increase in medical insurance penetration - Insurance penetration (premiums as percentage of GDP) in India reached 4% in fiscal 2022 from 2.7% in fiscal 2002. As of fiscal 2023, nearly 550 million people were covered under health insurance as against 288 million in fiscal 2015, increasing at 8.4% CAGR
- Large senior citizen population of 146 million (60+ years) in 2021 which is expected to reach 171 million by 2026.
- Rising urbanisation and adoption of sedentary lifestyles, fuelling chronic diseases
- Change in disease profile: Shift to non-communicable diseases (lifestyle-related diseases such as heart-related ailments, diabetes, etc)
- Investment in nurse training programmes to enhance knowledge of advanced wound care techniques
- Growing number of surgical procedures conducted in India
- Growing medical tourism: Medical tourism has grown at 52% CAGR from 2020 to 2023, with 65-75% share from neighbouring countries
- Foreign direct investment (FDI) equity inflows in the medical and surgical appliances has increased from Rs 22.0 billion in fiscal 2020 to Rs 39.8 billion in fiscal 2024, at 16% CAGR.
- Economic growth supporting higher disposable incomes. Rise in per capita income at ~4% in nominal terms from fiscals 2012-24, leading to higher demand for healthcare products and services
- Increased Public Spending in Healthcare - Government of India have set a target for public spending in healthcare which aims to achieve 2.5% of GDP by 2025 from 1.3% in fiscal 2018. Also with rising disposable income there is growing demand for access to quality healthcare.
- Increased private investment in Healthcare and Public Private Partnership (PPP) route for capital expenditure in healthcare supporting penetration of medical facilities

Rising incidence of chronic diseases

As opposed to the decreasing rate in communicable diseases, lifestyle-related illnesses or non-communicable diseases (NCDs) have been increasing rapidly in India over the last few years. The contribution of NCDs to the disease profile has risen from 30% in 1990 to 55% in 2016. This number increased further to 59% in 2019. Statistics show that these illnesses accounted for nearly 62% of all deaths in India in 2016 which increased to 66% of deaths in 2019.

As per the World Economic Forum, the world will lose nearly 30 trillion USD by 2030 for NCD treatments and India's burden from this will be 5.4 trillion USD.

In 2016, of the total disease burden, the contribution of group of risks (unhealthy diet, high blood pressure, high blood sugar, high cholesterol and overweight) which mainly cause ischemic heart disease, stroke and diabetes has risen to nearly a quarter. The combination of these risks was highest for states like Punjab, Tamil Nadu, Kerala, Andhra Pradesh and Maharashtra, but has increased in all other states as well. There were 38 million cases of cardiovascular diseases (CVDs) in the year 2005 which rose to nearly 64.1 million cases in the year 2015.

Out of the 6.8 crore people screened in 2019 under the National Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS): 8% were diagnosed with hypertension, 7% with diabetes, 1.9% with both HTN & DM, 0.5% with CVDs, 0.15% with stroke and 0.1% with common cancers.

CRISIL believes that NCDs exhibit a tendency to increase in tandem with rising income levels. WHO projects an increasing trend in NCDs by 2030, following which CRISIL forecasts demand for healthcare services associated with lifestyle-related diseases such as cardiac ailments, cancer and diabetes, to rise. Another emerging market in the country is orthopedics, which currently comprises a very small proportion compared with NCDs, but has a potential market in the country. The orthopedics market can be classified into four different segments, viz., knee, hip, trauma, and spine, of which the knee replacement market holds the biggest share, followed by trauma and spine. Hip replacement in India is still a very small segment compared to knee replacement, whereas it is opposite around the world.

Increasing middle class and rising income levels

India saw robust growth in per capita income between FY12 and FY24

India's per capita income, a broad indicator of living standards, rose to Rs 99,404 in FY23 from Rs 63,462 in FY12, i.e., 4.2% CAGR. Growth was led by better job opportunities, propped up by overall economic growth. Moreover, population growth was stable at ~1% CAGR. Also, as per the provisional estimates of annual GDP for 2023-24, per capita net national income (constant prices) was estimated to have increased to Rs 106,744, thereby registering an on-year growth of ~7.4%.

With the rise in income levels and affordability, as represented by per capita growth at constant prices, spending expenditure also increases. Healthcare is a basic expenditure, which will rise as per capita level increases. India is one of the fastest-growing economies of the world and among the most populous countries, posing a huge potential for the healthcare industry.

Per capita net national income at constant prices

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23FRE	FY24PE
Per-capita NNI (Rs)	63,462	65,538	68,572	72,805	77,659	83,003	87,586	92,133	94,270	86,054	94,054	99,404	106,744
Y-o-Y growth (%)		3.3	4.6	6.2	6.7	6.9	5.5	5.2	2.3	-8.7	9.3	5.7	7.4

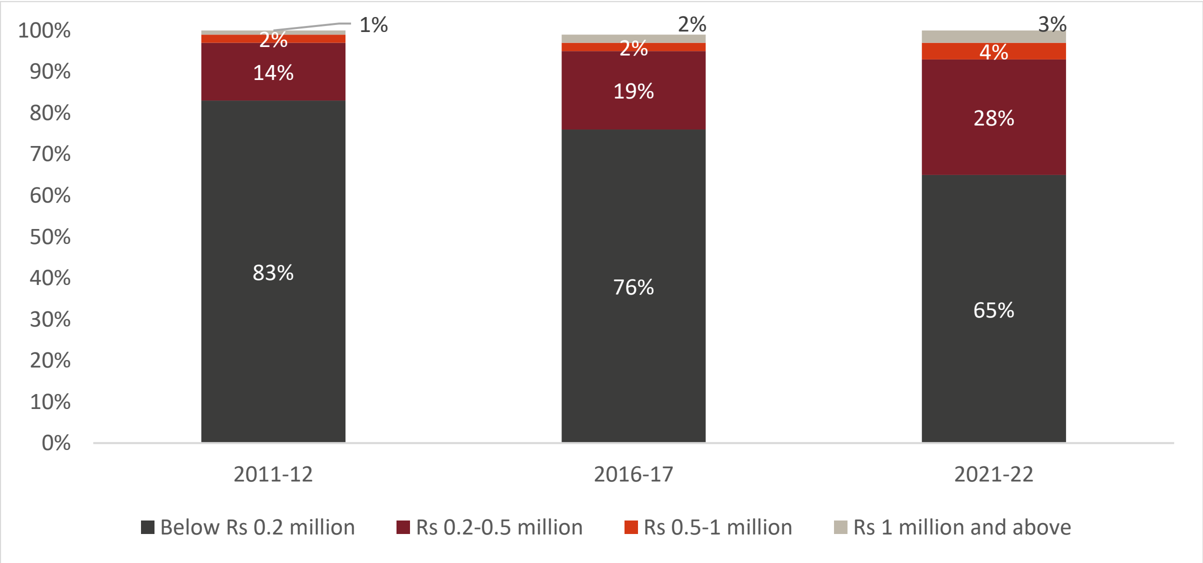
FRE: First Revised estimates; PE: Provisional estimates of Net National Income
Source: Provisional estimates of National Income, CRISIL Research
Source: World Bank, CRISIL MI&A

Rising income levels to make quality healthcare services more affordable

Even though healthcare is considered a non-discretionary expense, considering that an estimated 83% of households in India had an annual income of less than Rs 0.2 million in 2011-12, affordability of quality healthcare facilities remains a major constraint.

Growth in household incomes, and consequently, disposable incomes, is, therefore, critical to the overall growth in demand for healthcare delivery services in India. The share of households falling in the income bracket above Rs 0.2 million is expected to go up to 35% in 2021-22 from 23% in 2016-17, providing potential target segment (with more paying capacity) for hospitals.

Income demographics

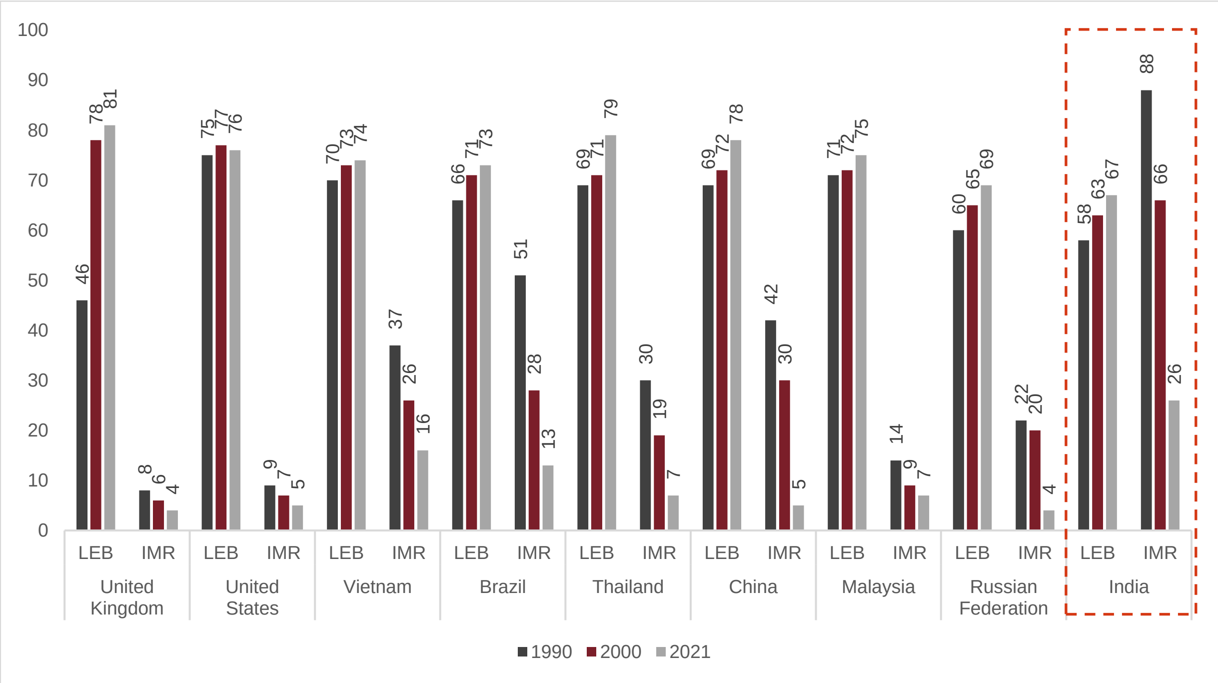


Source: CRISIL MI&A

With life expectancy improving and changing demographic profile, healthcare services are a must

With improving life expectancy, the demographic of the country is also witnessing a change. As of 2011, nearly 8% of the Indian population was of 60 years or more, and this is expected to surge to 12.5% by 2026. However, the availability of a documented knowledge base concerning the healthcare needs of the elderly (aged 60 years or more) continues to remain a challenge. Nevertheless, the higher vulnerability of this age group to health-related issues is an accepted fact.

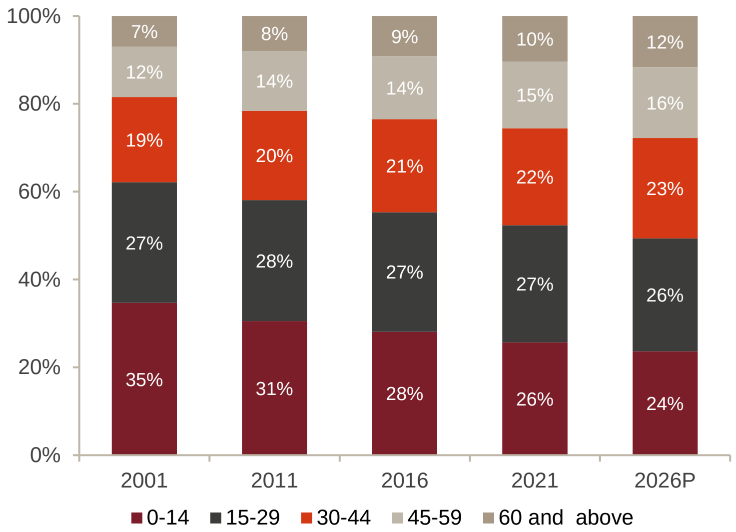
Life expectancy (at birth) and infant mortality rate: India vs others

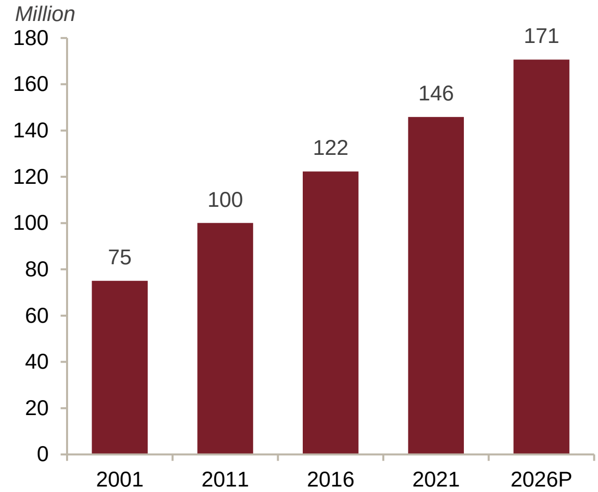


Note: LEB – life expectancy at birth; IMR – infant mortality rate (probability of dying by age one year per 1000 live births)
Source: World Bank, CRISIL MI&A

According to the Report on Status of Elderly in Select States of India, 2011, published by the United Nations Population Fund (UNFPA) in November 2012, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases were commonplace among the elderly, with ~66% of the respective population reporting at least one of these. According to the Report on Status of Elderly in Select States of India, 2011, published by the United Nations Population Fund (UNFPA) in November 2012, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases were commonplace among the elderly, with ~66% of the respective population reporting at least one of these. In terms of gender-based tendencies, while men are more likely to suffer from heart, renal and skin diseases, women showed higher tendencies of contracting arthritis, hypertension, and osteoporosis.

Break-up of India's population by age	India's population of 60 and above years





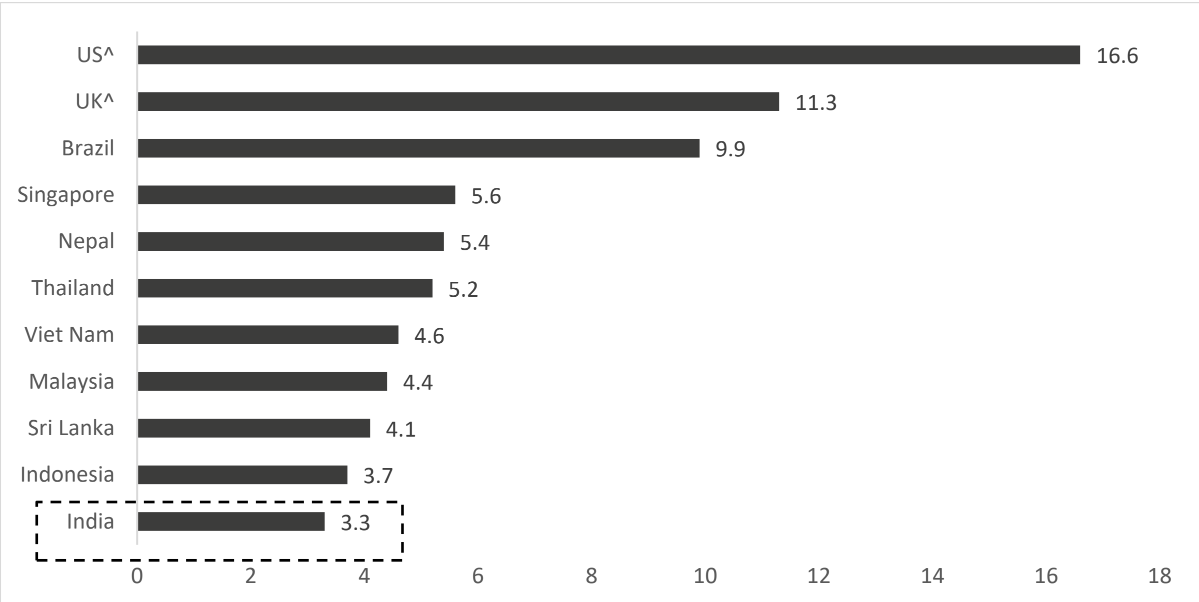
P: Projected
Source: World Population Prospects 2022, Department of Economic and Social Affairs Population Division, CRISIL MI&A

Potential for healthcare expenditure

Along with the structural demand existing in the country and the potential opportunity it provides for growth, provision of healthcare in India is still riddled with many challenges. Prime among them are inadequate health infrastructure, unequal quality of services provided based on affordability, and healthcare financing.
Global healthcare spending has been rising fast in keeping with economic growth. As the economy grows, public and private spending on health grows, too. Also, increase in sedentary work is giving rise to chronic diseases, which is also pushing up healthcare spending. Fast growing economies with low spending on healthcare are seeing it increasing dramatically as they move up the income ladder. The US, the UK, France, and Germany are among the top five nations with the highest expenditure on healthcare as a percentage of GDP.

India Lags peers in healthcare expenditure

Current healthcare expenditure (CHE) as % of GDP (CY21, CY22)

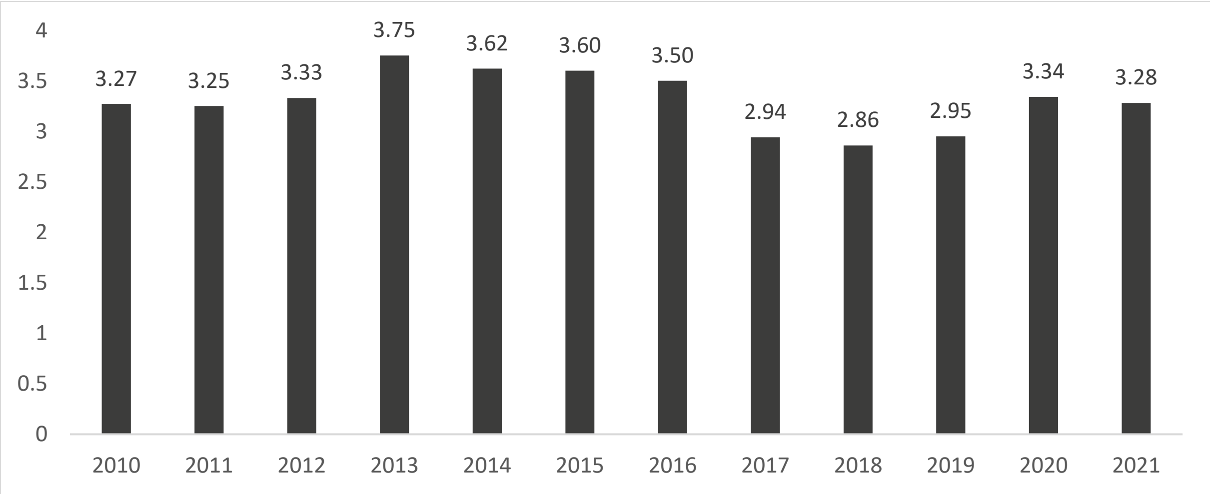


Note:
^ For US and UK, CY22 data has been used, for rest of the countries CY21
Source: Global Health Expenditure Database- World Health Organisation, CRISIL MI&A

According to the Global Health Expenditure Database compiled by the WHO, in CY2021, India's expenditure on healthcare was 3.3% of GDP. As of CY2021, India's healthcare spending as a percentage of GDP is less than not only developed countries, such as the US and UK, but also developing countries such as Brazil, Vietnam, Sri Lanka Malaysia and Indonesia.
The cost of treatment has been on rise in India, leading to inequity in access to healthcare services.

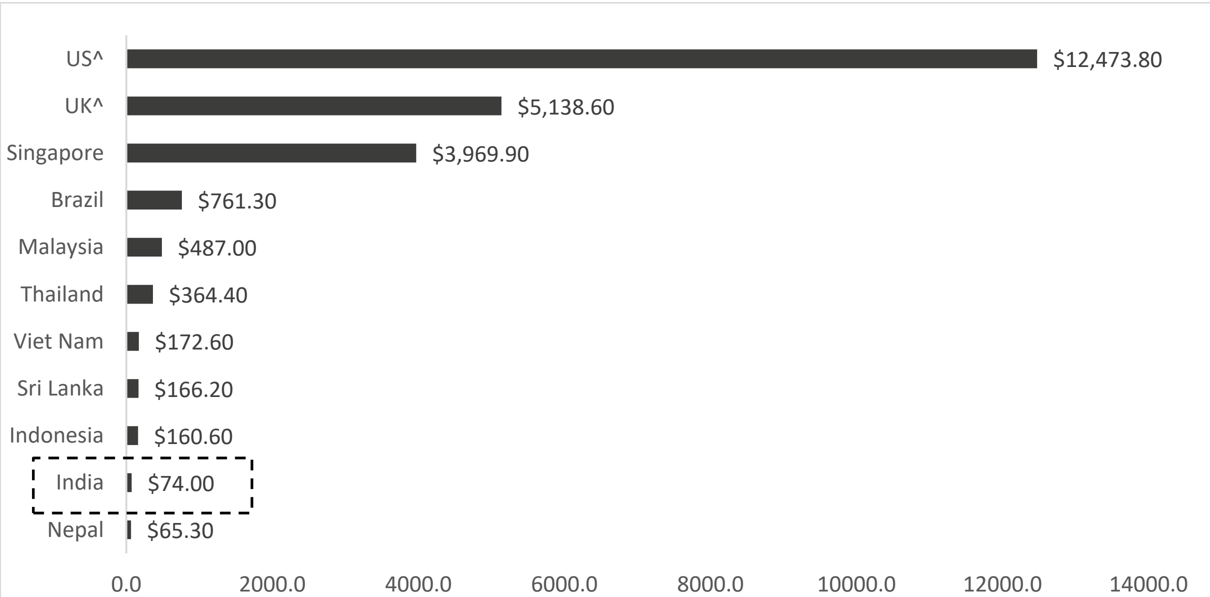
India Spends too little on its healthcare

Current healthcare expenditure (CHE) as % of GDP in India (2010-2021)



Source: Global Health Expenditure Database- World Health Organisation, CRISIL MI&A

Per capita current expenditure on health in USD (CY21, CY22)

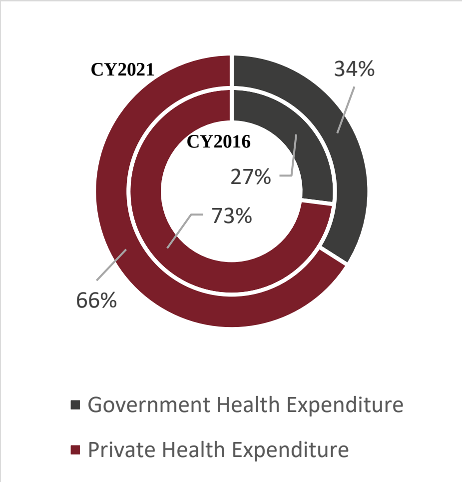


Note:
^ For US and UK, CY22 data has been used, for rest of the countries CY21
Source: Global Health Expenditure Database - World Health Organisation, CRISIL MI&A

India's current healthcare expenditure has decreased over 2013-18 from 3.75% in 2013 to 2.86% in 2018.However from 2018 to 2021, this percentage has slightly increased to 3.28% in 2021. India spending on healthcare is very low and almost 50% is out-of-pocket expenditure by the public. The high OOPE healthcare expenditure is primarily due to under-penetration of healthcare and insurance services and lower public spending on healthcare. Further, India's public spending on healthcare services remains much lower than its global peers. For example, India's per-capita total expenditure on healthcare (at an international dollar rate, adjusted for purchasing power parity) was only $74 in CY21 versus the US's $12,012(CY21 data for comparison purpose) the UK's $5,739(CY21 data for comparison purpose) and Singapore's $3,970.

Public healthcare expenditure is low, with private sector accounting for a lion's share

Domestic general expenditure on health as % of CHE (CY2021)

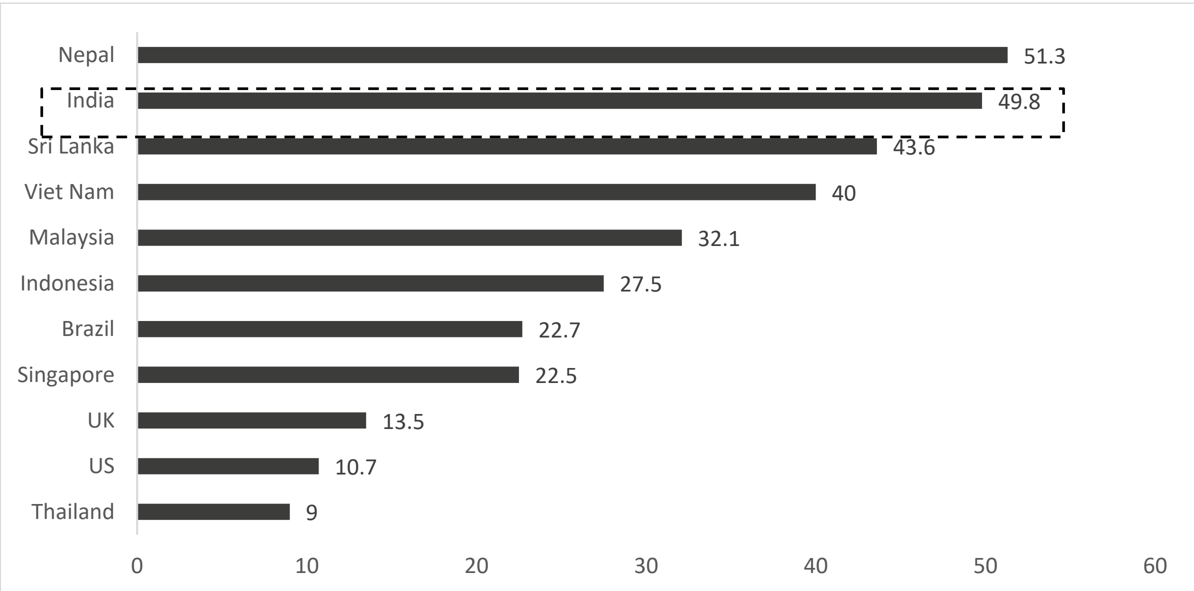


India's current healthcare expenditure (CHE) is skewed more towards private expenditure compared with public expenditure. Government expenditure on healthcare has remained range-bound at 20-30% of the current healthcare expenditure from CY10 to CY16. From CY16 to CY21, the government expenditure has increased from 27% to 34%. Rest of the expenditure is private in nature (expenditure from resources with no government control such as voluntary health insurance, and the direct payments for health by corporations (profit, not-for-profit and non-government organisations) and households. However, the government aims to increase public healthcare expenditure to 2.5-3% of GDP by 2025 from the current 2%, as per the National Health Policy.

Source: Global Health Expenditure Database- World Health Organisation, CRISIL MI&A

The Government of India spends little in healthcare given the size of the economy, which drives the higher out-of-pocket expenditure in India. Despite the decline in the past few years, India's OOPE as percent of current health spending is ~50%, significantly above the average for lower-middle income countries, and amongst the highest in the world. Nearly 17% of the rural population and 13% of the urban population are dependent on borrowings for funding their healthcare expenditure for July 2017- June 2018 as per NSS 75th Round Health in India Report. And nearly 80% of the rural population and 84% of the urban population use their household savings on healthcare-related expenditure as per "Health in India – 2018, NSS 75th Round". Health expenditures incurred by people contribute to nearly 3.6% and 2.9% of rural and urban poverty, respectively. And annually, an estimated 50 to 60 million people fall into poverty due to healthcare-related expenditure. However, with measures like Pradhan Mantri Jan Arogya Yojana (PMJAY), the problems with regards to affordability of healthcare is expected to ease especially for the deprived population.

Out of pocket spending as % of CHE (2021)



Source: Global Health Expenditure Database, World Health Organization; CRISIL MI&A

Rise in medical tourism in India

Medical value travel, which is also referred to as ‘medical tourism’, has gained momentum over the years and India is fast emerging as a major tourist destination, owing to the relatively low cost of surgery and critical care, along with the presence of technologically advanced hospitals with specialized doctors and facilities, such as e-medical visa.

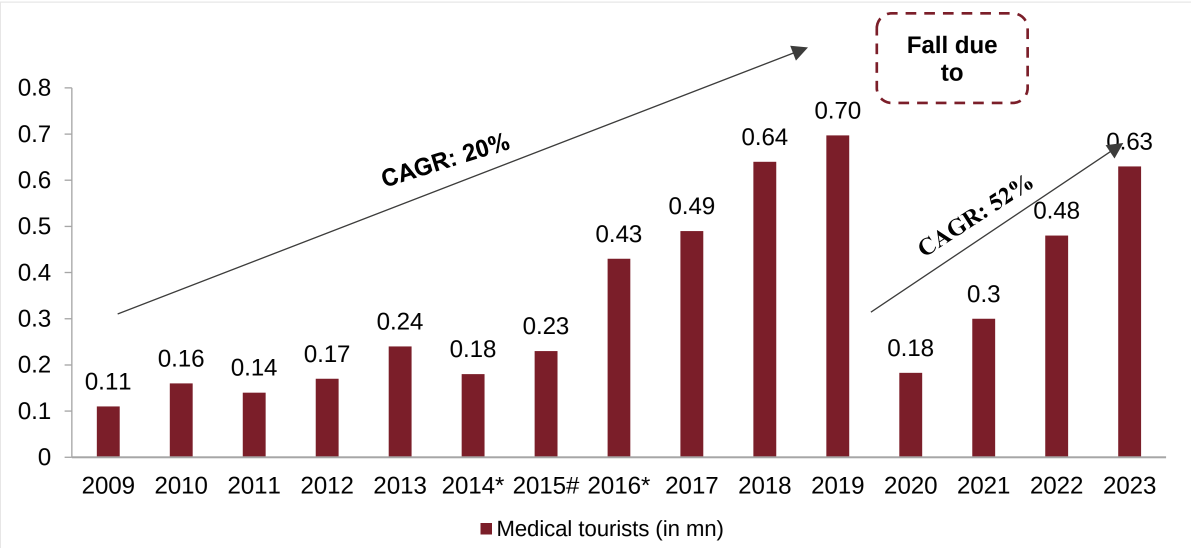
India benefits from medical value travel stemming from neighboring countries such as Bangladesh, Nepal and Bhutan. Eastern India is geographically well positioned for medical value travel from Bangladesh, Nepal and Bhutan, from patients who prefer to obtain quality healthcare services in India.

Neighboring countries (like Bangladesh – which sees the highest footfall of medical tourists to India and some parts of Nepal and Bhutan) come to India as they don’t have quality care in their countries. Eastern India is also a more accessible region for these neighboring countries. Medical tourism is not just driven by cheaper prices. Kolkata and Northeast cities such as Agartala in Tripura are well placed to capture volumes from adjoining markets such as Bangladesh, also given cultural similarities which is a key driver for Kolkata attracting medical tourists from Bangladesh.

As per the Ministry of tourism, countries like Singapore, Malaysia and Thailand also offer medical care facilities to foreigners but what differentiates India apart from state-of-the-art infrastructure with reputed healthcare professionals is traditional healthcare therapies like Ayurveda and Yoga combined with allopathic treatments providing holistic wellness.

According to the latest data available with the Ministry of Tourism, of the total foreign tourist arrivals in India, the proportion of medical tourists has grown from 2.2% (0.11 million tourists) in 2009 to 6.4% (0.70 million tourists) in 2019. However, the number of medical tourists fell sharply in 2020(0.18 million tourists) because of international travel restrictions due to Covid-19. The number of medical tourists has recovered well to 0.63 million tourists in 2023 (January-December 2023) growing at a CAGR of 52% from FY20 to FY23. The government has constituted a National Medical and Wellness Tourism Board along with provision of financial assistance to the tune of Rs 1.7 million to medical tourism service providers under market development assistance (MDA) scheme during the last four fiscal years to develop medical tourism in India as of July 2022. The government had estimated medical tourism to be worth 9 billion USD by 2020 garnering 20% of the global share, up from the 3 billion USD in 2015, however we might have fallen short of this figure in the year 2020 owing to travel restrictions put in place due to Covid-19 pandemic.

Growth in medical tourists*



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Note: includes all types of medical attendant visa*
 # includes medical visa and medical attendant visa
Source : Ministry of Tourism, CRISIL MI&A

About two-thirds of medical tourism demand from South Asia

More than 94% of medical tourists are from countries in Africa, west and south Asia. Medical tourists from countries like United Kingdom and Canada are also seeing an increase, given long waiting periods for availing of treatments in these regions.

Break-up of medical tourists* by major region of origin **Break-up of medical tourists* by major country of origin**

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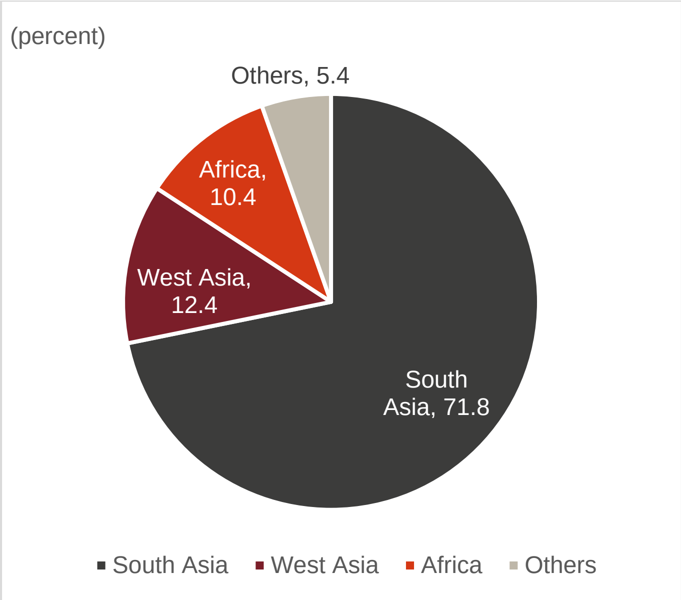

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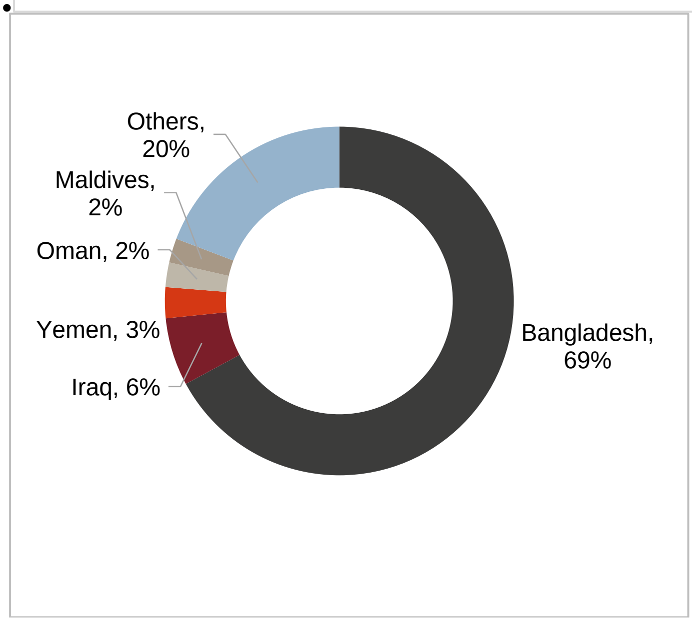


*Note: * Data as of CY22*
Note: Based on data as of CY22*
Source: Ministry of Tourism, CRISIL MI&A

Bangladesh makes up absolute majority when it comes to medical tourists visiting India

69% of medical tourists who visited India in CY22, were from Bangladesh. This was followed by Iraq, who made up 6% of medical tourists, while Yemen and Oman accounted for 3% and 2% of medical tourists respectively. Maldives accounted for almost 2% medical tourists in CY22.

Country-wise cost of key treatment procedures (in $)

Ailments ($)	US	Korea	Singapore	Thailand	India
Hip replacement	50,000	14,120	12,000	7,879	7,000
Knee replacement	50,000	19,800	13,000	12,297	6,200
Heart bypass	144,000	28,900	18,500	15,121	5,200
Angioplasty	57,000	15,200	13,000	3,788	3,300
Heart valve replacement	170,000	43,500	12,500	21,212	5,500
Dental implant	2,800	4,200	1,500	3,636	1,000

- *Source: CRISIL MI&A*
-

Medical tourists visit India for high-end treatments

Medical tourism has gained momentum over the years and India is fast emerging as a major medical tourist destination, given its relatively low cost of surgery and critical care. Most medical tourists visit India is for high-end treatments for complex ailments, primarily hip/knee replacements, heart bypass surgery, angioplasties, heart valve replacements and bone marrow transplants. India is a major destination for transplants due to its inherent cost advantages. A large proportion of India's medical tourist arrival are headed to the key metro cities.

-

Medical tourism will continue to grow and offer opportunities

Medical tourism is witnessing rise in demand benefitting the healthcare sector on account of the following growth drivers:

- Demand from Countries with Aging population – Many developed countries are witnessing high proportion of ageing population leading to rise in demand for healthcare facilities and homecare
- Demand for alternate cures and wellness therapies
- Waiting period and higher costs in developed countries
- Demand from countries with undeveloped medical facilities
- Tourists visiting home countries – India has a huge diaspora which combine their visit to India with medical treatment
- COVID-19 pandemic – demand for wellness travel will increase and it provides a great opportunity to India with its varied offerings for wellness
-

Rise in home healthcare

Home healthcare is witnessing a rise in India for treatment of elder patients and long stay patients in their comfortable environment at home. Specially challenged patients can also be treatment at home with regular monitoring and proper diagnostics. Home healthcare segment is seeing a faster rise supported by the growth in medical device innovations, as distance / remote location diagnostics is possible with integration of medical device at home.

Challenges and risks

The medical devices business faces certain challenges in India, from high end technology adoption to supply chain challenges for sourcing raw materials. Also as the domestic manufactures face stiff competition from established multinational companies which are well placed to adapt to the technology innovations. Also lack of specific policy for the medical devices industry in India makes for unclear guidelines and standards. Following are some of the key challenges and risks faced by medical industry in India.

Rapidly changing technology and R&D investment

The medical equipment industry is vulnerable to fast-changing technology. To stay ahead of the competition, industry players have to keep upgrading. The problem is particularly acute for smaller players as this involves huge capital investments. With the lack of support infrastructure for electronic segments and technology components suppliers, upgrading technology in medical devices for the domestic and international markets poses key challenges for domestic players.

Regulatory intervention and price capping

Although the medical device industry in India is not highly regulated, government issues price cap notifications from time to time for some of the products. The government had recently capped prices of coronary stents and knee implants. Government regulates the prices of some the key and critical care products and thus limits the prices of medical devices that are unregulated and sold at high prices.

Lack of adequate investments in R&D

In order to remain competitive and ensure sustainable growth, players need to invest in R&D and adopt fast-changing technologies. Also, the break-even period to reap investment benefits is long. As a result, domestic manufacturers hesitate to make any long term-investments in R&D and innovation, limiting their growth prospects in the long run.

Intense competition

The industry is highly fragmented. Domestic players face stiff competition among themselves as well as from MNCs. The competition is only expected to intensify with the entry of global firms like Phillips healthcare, Wipro GE Healthcare, Siemens Healthcare, Medtronic, Bayer Diagnostics and other MNC players.

Lack of intellectual property (IP) rights

IP protection for new technology is very important for the success of global medical devices players or any technology players investing in R&D. In the absence of effective IP laws, players lack the confidence to invest in R&D and manufacturing assets, thus limiting India's manufacturing potential.

Quality certification is also important to instill confidence in domestic and international customers. The absence of a dedicated licensing authority reduces export or expansion opportunities as customers prefer established players and products. Domestic manufacturers are required to acquire an FDA/CE certification to cater to medical device demand from a section of the market in India and other global countries.

To fill the regulatory vacuum in the quality certification space for medical devices, the Association of Indian Medical Device Industry (AIMED), in collaboration with the Quality Council of India (QCI) and the National Accreditation Board for Certification Bodies (NABCB), have rolled out a voluntary quality certification scheme for medical devices.

Lack of a well-developed supply chain

The setting up of manufacturing production is not just limited to investments in plant and machinery and technology but also requires an effective component supply chain and infrastructure. Currently, a major challenge for players in most segments/sub-segments, not only in the medical devices industry but also in the electronics manufacturing industry at large, is that a large part of components are imported and the components industry is concentrated in a few global markets, making it difficult to procure cost-effective components and maintain price competition at the end-product level.

Also, medical device regulations and government support for manufacturing in India are not sufficient to bring India out of 70-80% dependency on imports for medical devices. Key issues that limit the growth of medical device manufacturing in India or in making India a manufacturing hub for medical devices are:

- As majority of the Indian population lives in the rural areas. Government has to build and support the healthcare infrastructure in these areas. The government spending on healthcare has been low compared to other developed and developing countries. As the government healthcare delivery centres are key component in the Indian healthcare system which also supports demand from medical devices, strengthening the health infrastructure will help support the demand in medical devices industry.

- Limited supply chain for electronics manufacturing in India. India is dependent on imports for high – medium technology based medical device products including electronic medical devices. The supplier supply chain for electronics is not developed in India, discouraging Indian manufacturers from investing in electronic medical device manufacturing as the cost economics are not favourable.
- There is different tax structure for different set of medical devices in India with GST ranging from 5 to 18%. The lack of harmonised tax rate is necessary for the competitive pricing of the products. Also, the customs duty on imported products ranges from 0 to 7.5% on different set of medical devices. The tax on raw materials required to manufacture finished medical devices is sometimes higher than the imported finished medical device product which leads to inverted duty structure and discourages players to manufacture these devices domestically.
- No capping of trade margins for certain medical electronics devices, make the prices of imported products very high. This restricts volume growth in Indian medical devices. With decline in prices, demand for medical devices will go up and quality products will also reach the lower strata of society. So far, only trade margin data on stents, knee implants and syringes have been released in the public domain. In 2017, the government capped MRPs of cardiac stents and knee implants, bringing their prices down by 60-80% for patients. But the move was met with divided responses from domestic and global device makers. Domestic manufacturers said this would provide a level playing field for players, encouraging 'Make in India' production, while foreign companies alleged this would block innovative products in this space from reaching Indian patients.

Global medical device industry

Overview of the global medical device industry and value chain

Medical device industry is more regulated in developed nations

Medical devices provide a wide range of benefits to healthcare providers related to monitoring and diagnosing patients' healthcare and enhancing the same. Sale of medical equipment and their service form a major part of the medical equipment industry. The types of medical devices range from highly complex equipment such as diagnostic equipment to simple ones such as bandages. The broad classification of medical devices can be given as follows:

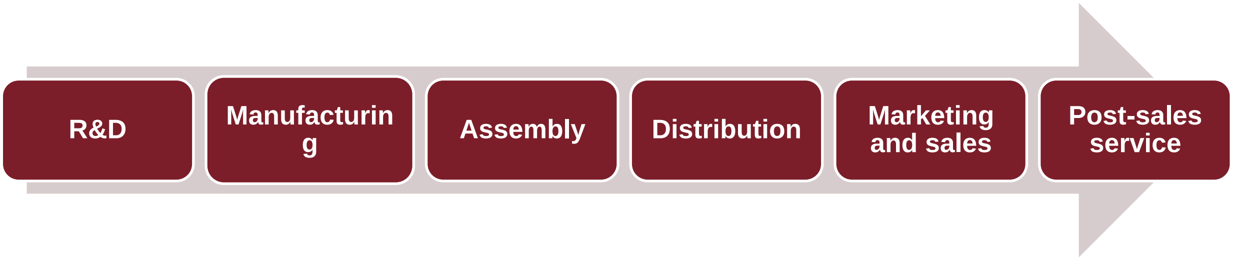
Categorization of medical devices

Surgical and medical equipment	• Devices used in surgery such as scissors and dental drillers
Disposable equipment	• Basic hospital supplies such as bandages and gloves
Therapeutics	• Devices such as cardiac pacemakers, ventilators and infusion pumps
Diagnostic equipment	• Devices such as MRI and CT scanners

Source: CRISIL MI&A

The industry is known for its tendency to make frequent, progressive changes to products. On a global scale, the medical device industry is highly regulated among developed nations such as the US, the European Union (EU) and Japan. However, the regulatory environment in developed nations is at a nascent stage. This industry is driven by recent trends such as urbanization, change in lifestyle, disease profile and advancement in technology.

Global value chain



Source: CRISIL MI&A

Stage 1:

Stage 1 of the value chain consists of the R&D segment, which adds high value to the medical devices industry. It includes the designing of products, getting regulatory approvals from specific regulatory bodies to sell products in their markets, and determining the price of products.

Stage 2:

The second stage includes the manufacturing and assembling of products. This is a low-value segment. Major activities include:

- Manufacture of less technology-intensive parts such as precision working of metal stents
- Production of intermediate to high technology-intensive parts such as software for diagnostic equipment and circuit boards.

Stage 3:

The third and final stage of the value chain consists of distribution, marketing, and sales and post-sales service. These are considered as high value-added segments, and include sale of medical equipment to hospitals or distributors (in case of low technology intensive products). Post-sale service consists of training and consulting activities, ensuring the appropriate use of medical devices.

Market size review and outlook

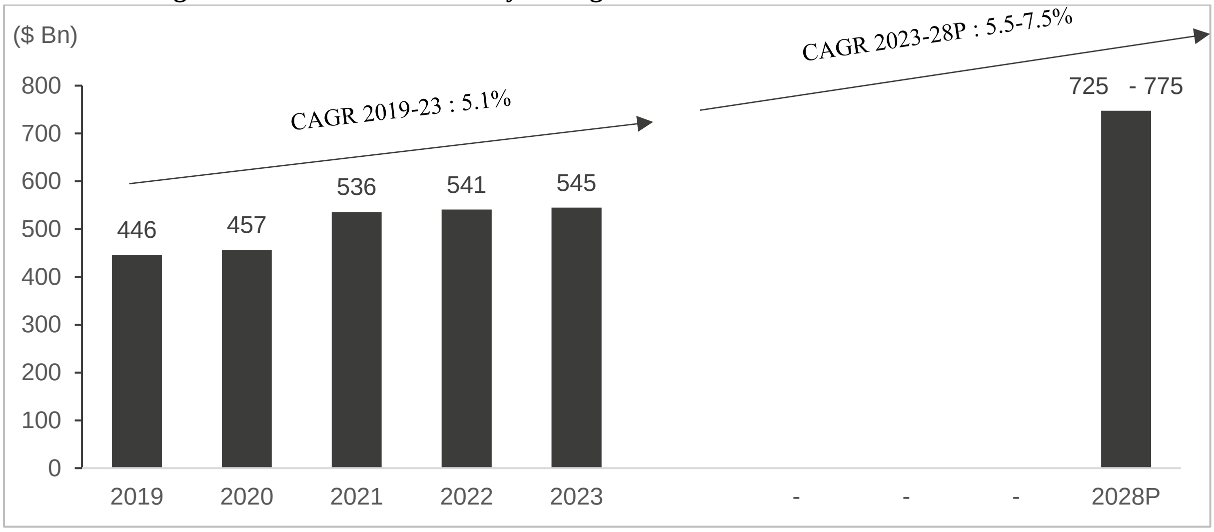
Global medical device industry to grow at CAGR of 5.5-6.5% over 2023 to 2028

The global medical device industry experienced a compound annual growth rate (CAGR) of 5% from 2019 to 2023, increasing from $446 billion to $545 billion. In 2020, the industry saw a surge in demand for certain products, such as personal protective equipment and ventilators, due to the COVID-19 pandemic. However, the industry's overall growth was flat that year due to reduced medical procedures and trade restrictions.

In 2021, the industry rebounded with a 17% growth rate, driven by demand for diagnostic products related to COVID-19 treatments and a recovery in elective procedures. The industry experienced flat growth in 2022 due to a high base effect. In 2023, the industry saw a modest growth rate of 0.7% as the pandemic transitioned to an endemic state, leading to decreased revenue from COVID-related products globally.

Looking ahead, the global medical device industry is projected to reach $725-775 billion by 2028, with a CAGR of 5.5-7.5%. This growth will be driven by factors such as an aging population, increasing burden of non-communicable diseases, rising healthcare spending, and growing healthcare spending in developing and middle-income countries. Additional growth drivers include the introduction of new technologies, enhanced healthcare data security, increasing disposable income, and a rising incidence of sedentary lifestyle-related diseases.

Market size of global medical device industry during fiscals 2019–2028



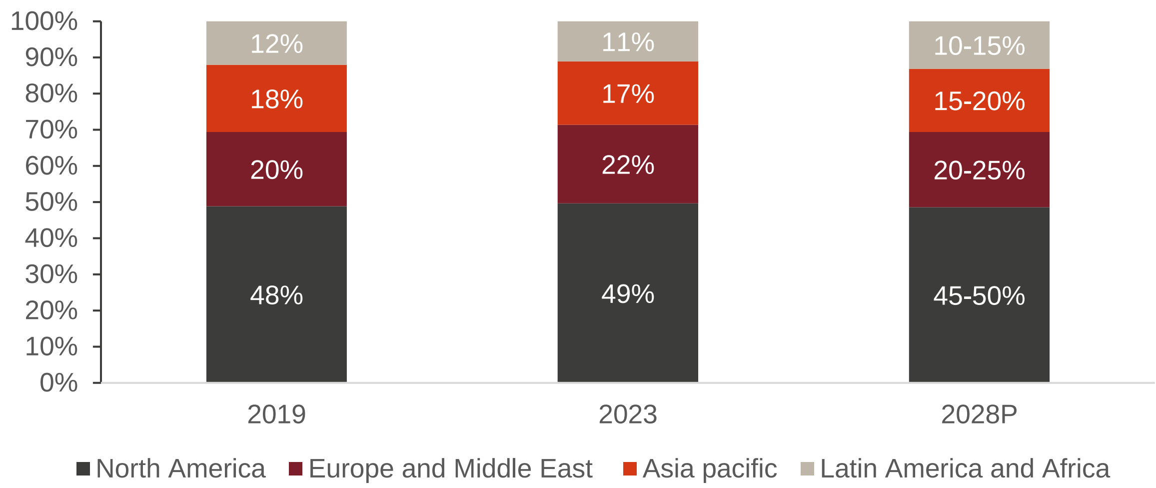
P:Projected
Source: CRISIL MI&A

The US headquartered companies dominate the medical device industry

Majority of medical device sales occur in the US, followed by Europe region. Europe region has major share in Europe, and Middle East. North America dominates with a 49% share in the total medical devices industry with Europe, and the Middle East accounting for 22% in the year 2023. This is followed by Asia-Pacific and Latin America and Africa.

Going forward Asia Pacific region is expected to grow reaching 10-15% as the consumption market in this region grows strongly with increase in population, healthcare expenditure and economic output (GDP), while North America is expected to maintain its dominant position.

Geographical break-up of global medical devices industry



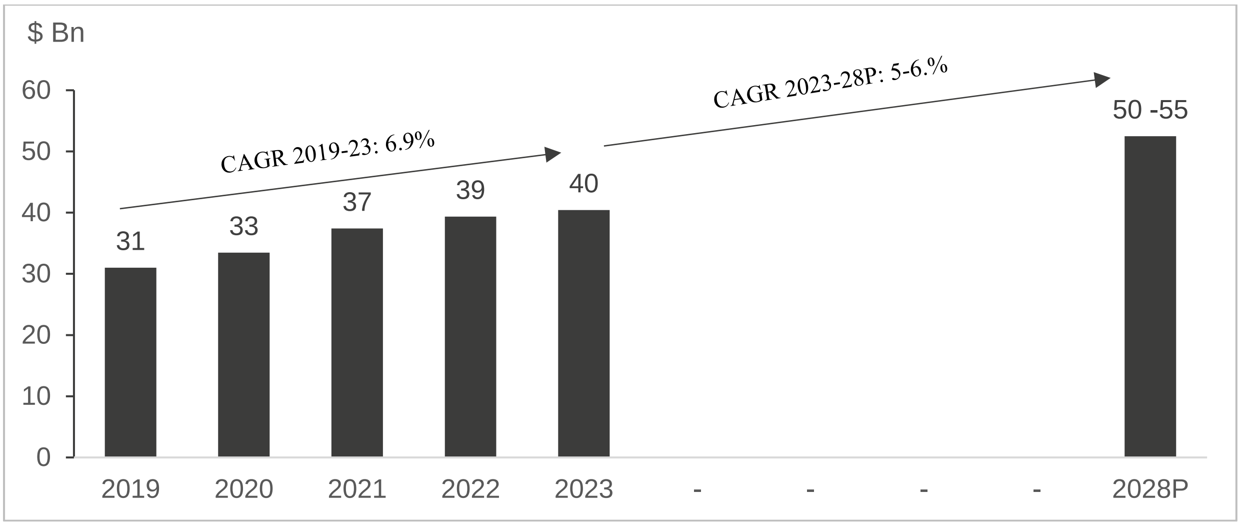
Note: The above break-up is based on geographic segmental revenues reported by top MNCs companies across the globe
P:Projected
Source: CRISIL MI&A

MNCs companies in medical device industry spend around 6-8% of revenues on R&D expenditure

The top 10 players in the global medical devices industry spend nearly 8-9% of their revenues on R&D. R&D expenditure plays an important role for medical device industry with constant need for upgradation of technology and improvement in efficacy and efficiency in performance of medical equipment. R&D expenditure have certain inherent risk associated on account of substantial size of investments required for healthcare sector R&D and operational issues such as failures to obtain regulatory approvals for conducting clinical trials, failure of clinical trials, delays or failures for obtaining required market clearances, and not achieving success at commercial sales point.

CRISIL MI&A, estimates the R&D expense of global medical industry to grow at 5-6% CAGR from 2023 to 2028. This growth is supported by advancements in medical device industry such as 3D printing, artificial intelligence, IoT, wearable technology and introduction of new products for market and improvements in existing line of products.

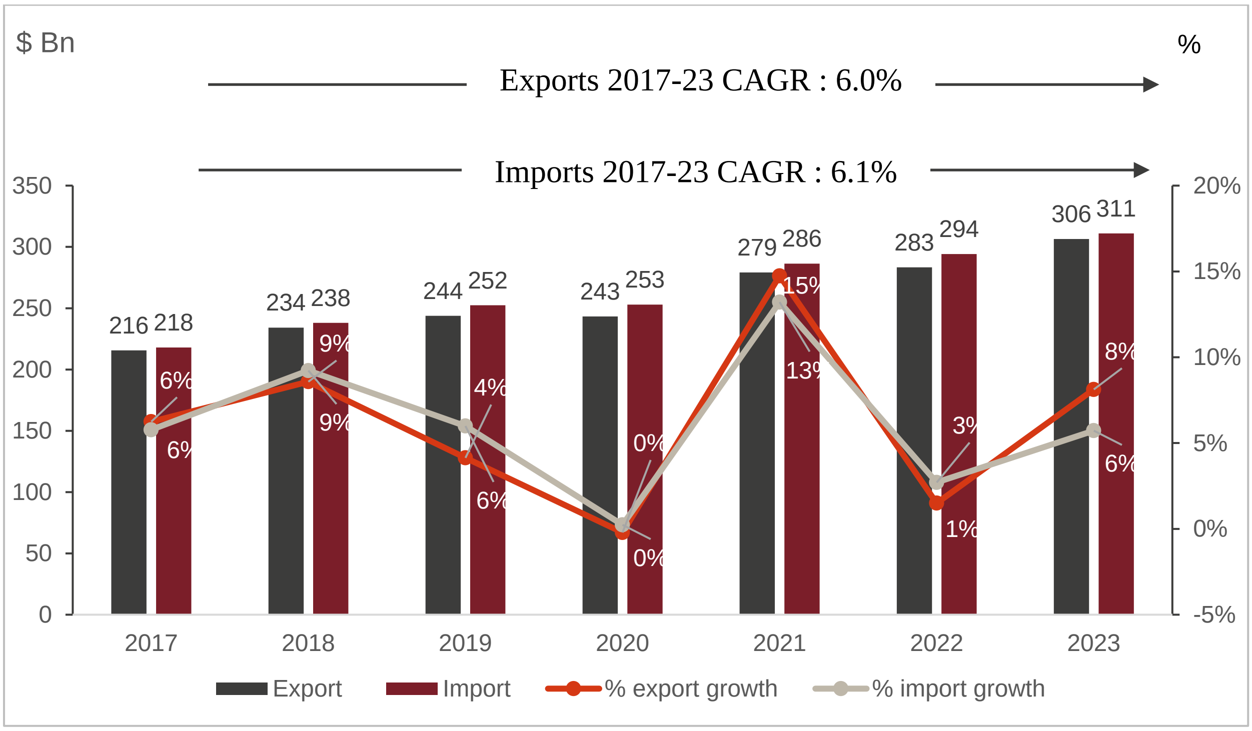
R&D expense of Global medical device industry



Source: CRISIL MI&A

Trade scenarios

Trade scenario for medical device industry



Values of import and export are slightly different due to re-import and re-exports figures
Source: International Trade Centre, CRISIL MI&A

Top 10 countries for import of medical devices and scientific equipment (2023)

	Countries	Share in exports		Countries	Share in imports
Top medical device exporting countries across the world	United States of America	19%	Top medical device importing countries across world	United States of America	22%
	Netherlands	11%		Netherlands	8%
	Germany	11%		Germany	7%
	Switzerland	4%		China	7%
	Ireland	6%		Japan	4%
	China	8%		France	4%
	Belgium	4%		United Kingdom	4%
	France	3%		Belgium	4%
	Singapore	3%		Italy	3%
	United Kingdom	2%		Mexico	2%
	Top-10	**70%**		**Top 10**	**65%**
	India	**0.7%**		**India**	**1.5%**

Source: International Trade Centre, CRISIL MI&A

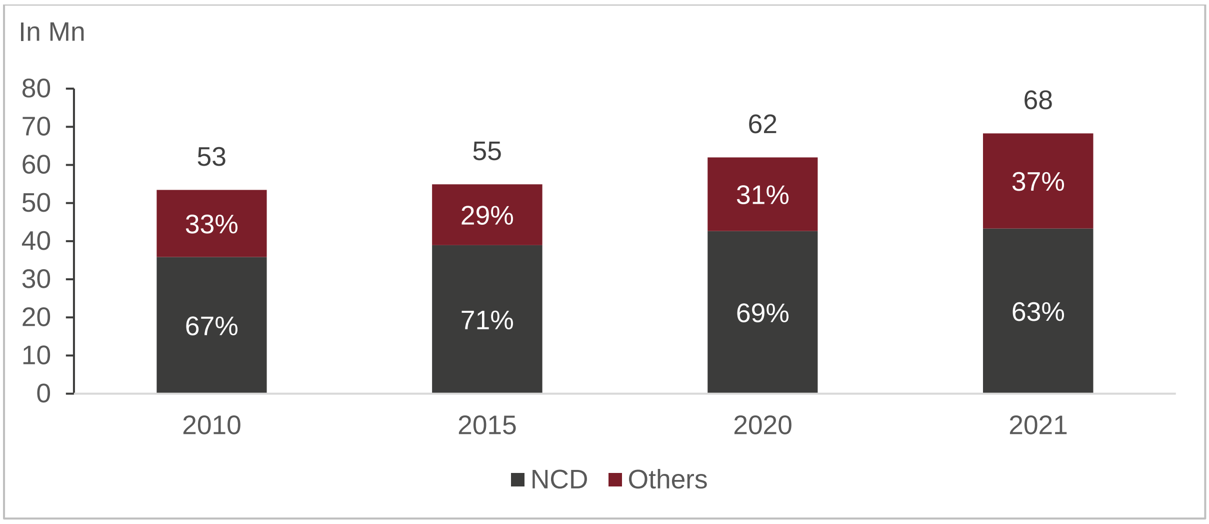
- The global export trade of medical devices increased from $216 billion in 2017 to $306 billion in 2021 at a CAGR of 6%
- As of 2023, the top 10 countries contribute 70% of total medical device exports in value terms with the US (~19%) in the lead. In terms of imports, the top 10 countries account for 65% of total medical device imports globally with the US (~22%) being a major importer. The US is a major exporter of medical electronics and equipment thanks to the presence of top medical device MNCs in the country
- Considering the top 10, Netherlands grew faster than other countries in terms of imports at a CAGR of ~9% during 2017-2023; in terms of exports, China recorded the fastest CAGR of ~10% during the same period.
- India's share in global exports increased from 0.5% in 2017 to 0.7% in 2023 growing at CAGR of 13%

Review of demand drivers for global market

Increase in burden from non-communicable diseases

Increase in number of people with NCDs, such as cancer and cardiovascular diseases, provides a major avenue for the medical devices market. According to the WHO's World Health Statistics, deaths due to NCDs range from 60-70% of total deaths during the decade period from 2010 to 2021. The share of NCD's has seen rising from 67% in 2010 to 69% in 2020. With emergence of covid-19, , the share of deaths due to communicable diseases jumped leaving the deaths caused by non-NCDs (others) rising to 37% during 2021. Given that total deaths stood at ~68 million in 2021, ~43 million of the deaths were because of NCDs.

Global cause of deaths from 2010 to 2021



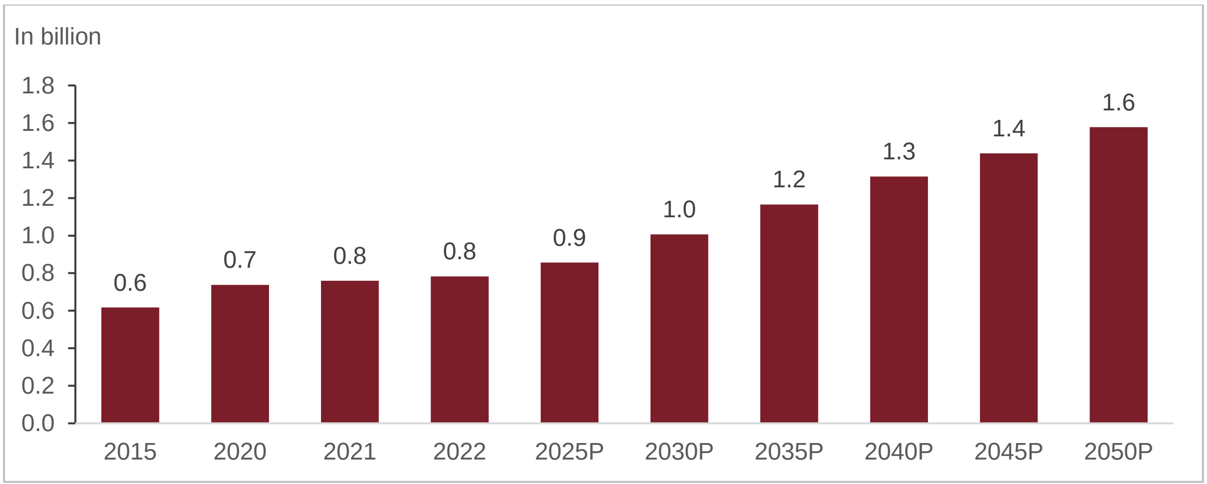
Source: WHO, CRISIL MI&A

A further peeling of the data reveals that in low-income countries largest share of deaths are due to communicable diseases, while it is contrast to upper-middle-income and high-income countries where the major cause of death is due to NCDs.

Rising ageing population

According to a UN population prospects 2024, the above 65-year population would increase from 783 million in 2022 to 1.6 billion in 2050, which is a rise of 201%. Consequently, the share in overall global population of the age group would expand from 10% in 2022 to 16% by the year 2050.
While living long, the incidence of co-morbidity also increases, i.e. a situation where an individual faces several illnesses at the same time. This raises the demand for several medical devices by the particular age group for homecare, etc.

World population above 65 years from 2015 to 2050

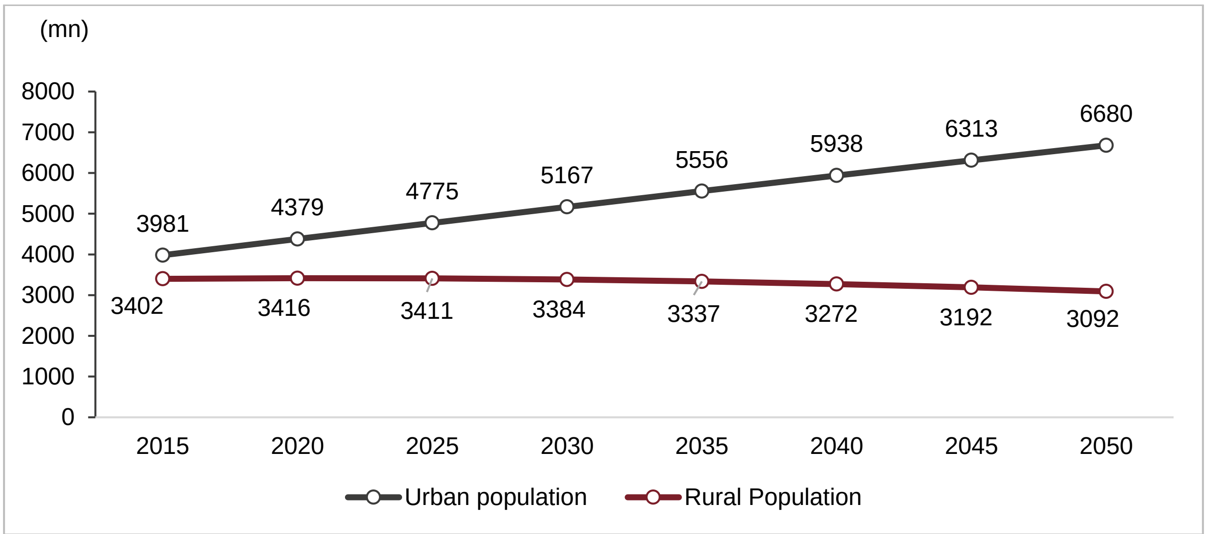


Note-E: Estimated; P: Projected
Source: UN world population prospects 2024, CRISIL MI&A

Urbanisation

According to UN World Urbanization Prospects (2018), the urban populous across the world increased sharply, from 751 million in 1950 to 4.5 billion in 2018. In 2018, ~55% of the world's population resided in urban areas, which according to the UN would increase to 68% by 2050. If the projection plays out, this will add ~2.5 billion to the urban population.

Global urban and rural population over 2015 to 2050



Source: UN World Urbanization Prospects (2018), CRISIL MI&A

Major contributors to this surge would be China, India, and Nigeria, which will comprise 37% share of the total growth.

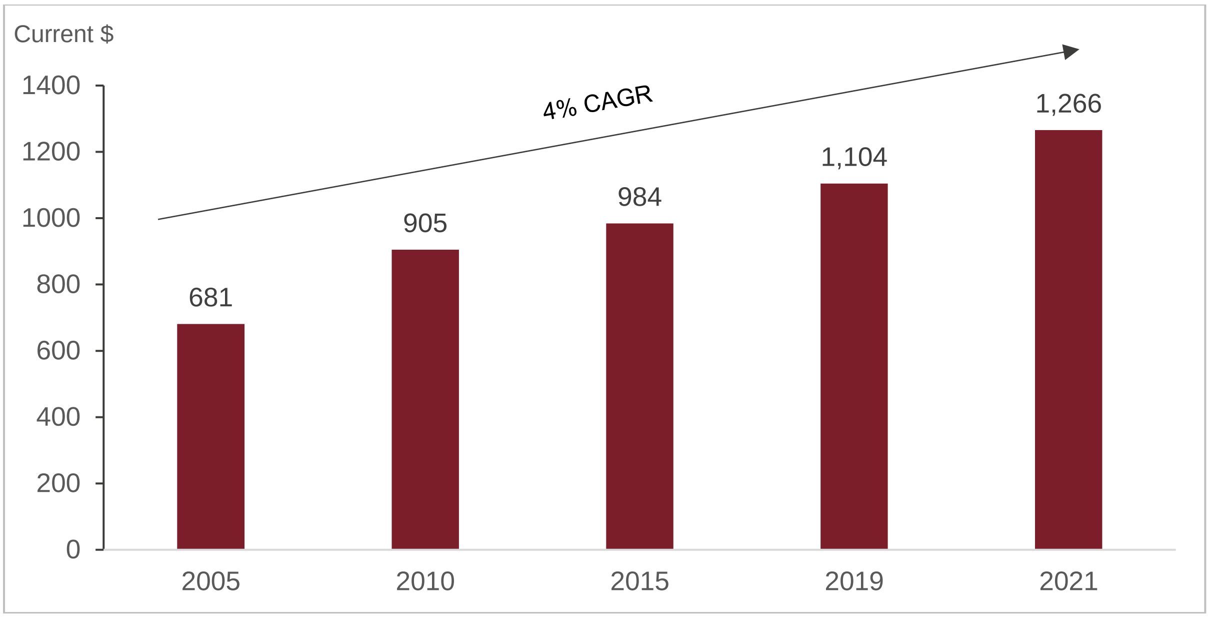
The rise in the urban population will translates to increase in vehicular traffic, causing a rise in air pollution and accidents. Also, with urbanisation, there would be an increase of slums in urban areas, thereby increasing the incidence of diseases such as diarrhea.

The growth in the urban population, in conjunction with increase in the above 65 years age group, would augment the need for medical devices.

Growth prospectus in emerging markets due to spending gap

The healthcare expenditure per capita rose at a minimal ~4% CAGR over 16 years, from $681 in 2005 to $1,266 in 2021.

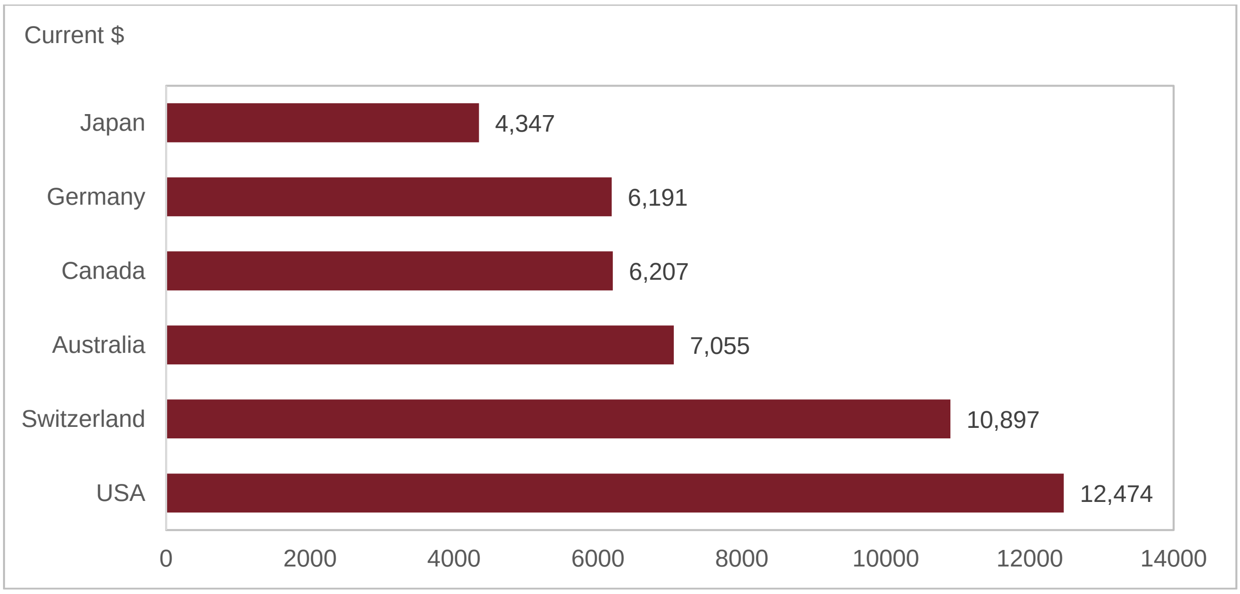
Global health expenditure per capita from 2005 to 2021



Source: World Bank, CRISIL MI&A

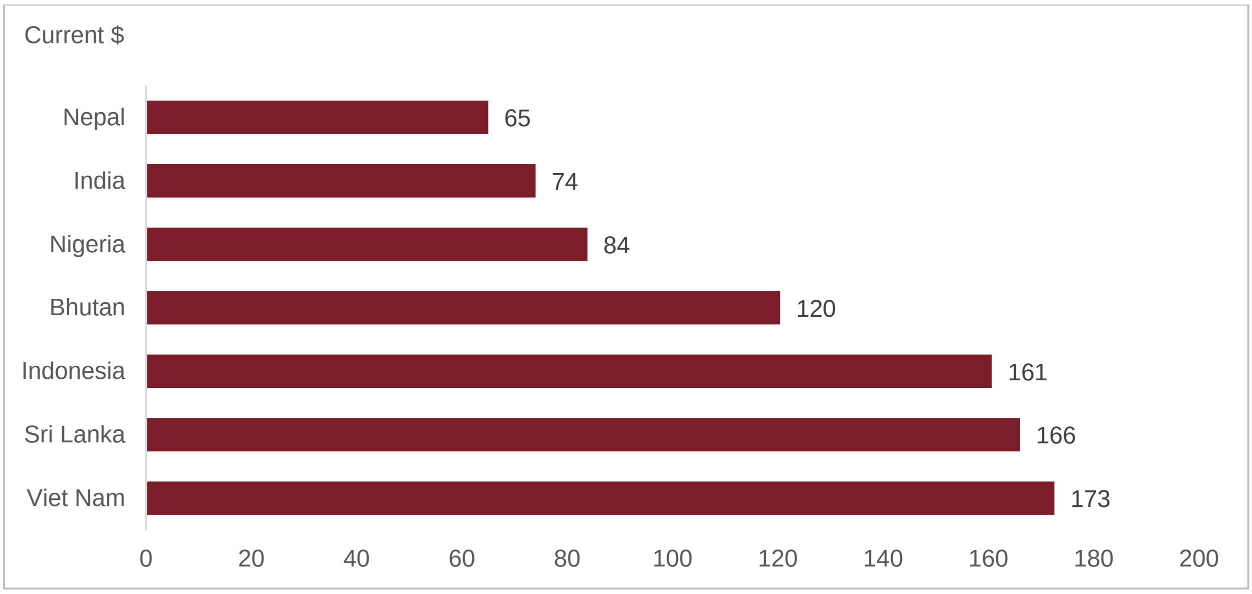
The low trajectory was primarily because of a wide spending gap between emerging markets and mature markets. Developed countries, such as USA, Japan, spend $12,473 and $4,347 respectively with emerging nations spending far less.

Health expenditure per capita of mature countries (2021)



Source: World Bank, CRISIL MI&A

Health expenditure per capita of emerging countries (2021)



Source: World Bank, CRISIL MI&A

However, with rising awareness about healthcare along with population growth in countries such as India and Nigeria, emerging markets poses a viable option for the medical device industry.

Challenges and key risk factors

Regulatory compliance

Regulatory guidelines ensure the adherence of quality and safety standards by medical devices. Industry manufacturers must adhere to these standards, considering the number of lives at stake. However, there is no standard medical device regulatory template followed globally. Countries have their own regulatory authorities and device-approval mechanisms. Therefore, it is a challenge for medical equipment manufacturers having global footprints to monitor new compliance changes across countries they intend to market.

Data security issues

With the introduction of industry 4.0, the medical device industry is moving towards internet-of-things (IoT). However, technology-dependent medical devices pose a challenge for manufacturers, with the main concern being collection, storage and management of sensitive information of/from customers.

Cost of product development and R&D

The medical device industry is ever evolving and faces intense competition, making R&D investments towards the improvement of existing devices/ introduction of new medical devices a key monitorable. Companies invest around 6-7% of their revenue on R&D expenditure every year, with top MNCs investing up to 8-9%. Thus, high R&D expenditure adversely impacts the industry/ players in case of product development failures.

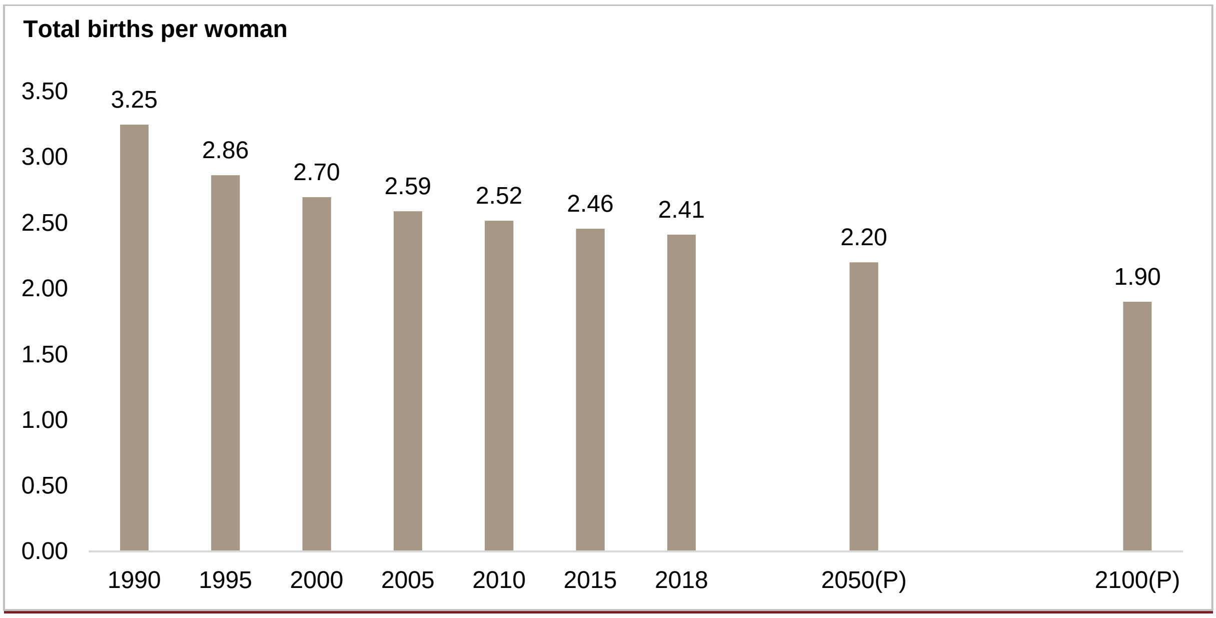
Supply chain complexities

The COVID-19 pandemic was a challenge for the medical device industry, the demand for some of the products like respirators and Personal Protective Equipment (PPE) was very high but at the same time the supply chains for these products were highly under stress. With many component suppliers closing when Coronavirus first hit China, components for vital devices, such as ventilators, became difficult to source. Going ahead medical device manufactures need to diversify their sourcing destinations to avoid supply chain disruptions like at the times of covid-19 pandemic.

Decline in young population

According to the UN World Fertility and Family Planning Report (2020), the total fertility rate has fallen such that nearly 50% of the global population is residing in countries where lifetime fertility rates are below 2.1 births per woman. Global fertility rates declined from ~3.2 live births per woman in 1990 to ~2.4 as of 2018. The UN World Fertility and Family Planning Report estimates fertility rates to decline further to ~2.2 by 2050 and 1.9 by 2100, posing a challenge for the global medical device industry, as it would hinder overall population growth over the long term.

Global fertility rate from 1990 to 2018



Source: World Bank, CRISIL MI&A

Evolution of new technologies, products and their impact on the industry

3D printing

3D printing is an additive manufacturing method rather than a traditional subtractive manufacturing technique. This technology offers wider advantages across the medical device industry, especially for orthopedic and cranial implants, dental restorations, prosthetics and various instruments used for surgeries. 3D printing can reduce the number of steps involved in the process and components, thus reducing the overall manufacturing cost. Although the adoption of 3D printing is in early stages across segments, it would be implemented widely with an increase in efficiency, leading to early adopters reaping higher benefits.

IoT

The need for connected devices that can effectively monitor chronic diseases and healthcare systems that can remotely track patients' health is increasing with changing demographics. Technological advancements enable early detection and continuous monitoring of health issues through connected devices and also from the data collected using them. Early detection helps prevent major medical conditions in the long run, thus tracking/ improving the patient's overall health. IoT, being the key enabler of this technology, would see the medical device industry majorly benefitting with increasing acceptance of connected devices.

Wearable devices

Wearable devices, such as smartwatches and fitness bands, track and record health and fitness activities of the users. Change in lifestyle and dietary habits towards a sedentary lifestyle has increased lifestyle-related chronic diseases. To counter this trend, national healthcare systems are emphasizing on regular health check-ups, thus increasing the need for routine monitoring of critical health irregularities. Portable medical devices and at-home measurement devices use automated method to enable patients to monitor health changes at home. For example, an automated method to measure BP with the help of an occluding cuff employs the oscillometric technique. Covid-19 has increased awareness on healthcare monitoring. All these factors make wearable devices a vital part in the medical device industry.

Artificial intelligence

The AI-associated healthcare market has grown tremendously in the past few years. The incorporation of AI into medical devices is to improve patient care and help healthcare providers for better diagnosis. AI-enabled medical devices can process patient data, generate required solutions, and identify and rectify mistakes more efficiently, which, in turn, improves the overall process. Major AI applications in this field would be the customisation of medical dosages, interpretation of magnetic resonance images, etc.

Artificial intelligence (AI) and machine learning (ML) technologies have the potential to transform healthcare services by deriving new and vital insights from the large amount of data generated during the delivery of healthcare in clinics and hospitals. Medical device manufacturers are AI and ML to innovate their products to better assist health care providers and improve patient care. One of the greatest benefits of AI/ML is its ability to learn from actual data and experience, and its capability to improve performance.

Companies are integrating AI and IoT to better monitor patient response and adherence to treatment protocols and helps to improve clinical outcomes. Automated and AI help to increase regular monitoring but in hospital and critical care units, traditional method are considered reliable.

Invasive (intra-arterial) blood pressure (IBP) monitoring is a commonly used technique in the Intensive Care Unit (ICU) and is also often used in the operating theatre. This technique involves direct measurement of arterial pressure by inserting a cannula needle in a suitable artery. Patients who are at risk for hemodynamic instability are advised to be monitored by continuous BP measurement. The IBP module continuously measures blood pressure invasively through a pressure transducer connected to patients. Especially in critical cases (arrhythmia, vasoconstriction, hypertension, shock), IBP devices are more accurate and provided information about any fluctuation than devices using other non-invasive measuring techniques. AI and technology aids to improve the other factor such as instant update on any fluctuation, quick data analysis of any abnormality etc.

Competitive landscape in India

In this section, CRISIL MI&A has compared some of key players in the medical device industry. Data in this section has been obtained from publicly available sources, which include annual reports and investor presentations, regulatory filings, rating rationales, and/or company websites. Financials in this section have been re-classified by CRISIL, based on annual reports and financial filings by the respective players. Financial ratios used in this report may not match with the reported financial ratios by the players on account of standardisation and re-classification done by CRISIL.

Note: The list of peers considered in this section is not an exhaustive but an indicative list.

Key players in the Indian medical device market

Name of the company	Year of incorporation	Public / private firm	Headquarters	Particulars
Agappe Diagnostics Ltd	1998	Private	Mumbai, Maharashtra	• Agappe Diagnostics Ltd develops, manufactures and markets in-vitro diagnostic equipment, reagents and associated systems through strong distribution network spread across domestic and international markets. • Its manufacturing facility in Kochi is a class 10000 and class 100 facility. It markets protein analysers under the brand, MISPA.
Allengers Medical Systems Ltd	1992	Private	West Delhi	• Based in Chandigarh, the company was established as a proprietorship concern by Mr Suresh Sharma in 1987, and reconstituted as a closely held public limited company in 1997 • It manufactures X-ray-related medical diagnostic and imaging equipment
Ascent Meditech Ltd	2012	Private	Dadra and Nagar Haveli	• Ascent Meditech Ltd offers wide range of categories which cater to lifestyle, comfort, premium, mobility, wound care and paediatric segments • The company has global presence in more than 55 countries such as India, Sri Lanka, United Kingdom, Canada, and Jordon • The company has its manufacturing facility in Valsad, Gujarat
B. Braun Medical (India) Pvt Ltd	1994	Private	Mumbai, Maharashtra	• B. Braun Medical India was incorporated in 1994 as a subsidiary of B Braun Medical Industries Melsungen AG, Germany (BBMAG), the flagship company of the B Braun group • The group has a presence in 64 countries, manufactures infusion therapy, orthopaedics, neurosurgery, anaesthesia, extracorporeal blood treatment, spine surgery, diabetes care, clinical nutrition, wound management, infection prevention and surgical technologies, among others • The company has three manufacturing plants in India
Becton Dickinson India Pvt Ltd	1995	Private	New Delhi	• Indian registered unit of Becton Dickinson, which is a global medical device player that manufactures and sells medical devices, instrument systems, and reagents • In India, the company has a manufacturing facility in Bawal, Haryana
Healthium Medtech Ltd	1992	Private	Bengaluru, Karnataka	• The company is into manufacturing of wound closure products such as absorbable and non-absorbable sutures, mesh, tapes, skin staplers, ligation clips and other medical consumables • The company and its subsidiaries have seven manufacturing facilities
Hindustan Syringes and Medical Devices Ltd	1957	Private	New Delhi, Delhi	• The company manufacturers various types of needles, syringes, cannulas, surgical blades, scapels and other accessories.

Name of the company	Year of incorporation	Public / private firm	Headquarters	Particulars
				• The company has manufacturing facilities in Faridabad, Haryana, India.
Philips India Ltd	1930	Private	North 24 Parganas, West Bengal	• The company operates as a subsidiary of Koninklijke Philips NV • The company is into personal care products and medical equipment, and meets a large part of the parent’s global technological requirement through its innovation center • The company previously included the domestic appliances and lighting businesses in India, which were demerged in fiscals 2022 and 2016, respectively, in line with the parent’s global strategy.
Poly Medicure Ltd	1995	Public	South Delhi	• The company manufactures disposable medical items, such as IV cannula, blood bags, blood collection tubes, and infusion and transfusion sets • The group has 12 manufacturing facilities across 4 countries of which 9 manufacturing facilities in India. The 3 facilities overseas include one in each China, Egypt, and Italy
Prognosys Medical Systems Pvt Ltd	2003	Private	Bengaluru Urban, Karnataka	• The company is engaged in designing, manufacturing, integrating and installing products related to digital radiology equipment • The company has manufacturing facility in Machohalli, Karnataka • It is also involved in manufacturing other related accessories, providing end-to-end solutions in the healthcare industry through the integrated delivery of medical devices, communication equipment, computers, servers, software supply, installation and maintenance of the same on a turnkey basis.
Relisys Medical Devices Ltd	1997	Private	Ranga Reddy, Telangana	• The company manufacturers Cardiovascular Medical devices such as stents, catheters, values and stent systems • The company has two manufacturing facilities – One located at Hyderabad, Telangana (India) and the second located at Baddi, Himachal Pradesh (India)
Sahajanand Medical Technologies Ltd	2001	Private	Surat, Gujarat	• The company manufactures medical stents used in cardiac surgeries; products are marketed under the SMT brand. • PE players, Samara Capital Markets Holding Ltd and NHPEA Sparks Holdings BV, hold stakes of 31.4% and 16.2%, respectively.
Siemens Healthcare Pvt Ltd	2015	Private	Mumbai, Maharashtra	• The company is a wholly owned subsidiary of Siemens Diagnostics Holding II B.V., Netherlands • It is principally engaged in the business of manufacturing and selling of medical equipment, including maintenance services and supply of their spare parts, reagents or consumables to its customers • The company also provides R&D, including the development of software and software solutions for its group companies
Skanray Technologies Ltd	2007	Private	Mysuru, Karnataka	• It is engaged in manufacturing of medical equipment catering to various specialities such as radiology, cardiology, critical care, surgery, dental and veterinary • The company’s product range covers patient monitoring systems, high-frequency X-ray devices, electro-surgical units, anaesthesia workstations, ICU ventilators, syringe pumps, dental and critical care devices • The company has two manufacturing plants in India and three in Europe

Name of the company	Year of incorporation	Public / private firm	Headquarters	Particulars
Smith & Nephew Healthcare Pvt Ltd	1994	Private	Mumbai, Maharashtra	• The company operates in three specialties which includes Orthopaedics, Sports Medicine and Ear, Nose and Throat (ENT) and Wound Management
Transasia Bio-Medicals Ltd	1985	Private	Mumbai, Maharashtra	• The company has presence diagnostic instruments as well as reagents in India. • The company manufactures a wide range of clinical chemistry analysers, elisa readers and microplates. • The company has four manufacturing facilities in India along with one in Czech republic.
Trivitron Healthcare Pvt Ltd	1998	Private	Chennai, Tamil Nadu	• The company is involved in the manufacturing and trading/distribution of medical devices along with manufacturing of reagents, radiation protection apparels and other related accessories • The company has 15 manufacturing facilities across multiple countries like Turkey, Finland, the US, and China, apart from India

Note: The list above is an indicative list and not an exhaustive list
Source: Companies' annual reports and websites, investor presentations, news articles, credit rating rationale, CRISIL Research

Business areas of key players

	Consumables	Implants	Medical equipment	IVD and reagent
Agappe Diagnostics Ltd	✗	✗	✓	✓
Allengers Medical Systems Ltd	✗	✗	✓	✗
Ascent Meditech Ltd	✓	✗	✗	✗
B. Braun Medical (India) Pvt Ltd*	✓	✓	✓	✗
Becton Dickinson India Pvt Ltd*	✓	✓	✓	✓
Healthium Medtech Ltd	✓	✓	✗	✗
Hindustan Syringes and Medical Devices Ltd	✓	✗	✗	✗
Philips India Ltd	✗	✗	✓	✗
Poly Medicure Ltd	✓	✗	✗	✗
Prognosys Medical Systems Pvt Ltd	✗	✗	✓	✗
Relisys Medical Devices Ltd	✓	✓	✗	✗
Sahajanand Medical Technologies Ltd	✓	✓	✗	✗
Siemens Healthcare Pvt Ltd	✓	✗	✓	✓
Skanray Technologies Ltd	✗	✗	✓	✗
Smith & Nephew Healthcare Pvt Ltd*	✓	✓	✓	✗
Transasia Bio-Medicals Ltd	✗	✗	✓	✓
Trivitron Healthcare Pvt Ltd	✓	✗	✓	✗

** The product categories mentioned are as per the group company*
Note: IVD - In-Vitro Diagnostic
Source: Company annual reports, CRISIL Research

Key financial parameters of major listed and unlisted Indian medical device players

Key financials - FY23		Operating income (Rs million)	CAGR FY21-23(%)	OPBDIT (Rs million)	CAGR FY21-23(%)	PAT (Rs million)	CAGR FY21-23(%)
Agappe Diagnostics Ltd	Consolidated	3,905	19.1%	448	(22.6)%	235	(30.3)%
Allengers Medical Systems Ltd	Consolidated	7,556	35.0%	1,760	51.2%	1,264	50.8%
Ascent Meditech Ltd	Consolidated	1,799	22.1%	141	(4.3)%	11	(60.4)%

Key financials - FY23		Operating income (Rs million)	CAGR FY21-23(%)	OPBDIT (Rs million)	CAGR FY21-23(%)	PAT (Rs million)	CAGR FY21-23(%)
B. Braun Medical (India) Pvt Ltd	Consolidated	6,106	20.8%	562	N.M	8	N.M
Becton Dickinson India Pvt Ltd	Standalone	13,014	17.4%	1,281	16.1%	610	21.8%
Healthium Medtech Ltd	Consolidated	7,085	(0.3)%	2,061	16.5%	6,032^	165.7%
Hindustan Syringes and Medical Devices Ltd	Consolidated	8,453	14.8%	1,100	5.7%	504	(21.7)%
Philips India Ltd	Standalone	57,340	8.8%	4,219	6.5%	2,600	21.5%
Poly Medicure Ltd	Consolidated	11,185	19.2%	2,887	13.1%	1,789	17.2%
Prognosys Medical Systems Pvt Ltd	Standalone	293	18.4%	(68)	N.M	(140)	214.0%
Relisys Medical Devices Ltd	Consolidated	1,605	60.0%	590	224.4%	361	N.M
Sahajanand Medical Technologies Ltd	Consolidated	7,959	16.3%	1,144	53.6%	119	N.M
Siemens Healthcare Pvt Ltd	Standalone	43,251	13.5%	6,334	27.6%	2,981	29.4%
Skanray Technologies Ltd	Consolidated	2,499	(23.2)%	(151)	N.M	(313)	N.M
Smith & Nephew Healthcare Pvt Ltd	Standalone	5,843	60.4%	760	67.2%	182	124.3%
Transasia Bio-Medicals Ltd*	Consolidated	13,028	24.2%	2,803	20.0%	1,543	(10.8)%
Trivitron Healthcare Pvt Ltd	Consolidated	4,878	(18.2)%	(194)	N.M	(296)	N.M

** Values for the company are as of fiscal 2022 and growth rate is for the period fiscal 2021 to 2022*
N.Ap: Latest financials available in public domain are as of fiscal 2022
^ Higher profit during the period is due profit from discontinuing operations which account to Rs. 4,927 million.
N.M- Not meaningful, as the base or the final value in calculation of CAGR is negative
Operating Income= Net sales+ Other related Income
Net sales= Gross Sales-Traded Goods Sales-Total Excise and Other Indirect Taxes
*$ OPBDIT= Operating Income- Cost of sales^*
^cost of sales = Cost of Sales= Material costs + traded goods purchased+|accretion| : decretion to Stocks + consumable stores + power and fuel + employee costs + other manufacturing expenses + selling expenses + other expenses + miscellaneous expenses written off - expenditure capitalised: excluding interest
Financial used in this report have been standardised and re-classified by CRISIL and may not match with the reported financials by the players
Source: Company annual reports, CRISIL MI&A

Key financial ratios of major players for FY23

FY23 parameters	Operating margin (%)	Net profit margin (%)	ROCE (%)	Interest coverage (times)	Gearing (times)
Agappe Diagnostics Ltd	11.5	6.0	0.2	19.0	0.2
Allengers Medical Systems Ltd	23.3	16.7	0.0	60.4	0.0
Ascent Meditech Ltd	7.9	0.6	0.7	2.1	0.7
B. Braun Medical (India) Pvt Ltd	9.2	0.1	0.6	5.9	0.6
Becton Dickinson India Pvt Ltd	9.8	4.7	0.0	58.7	0.0
Healthium Medtech Ltd	29.1	85.1	0.0	73.0	0.0
Hindustan Syringes and Medical Devices Ltd	13.0	6.0	0.0	55.0	0.0
Philips India Ltd	7.4	4.5	0.0	15.5	0.0
Poly Medicure Ltd	26.0	16.0	0.1	28.2	0.1
Prognosys Medical Systems Pvt Ltd	(23.2)	(47.7)	4.2	(2.8)	4.2
Relisys Medical Devices Ltd	36.7	22.5	0.1	24.8	0.1
Sahajanand Medical Technologies Ltd	14.4	1.5	0.3	3.6	0.3
Siemens Healthcare Pvt Ltd	14.6	6.9	0.7	9.7	0.7
Skanray Technologies Ltd	(6.0)	(12.5)	2.5	(0.7)	2.5
Smith & Nephew Healthcare Pvt Ltd	13.0	3.1	0.0	11.2	0.0
Transasia Bio-Medicals Ltd*	21.5	11.8	0.1	57.7	0.1
Trivitron Healthcare Pvt Ltd	(4.0)	(6.1)	1.0	0.6	1.0

**Latest financials available for Transasia Bio-Medicals Ltd are as of fiscal 2022.*
OPBDIT margin = OPBDIT / Operating income
PAT margin = PAT / Operating income
Interest Coverage Ratio = Profit before depreciation, interest, and tax (PBDIT) divide by interest and finance charges
Gearing Ratio = Adjusted debt divide by adjusted networth
RoCE = Profit before interest and tax (PBIT) and before extraordinary items / Average of [share capital + equity reserves + total debt + deferred payment liabilities] for fiscal 2022 and fiscal 2023
Financial used in this report have been standardised and re-classified by CRISIL and may not match with the reported financials by the players
Source: Company annual reports, CRISIL MI&A

Export for major medical device players

Companies	Type	Share of Export (FY23)
Agappe Diagnostics Ltd	Consolidated	22.1%
Allengers Medical Systems Ltd	Consolidated	9.7%
Ascent Meditech Ltd	Consolidated	29.1%
B. Braun Medical (India) Pvt Ltd	Consolidated	23.1%
Becton Dickinson India Pvt Ltd	Standalone	15.9%
Healthium Medtech Ltd	Consolidated	44.6%
Hindustan Syringes and Medical Devices Ltd	Consolidated	20.8%
Philips India Ltd	Standalone	53.5%
Poly Medicure Ltd	Consolidated	69.0%
Prognosys Medical Systems Pvt Ltd	Standalone	0.0%
Relisys Medical Devices Ltd	Consolidated	16.6%
Sahajanand Medical Technologies Ltd	Consolidated	62.2%
Siemens Healthcare Pvt Ltd	Standalone	27.5%
Skanray Technologies Ltd	Consolidated	40.0%
Smith & Nephew Healthcare Pvt Ltd	Standalone	0.0%
Transasia Bio-Medicals Ltd	Consolidated	N.A
Trivitron Healthcare Pvt Ltd	Consolidated	21.4%

Latest financials available for Transasia Bio-Medicals Ltd are as of fiscal 2022.
Source: Company annual reports, CRISIL MI&A

Key financials for FY24

FY24 parameters	Operating income	CAGR FY21-24	OPBDIT	CAGR FY21-24	Operating margin	PAT	CAGR FY21-24	PAT margin
UoM	Rs million	%	Rs million	%	%	Rs million	%	%
Poly Medicure Ltd	13,758	20.4%	3,582	16.6%	26.0	2,583	25.6%	18.8

Financial used in this report have been standardised and re-classified by CRISIL and may not match with the reported financials by the players
Source: Company annual reports, CRISIL MI&A

Key observations

- Poly Medicure Limited is among top 5 players, among the peers considered in terms of operating income (Rs. 11,185 Million) as of fiscal 2023.
- Poly Medicure Limited stands 5th among the players listed above in terms of PAT (Rs. 1,789 Million) during fiscal 2023.
- In comparison to peers considered, Poly Medicure Limited is stands 3rd in Operating margin (25.8%) during fiscal 2023.
- Poly Medicure Limited has an export share of 69% with an export revenue of Rs. 7,646 Mn during fiscal 2023.
- Poly Medicure Limited with domestic revenue of Rs. 3,440 million has market share of 1.9% in Indian consumables market as of fiscal 2023.
- In 2023, Poly Medicure Limited received USFDA 510k approval for marketing its IV safety catheters and IV administration set products in US

BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "**Forward-Looking Statements**" on page 16 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read "**Risk Factors**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition**" on pages 38 and 84, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Audited Consolidated Financial Statements and Statement of Unaudited Financial Results included in this Placement Document. For further information, see "**Financial Information**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 248 and 82, respectively.*

In this section, unless the context otherwise requires, a reference to "our Company" is a reference to Poly Medicure Limited on a standalone basis, while any reference to "we", "us", "our" or "Group" is a reference to Poly Medicure Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report "**Market assessment of the medical device industry in India**" dated August 19, 2024 (the "**CRISIL Report**") prepared and released by CRISIL Research, a division of CRISIL Limited, and commissioned by us and other publicly available information. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

Overview

We are among the top five companies in the medical devices industry in India, in terms of operating income and stand fifth in terms of profit after tax ("**PAT**"), in Fiscal 2023 (*Source: CRISIL Report*). We manufacture and supply, in India and internationally, a diverse portfolio of medical devices in the product verticals of infusion therapy, oncology, anesthesia and respiratory care, urology, gastroenterology, vascular access, surgery and wound drainage, dialysis and renal care, diagnostics, transfusion system, veterinary medical devices, and others. In Fiscal 2023, we expanded into cardiology, and launched a critical care division for focusing on products used in intensive care. As of June 30, 2024, we had over 123 categories with 6,745 SKUs of disposable medical devices.

Over the years, we have developed an extensive sales and distribution network across India. As of June 30, 2024, our distribution network with a pan-India presence included 506 distributors. We believe we have developed long-term relationships with a majority of our distributors. Our sales division is also involved in promotion of our products in 8,000 private and government hospitals and nursing homes across India, as on June 30, 2024. In the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 260 distributors in these jurisdictions, with many of them benefiting from local/regional exclusivity arrangements. In Fiscal 2024 and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively.

We have been recognized as the "India Medical Devices Leader of the Year" in the India Medical Device Awards 2022, by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India. We have also been awarded as the top exporter of plastic medical disposables/ surgical items (including syringes) for the years 2021-2022, and 2022-2023, by the Plastics Export Promotion Council, and recognized as one of the Best Healthcare Brands 2024 by ET Edge. We also received Indian Medical device leader of the year Award by Govt of India for the year 2022. Our Managing Director, Mr. Himanshu Baid, received the Juror Award at the 13th MT India Healthcare Awards 2023. For further information see *"**Business – Awards**"* on page 179.

We focus on research and development ("**R&D**") for developing more effective, safe to use, and user-friendly products. Our R&D activities are also aimed at improving existing processes and production cost efficiency and developing processes for sustainable manufacturing practices and environmental friendly products. We operate one in-house R&D facility at Faridabad (Haryana) ("**R&D Center**"), which has been approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India ("**DSIR**"). Based on the efforts of our R&D division, as of June 30, 2024, we have been granted 325 patents in India and globally and have also filed for grant of 44 patents in India and worldwide. We have developed a number of safety medical devices across product lines, including safety I.V. cannula and safety scalp vein sets within the infusion therapy vertical, safety blood collection sets within the transfusion system vertical, safety fistula needles within the dialysis and renal care vertical, and safety Huber needles and safety closed I.V. catether system in our critical care vertical. We have also received US FDA 510k approvals to market two of our product categories, safety IV cannula and IV Set, in the United States.

Our Company is led by Mr. Himanshu Baid, our Managing Director and Mr. Rishi Baid, our Joint Managing Director, each of who have over two decades of experience in the medical devices industry and are first generation entrepreneurs. In addition to our R&D center, we currently operate 12 manufacturing facilities across India, China, Egypt and Italy. In India, we operate nine manufacturing facilities, including six facilities situated in Faridabad (Haryana), two facilities (including a SEZ unit) situated in Jaipur (Rajasthan) and one facility in Haridwar (Uttarakhand). Our Indian manufacturing facilities have been accredited with several international quality certifications. All our manufacturing facilities in India have been accredited with the EC certificates for quality assurance systems and EN ISO 13485:2016 certifications. Further, our Faridabad Facility-I, Faridabad Facility-II, Faridabad Facility-V and Haridwar Facility, have also been accredited with management system certificates for compliance with ISO 9001:2015. For further information, see "***Business – Manufacturing Facilities***" on page 172.

We also operate one manufacturing facility in China through our wholly-owned subsidiary Poly Medicure (Liayang) Company Limited that is certified to be compliant with Korea Good Manufacturing Practices by the Korea Food and Drug Administration, Ministry of Food and Drug Safety, and has been accredited with a EC certificate for quality assurance system and EN ISO 13485:2016 for its quality management system. In addition, we operate one manufacturing facility in Assuit, Egypt, through our associate Ultra for Medical Products that is also accredited with EC certificates for quality assurance system. We also operate one manufacturing facility in Italy through our step-down subsidiary Plan 1 Health S.R.L., which is accredited with EC certification for quality assurance system and EN 13485:2016 for its quality management system by DEKRA Certification B.V. Netherlands. For further information, see "***Business – Manufacturing Facilities***" on page 172.

In Fiscals 2024, 2023, 2022 and in the three months ended June 30, 2024, our revenue from operations was ₹ 1,37,579.63 lakhs, ₹1,11,523.04 lakhs, ₹ 92,306.26 lakhs and ₹ 38,477.64 lakhs, respectively, and our profit after tax, was ₹25,826.97 lakhs, ₹17,928.20 lakhs, ₹14,650.60 lakhs, and ₹7,403.95 lakhs, respectively, during such period. From Fiscal 2022 to Fiscal 2024, we have been able to increase our total revenue from operations at a compound annual growth rate ("**CAGR**") of 20.49%, our profit before tax at a CAGR of 24.12%, and our profit after tax at a CAGR of 23.87%.

Our Strengths

One of the leading Indian companies in the disposable medical devices industry with a diversified product portfolio

We are among the top five companies in the medical devices industry in India, in terms of operating income and stand fifth in terms of PAT, in Fiscal 2023 (*Source: CRISIL Report*). As of June 30, 2024, we had over 123 categories with 6,745 SKUs of disposable medical devices across 11 product verticals of infusion therapy, oncology, anesthesia and respiratory care, urology, gastroenterology, vascular access, veterinary medical devices, surgery and wound drainage, dialysis and renal care, transfusion system, diagnostics, cardiology, and critical care. Infusion therapy is our key product vertical, and sale of infusion therapy products represented 62.54% and 63.55% of our revenue from operations, in Fiscal 2024 and in the three months ended June 30, 2024 respectively. Our solutions enhance care across various departments in the hospital spectrum, such as in-patient department (IPD) services, blood banks, dialysis units, pathology laboratories, catheterization laboratories, ICUs, emergency departments, operation departments, chemotherapy units and specialty treatment units for disciplines such as gastroenterology and urology. We are the first Indian company to indigenously manufacture dialyzers in India (*Source: CRISIL Report*). In Fiscal 2023, the Company received US FDA 510k approvals for marketing two product categories, safety IV Cannula and IV Set, in the United States.

Manufacturing a wide range of products also enables us to generate pricing advantages, which has strengthened our relationship with our primary customers, hospitals and clinics. We have also developed a number of safety medical devices across product lines, including safety I.V. cannula and safety scalp vein sets within the infusion

therapy vertical, safety blood collection sets within the blood collection vertical, safety fistula needles within the dialysis vertical, and safety Huber needles and safety closed I.V. catether system in our critical care vertical.
We believe that our focus on safety and quality, product range and pricing have enabled us to develop brand recognition in the Indian market and internationally.

Strong research and development capabilities

We have strong in-house R&D capabilities enabling us to develop an innovative and diversified product offering, and improve process efficiencies. With respect to product development capabilities, our R&D efforts are focused on developing new products within our key product verticals and core offerings, as well as introducing products to enter into new product verticals. Regarding our process development capabilities, our R&D activities are focused on further improving existing processes and production cost efficiency. In Fiscals 2024, 2023, 2022 and in the three months ended June 30, 2024, our R&D expenses represented 1.38%, 1.60%, 2.03%, and 1.07% of our revenue from operations for the respective periods. We focus on automation and on introducing new technologies to develop efficient processes for manufacturing products with quality control. We place particular emphasis on R&D in fluid management solutions within the non-communicable diseases segment, encompassing oncology, nephrology, infusion therapy and cardiology. For further information on our automation efforts, see "***Our Busienss – Manufacturing Process***" on page 177. We have in recent years launched several new products on the back of our R&D initiatives, including dialyzers, dialysis machines, safety Huber needle, PICC catheter, arterial catheters, diagnostic catheters, guidewires and pre-filled syringes. Our Company is also the first Indian company to indigenously manufacture dialyzers in India (*Source: CRISIL Report*).

As a result of our intensive R&D activities, as of June 30, 2024, we have been granted 325 patents and have also filed for grant of 44 patents in India and worldwide, including in the United States of America, Europe, Brazil, a Thailand, Japan and Australia. We operate one R&D Center in Faridabad (Haryana) with a team of 63 personnel, including 59 engineers, as of June 30, 2024. Our R&D Center is approved by the DSIR and is equipped to Undertake rapid prototyping using 3D printers, process validation and customization of products. As a recognition of our R&D capabilities, we have been recognized as the "India Medical Device Leader of the Year" in the India Medical Device Awards 2022, by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government on India, and as one of the Best Healthcare Brands 2024 by ET Edge.

Global manufacturing capabilities with a focus on automation

We currently operate 12 manufacturing facilities established in India, China, Egypt and Italy, in addition to our R&D Center. We operate nine manufacturing facilities in India, six of which are situated at Faridabad (Haryana), two at Jaipur (Rajasthan), including a SEZ unit, and one at Haridwar (Uttarakhand), which cater to the domestic markets as well as international markets across Europe, Africa, South America, Australia, and Asia. In addition, our associate Ultra for Medical Products, operates a manufacturing facility in Assuit, Egypt for disposable medical devices. We also have a manufacturing facility in China, operated by our wholly-owned subsidiary, and a manufacturing facility in Italy, operated by our step-down subsidiary. The manufacturing facilities in China, Egypt and Italy cater to local and international markets for disposable medical devices. As of Fiscal 2024, we had an aggregate annual installed manufacturing capacity of 17,679.5 lakh units per year.

Our manufacturing capabilities are vertically integrated with design and development being carried out in-house. Our capabilities include injection molding, extrusion, insert molding, blow molding, ultrasonic welding, UV bonding and laser welding. Our manufacturing processes are automated with use of robotics and certain other technologies that have developed and are programmed in-house. For instance, our assembly machines are equipped with automated arms, which are designed and programmed for specific assembly functions that may be deployed for various product variants. Our manufacturing equipment is also supported by 'Servo' systems that enable precise machine movements that improves accuracy in our processes and limits generation of scrap. As part of our quality control operations, we have deployed advanced vision systems to identify manufacturing anomalies in products that are then separated from the assembly line by the automated arm. Further, as part of our automation efforts, we have also equipped our machines with color sensors and internet ports to ensure accuracy, and intervention for operational control. We believe that our vertically integrated facilities and the application of robotics enable us to derive operational and cost advantages. We employ highly experienced and skilled workforce at our manufacturing facilities which include 300 engineers, as of June 30, 2024.

Our manufacturing facilities have been accredited with several international quality certifications. All our Indian manufacturing facilities have been accredited with EC certificates for quality assurance systems and EN ISO 13485:2016 certificates. Further, our Faridabad Facility-I, Faridabad Facility-II, Faridabad-V and Haridwar

Facility, have also been accredited with management system certificates for compliance with ISO 9001:2015. Our manufacturing facilities in China, Italy and Egypt have also been accredited with various certifications. For further information, see "***Business – Manufacturing Facilities***" on page 172. We believe that we enjoy a competitive advantage due to our manufacturing capabilities that enable us to supply quality products in Indian and international markets.

Wide geographic reach through our extensive sales and distribution network and strong customer relationships

We have consistently expanded our distribution network over the years in India and overseas. All our sales outside India are carried out through our network of distributors. In Fiscals 2024, 2023, 2022 and the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 240, 230, 215 and 260 distributors in these jurisdictions, respectively. We have been awarded as the top exporter of plastic medical disposables/ surgical items (including syringes) for the years 2021-2022, and 2022-2023, by the Plastics Export Promotion Council, sponsored by the Ministry of Commerce and Industry, Department of Commerce, the Government of India. In Fiscal 2024, and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively.

As of June 30, 2024, our distribution network in India included 506 distributors. We believe we have built long-term relationships with our network of third party distributors that we directly engage with. For many of our distributors, we offer local or regional exclusivity, which grants these distributors an area in which they are the only authorized distributors of our medical devices, subject to certain conditions.

In addition to our distribution network, our sales division comprising 440 employees, as of June 30, 2024, is involved in the promotion of our products in 8,000 private and government hospitals and nursing homes, including by conducting continuing medical education programs in several hospitals. We have formed relationships with the hospitals we cater to, as a result of our consistent efforts to provide quality service.

Experienced management team and skilled employee base

Our business operations are led by an experienced and qualified management team. Our Promoter Directors, Mr. Himanshu Baid and Mr. Rishi Baid are qualified engineers and each have over 20 years of experience in the medical devices business. We believe that our Promoters' skills, experience and industry relationships have been instrumental to our growth thus far, and will continue to drive our future growth.

In addition, we are led by our senior executives with extensive experience in the medical devices manufacturing industry, including in operations, business development, quality assurance and human resource management. Our key senior executives include Heyward Powe, a medical professional driving our operations in the United States; Alessandro Balboni, a medical professional driving our operations in Europe; Professor Sergio Bertoglio, professor of medicine and our Chief Medical Officer; Teo Wen Ching, director of our South East Asia operations; and Xue Wendong, responsible for our operations in China. For further information, see "***Board of Directors and Senior Management***" on page 181.

Our management and technical personnel are supported by other skilled workers who benefit from regular training initiatives. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration and promoting the development of their skills. We believe that our qualified and experienced management and technical teams provide us significant competitive advantage and enable us to function effectively and efficiently.

Our Strategies

Transition to a solution provider business model

We commenced operations as a manufacturer of disposable medical devices and based on our diverse product offerings, have grown to be a value partner for our customer base that comprises hospitals, clinicians, and distributors. We now intend to transition to a solution provider, in order to become a preferred partner for our customer base. As a solution provider, we aim to engage closely with hospitals and clinicians to introduce value-added products/ solutions to address concerns of hospital acquired infections, needle-stick injuries, and fluid management challenges. For instance, we propose to undertake periodic audits of intensive care units and operation theaters at hospitals, to identify and examine the causes of hospital acquired infections, and propose alternate devices that may help contain the spread of such infections, or result in elimination of such infections altogether. We initially intend to focus on fluid management products as part of infection control solutions.

In order to achieve this, we intend to leverage on our existing relationships with hospitals and clinicians to introduce a more diverse range of solution-oriented products. We seek to undertake clinical engagements with key stakeholders, in order to foster innovation and enhance patient outcomes. We are also in the process of on-boarding medical professionals such as clinical consultants and doctors, for deeper engagement with hospitals and clinicians, for our solution-oriented products. We believe that by deploying personnel with medical expertise, we will be well-positioned to work closely with our customer base to develop solutions more suited to address their concerns.

Enhance our manufacturing capabilities and expand our product portfolio to leverage industry growth drivers

Indian medical devices sector, valued at ₹ 900 to 915 billion in Fiscal 2024, comprises more than 14,000 different product types, ranging from wound closure pads to stents. The sector is highly fragmented and is predominantly import driven. Imports account for approximately 80% of the total market and sales of medical electronics, hospital equipment, surgical instruments, implants and diagnostic reagents. Consumables and disposables are primarily manufactured in India, with imports accounting for approximately 30 to 40% of the sales. The medical devices industry is expected to log a robust 11 to 12% CAGR from Fiscals 2024 to 2028 on account of increase in healthcare facilities and demand for healthcare services from the middle-income group (*Source: CRISIL Report*) In order to capitalize on growth opportunities in the medical devices sector, we seek to invest in physical and operational infrastructure to expand our manufacturing capabilities with a focus on diversifying our product portfolio. In Fiscal 2023, we set up two new manufacturing facilities in Faridabad (Haryana) and Jaipur (Rajasthan), in addition to expanding our existing Faridabad Facility III and Jaipur I Facility. Further, we intend to establish three manufacturing facilities in order to manufacture medical devices, to be situated at Jaipur, Rajasthan ("**Rajasthan Facility**"), Palwal, Haryana ("**Haryana Facility**") and Haridwar, Uttarakhand ("**Uttarakhand Facility**", and together with the Rajasthan Facility and Haryana Facility, the "**Proposed Facilities**") over Fiscal 205 to 2027. See "***Use of proceeds - Funding capital expenditure to be incurred by our Company for setting up of manufacturing facilities***" One of the key objectives for enhancing our manufacturing capabilities is to expand our product offering by introducing new products in existing as well new product verticals, including oncology and nephrology. Further, we have expanded into cardiology and launched a critical care division in Fiscal 2023, for which we seek to expand product offerings. We aim at enhancing our manufacturing facilities to a global scale and build flexibility into our processes to meet changing market demand. We seek to further leverage the expected increase in global demand for quality healthcare by increasing our focus on developing, manufacturing and marketing safety medical devices across product verticals. We also aim to implement sustainable practices across our operations for minimizing environmental impact. We believe that enhancing our manufacturing capabilities and further diversifying our product portfolio will enable us to capitalize on expected growth opportunities in this sector, increase our market share in the domestic and international markets and optimize our inventory management systems.

Continue to focus on research and development to enhance innovation

We intend to continue our initiatives in R&D, with a focus on development of new products in order to foray into new product verticals as well as to expand our product offering in existing product verticals and further improve existing processes and production cost efficiency. We seek to use emerging technologies such as artificial intelligence (AI) and internet of things (IoT) to enhance precision in our production processes. We expect to make substantial investments in R&D across product verticals, particularly focusing on fluid management within the non-communicable diseases segment, including oncology and nephrology. We also seek to make targeted investments for innovation in high-growth areas such as cardiology and critical care, which we expanded into in Fiscal 2023. In particular, we seek to increase our presence in the cardiology segment by advancing into manufacturing products for high-end therapies such as structural heart and complex procedures. Through our R&D efforts, we also propose to minimize process wastage and develop environmentally friendly products by using biodegradable materials, thus reducing our overall environmental impact.

Our R&D efforts also form a key component of our transition into a solution-provider business model. We intend to continue to recruit medical professionals with clinical expertise to enhance our product offerings and customize our offerings to suit the needs of hospitals and clinicians with which we have long-term relationships. In order to achieve this, we seek to invest in developing specific product lines, beginning with infection reduction devices used for vascular access and fluid management.

Increase market share in domestic and international markets

We seek to foster sustainable revenue expansion and margin growth by undertaking extensive marketing and brand promotion activities, including by increasing the strength of our sales team and by conducting continuing medical education programmes in a larger number of hospitals. We also intend to establish local distribution points by expanding our distribution network in Tier 2 and Tier 3 cities in India to pursue growth opportunities in those regions.

Further, we aim to improve our brand visibility in overseas markets and enhance our direct presence in order to gain deeper insight into local market dynamics in other jurisdictions. We intend to achieve this objective by increasing our geographical penetration in developed markets, such as the American, European, and Asian markets by effectively leveraging our distribution network, including by adding new distributors in such markets. In particular, we intend to focus on the market in the United States and in order to enter this market, we have already set-up branch offices of our Company and established a team of sales and engagement personnel. We have on-boarded an industry specialist in the United States, in order to engage with hospital chains and clinicians in the United States as well as to identify and forge relationships with local distribution partners in key markets. We are also in the process of identifying relevant products that have a healthy demand in premium markets and intend to obtain relevant approvals to enable us to launch differentiated products and commence distribution effectively. In Fiscal 2023, we received US FDA 510k approvals for marketing two of our product categories in the US, safety IV cannula and IV Set, and we seek to continue broadening our presence in the US. Further, we are in the proves of applying for approvals for certain additional products.

We also seek to make inroads in the European market. In order to generate larger volumes of business from Europe, we propose to introduce certain differentiated products in those regions and establish a physical presence in key markets. For instance, we have set-up a representative office in the United Kingdom to efficiently market and distribute our products in the region and intend to expand our presence by setting up additional representative offices. We are also in the process of obtaining product registrations for sale of new products in our key geographies. We also intend to partner with entities in Europe to gain access to key markets and technologies that could be deployed at our manufacturing processes for enhanced operational efficiency.

Expansion through strategic initiatives

As a part of our growth strategy, we believe that strategic investments and acquisitions of businesses engaged in the medical devices industry may act as an enabler of growing our business. We intend to selectively pursue strategic acquisitions and investments and other strategic alliance partnerships that are complementary to our growth strategy, particularly those that can help us further expand our offerings, enhance our technological and manufacturing capabilities, and expand our customer base. We may also pursue selected strategic alliances, including joint ventures, and potential strategic acquisitions, particularly in developed markets, which will complement our business and operations, including opportunities to acquire technology and know-how. We evaluate strategic opportunities and examine potential acquisitions from time to time to determine how the product portfolio and market presence will integrate with our existing portfolio and what synergies we can derive from such potential investments or acquisitions. We believe that our efforts at diversifying into new product verticals or into new domestic or international markets can be facilitated by investing in similar business opportunities or making acquisitions of existing businesses with manufacturing facilities, market share or growth potential, whose operations, resources, capabilities and strategies are complementary to our Company. While we have presently not identified any strategic investment or acquisition opportunities, we seek to enter into any such acquisition on an opportunistic basis. As part of our inorganic growth measures, we look to strategically acquire businesses that offer products similar to ours that help us expand our product portfolio and increase our global reach in various markets. We intend to utilize Net Proceeds of the Issue for strategic investments, acquisitions and inorganic growth. For further information, see "***Use of Proceeds***" on page 70.

Business Operations

We develop, manufacture and market a wide variety of medical devices. In the three months ended June 30, 2024, we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 260 distributors in these jurisdictions. We manufacture and supply our products based on orders and forecasts received from our domestic and international distributors, who in turn place orders and provide forecasts based on the inventory levels that they maintain.

Our Product Portfolio

As of June 30, 2024, our product portfolio comprises 6,745 SKUs in over 123 categories of medical devices which are broadly divided into 13 product verticals. Set forth below is certain information on our product-wise revenue from operations for the periods indicated:

Products	**Three months ended June 30, 2024**		**2023-24**		**2022-23**		**2021-22**	
	Amount	**Percentage of Total**	**Amount**	**Percentage of Total**	**Amount**	**Percentage of Total**	**Amount**	**Percentage of Total**
	(Rs. In Lakhs)	**%**	**(Rs. In Lakhs)**	**%**	**(Rs. In Lakhs)**	**%**	**(Rs. In Lakhs)**	**%**
Infusion Therapy	24,453.10	66.83%	86,041.70	66.06%	72,839.20	68.33%	55,404.30	63.11%
Blood Management & Blood Collection	2,170.50	5.93%	7,654.30	5.88%	6,934.30	6.50%	5,559.10	6.33%
Dialysis	3,074.00	8.40%	9,447.70	7.25%	7,576.30	7.11%	5,956.40	6.78%
Others	6,890.70	18.83%	27,096.90	20.81%	19,252.70	18.06%	20,876.00	23.78%
Total	**36,588.30**	**100.00%**	**130,240.60**	**100.00%**	**106,602.50**	**100.00%**	**87,795.80**	**100.00%**

Brief details of the products manufactured under each product vertical are set forth below.

Infusion Therapy

The products manufactured under this product vertical include safety intravenous (I.V.) cannula, I.V. cannula, quick flashback I.V. cannula, needle free systems, three way stopcocks, I.V. infusion sets, I.V. flow regulators, extension lines, central venous pressure (CVP) manometer and Safety scalp vein sets.

Oncology

The products manufactured under this product vertical include specialized devices for oncology treatment, encompassing a range of health ports, infusion sets, PICC lines, extension lines, pain fusers, and health – peripherally inserted central catheter.

Anesthesia and Respiratory Care

The products manufactured under this product vertical include oxygen catheters, suction catheters, guidal airways, respiratory exerciser, nasal oxygen tubes, oxygen masks, aerosol therapy masks, fixed concentration masks, endotracheal tubes, tracheostomy tubes, spinal needles and catheter mount.

Urology

The products manufactured under this product vertical include urine collection bags, measured volume urine meter, urine drainage catheters, transurethral resection (TUR) sets, foley balloon catheters and irrigation sets.

Gastroenterology

The products manufactured under this product vertical include Ryle's tubes, Levin's tubes, infant feeding tubes, mucus extractors, umbilical catheter and feeding bag.

Transfusion System

The products manufactured under this product vertical include blood administration sets, blood bag systems, blood collection tubes and needles and safety blood collection sets.

Surgery and Wound Drainage

The products manufactured under this product vertical include redon drains, thoracic drainage catheters, abdominal drainage sets, under water seal drainage systems and Yankauer suction sets.

Dialysis

The products manufactured under this product vertical include dialysis equipment and other medical consumables for dialysis procedures such as fistula needles, safety fistula needles, blood lines, haemodialysis catheter and peritoneal dialysis transfusion set.

Vascular access

We produce single, double and triple lumen central venous catheters under this product vertical.

Veterinary medical devices

As of June 30, 2024, our product offerings under veterinary care comprises five SKUs of veterinary medical devices, which include large bore infusion sets with coiled tubing, stomach tubes, endoscope flushing catheters and vet I.V. infusion sets.

Cardiology

We produce specialized devices for angiography and angioplasty under this vertical.

Critical care

Products manufactured under this product vertical include critical care devices customized for anesthesiology, intensivists, pediatrics & neonatology, oncology, and radiology.

Others

In addition to the products manufactured under each of these verticals, we also manufacture insulin syringes, umbilical cord clamps, sputum collectors and dry brushes.

Manufacturing Facilities

We operate 12 manufacturing facilities across India, China, Egypt and Italy. In India, we operate nine facilities, including six facilities situated in Faridabad (Haryana), two facilities (including a SEZ unit) situated in Jaipur (Rajasthan) and one facility in Haridwar (Uttarakhand).

In addition, we operate one manufacturing facility in China through our wholly-owned subsidiary Poly Medicure Laiyang Company Limited, one manufacturing facility in Egypt through our associate entity Ultra For Medical Company, and one manufacturing facility in Italy through our step-down subsidiary, Plan1 Health s.r.l. All of our manufacturing facilities are supported by infrastructure for injection molding, extrusion, insert molding, blow molding, ultrasonic welding, UV bonding and laser welding. In addition, our manufacturing facilities include effluent treatment plants, which treat our industrial wastewater and recycle it for reuse or for safe external disposal.

India

*Faridabad, Haryana – I (“**Faridabad Facility-I**”)*

The first manufacturing facility at Faridabad in Haryana is located at Plot No.104-105, HSIIDC Industrial Area, Sector-59, Ballabgarh, Faridabad 121 004, Haryana, India and commenced operations in Fiscal 1997.

The Faridabad Facility-I has received the following certifications that are valid and subsisting as of the date of this Placement Document:

S. No.	Certification	Issuing Authority
1.	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2.	ISO 9001: 2015	DNV GL – Business Assurance ROMA, No 10, GST Road Alandur, Chennai
3.	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany

*Faridabad, Haryana – II (“**Faridabad Facility-II**”)*

The second manufacturing facility at Faridabad in Haryana is located at Plot No.115-116, HSIIDC Industrial Area, Sector-59, Ballabgarh, Faridabad 121 004, Haryana, India and commenced operations in Fiscal 2004.

The Faridabad Facility-II has received the following certifications that are valid and subsisting as of the date of this Placement Document:

S. No.	Certification	Issuing Authority
1.	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2.	ISO 9001: 2015	DNV GL – Business Assurance ROMA, No 10, GST Road Alandur, Chennai
3.	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany

*Faridabad, Haryana – III (“**Faridabad Facility-III**”)*

The third manufacturing facility at Faridabad in Haryana is located at Plot No.34, Sector-68, IMT, Faridabad 121 004, Haryana, India and commenced operations in Fiscal 2019.

The Faridabad Facility-III has received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
3	ISO 14001	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
4	MDSAP	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany

*Faridabad, Haryana – IV (“**Faridabad Facility-IV**”)*

The fourth manufacturing facility at Faridabad in Haryana is located at Plot No.33, Sector-68, IMT, Faridabad 121 004, Haryana, India and commenced operations in Fiscal 2024.

The Faridabad Facility-IV has received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
3	ISO 14001	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
4	MDSAP	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany

*Faridabad, Haryana – V (“**Faridabad Facility-V**”)*

The fifth manufacturing facility at Faridabad in Haryana is located at Plot No.117, HSIIDC Industrial Area, Sector-59, Ballabgarh, Faridabad 121 004, Haryana and commenced operations in Fiscal 2024.

The Faridabad Facility-V has received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
3	ISO 9001: 2015	DNV GL – Business Assurance ROMA, No 10, GST Road Alandur, Chennai, India
4	USFDA 510k	USFDA USA

*Faridabad, Haryana – VI (“**Faridabad Facility-VI**”)*

The sixth manufacturing facility at Faridabad in Haryana is located at CLU-1, Plot No. 56 A, HSIIDC Industrial Area, Sector-59, Ballabgarh, Faridabad 121 004, Haryana, India and commenced operations in Fiscal 2023.

The Faridabad Facility-VI has received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2	ISO 9001: 2015	DNV GL – Business Assurance ROMA, No 10, GST Road Alandur, Chennai, India

*Haridwar, Uttarakhand (“**Haridwar Facility**”)*

The manufacturing facility at Haridwar in Uttarakhand is located at Plot No. 17, Sector-3, I.I.E. Sidcul, Haridwar-249 403, Uttarakhand, India and commenced operations in Fiscal 2008.

The Haridwar Facility has received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1.	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2.	ISO 9001: 2015	DNV GL – Business Assurance ROMA, No 10, GST Road Alandur, Chennai
3.	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany

*Jaipur, Rajasthan (“**Jaipur Facility I and Jaipur Facility II**”)*

Our Jaipur Facility I and Jaipur facility II in Rajasthan are located at Plot No. PA 010-018 & PA 010-019, Mahindra World City (Jaipur) Limited Multi Product SEZ, Village-Kalwara, Tehsil-Sanganer, Jaipur, Rajasthan, India and commenced operations in Fiscal 2015. Our Jaipur Facility II in Rajasthan commenced operations in Fiscal 2021.

The Jaipur Facility I and Jaipur Facility II have received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1	EN ISO 13485:2016	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
2	EC Certificate	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
3	ISO 14001	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany
4	MDSAP	TÜV SÜD Product Service GmbH, Ridlerstraße 65, 80339, Munich, Germany

*Laiyang-Qingdao, China (“**China Facility**”)*

We operate our manufacturing facility in Laiyang-Qingdao, China, through Poly Medicure (Laiyang) Company Limited, our wholly owned subsidiary. This manufacturing facility is located at Area A, Heshan Road, Laiyang Economical Development District, Laiyang, Shandong, China, and commenced operations in Fiscal 2010.

*Solari, Italy (“**Italy Facility**”)*

We operate our manufacturing facility in Solari, Italy, through Plan 1 Health S.R.L., our step-down subsidiary. This manufacturing facility is located at Amaro (UD) Via Fratelli Solari 5 Cap 33020, Italy and commenced operations in Fiscal 2019.

*Assuit, Egypt (“**Egypt Facility**”)*

We hold a 23% equity interest in Ultra for Medical Products, in Egypt, that operates a manufacturing facility in Assuit, Egypt for disposable medical devices. This manufacturing facility is located at 64, NakhlaE1 Motei Street-Triumph-Heliopolis-Cairo, Egypt, and commenced operations in Fiscal 2004.

The Egypt Facility has received the following certifications that are valid and subsisting as on the date of this Placement Document:

S. No.	Certification	Issuing Authority
1.	EC Certificate	SGS United Kingdom Limited

Third-Party Manufacturing Facility

In addition to the products manufactured at our manufacturing facilities, we also outsource the manufacturing of some of our medical devices and their components to Vitromed Healthcare, on a job work basis. Under the terms of this arrangement, Vitromed Healthcare manufactures products in accordance with specifications set out by us based on raw materials provided by us. In Fiscal 2024, job work charges paid to Vitromed Healthcare represented 5.60% of our total revenue.

Capacity and Capacity Utilization

The following table sets forth certain information relating to our capacity utilization of all our manufacturing facilities located in India, calculated on the basis of total installed production capacity and actual production as of/ for the periods indicated below:

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Manufacturing Facility	Fiscal 2024			Fiscal 2023			Fiscal 2022		
	Licensed /Installed Capacity (Units in lacs)	Actual Production (Units in lacs)	Capacity Utilization(in %)	Licensed /Installed Capacity (Units in lacs)	Actual Production (Units in lacs)	Capacity Utilization(in %)	Licensed /Installed Capacity (Units in lacs)	Actual Production (Units in lacs)	Capacity Utilization(in %)
Faridabad Facility-I	2,650.00	1,839.27	69.41%	2,380.00	1,843.11	77.44%	2,310.00	1,853.73	80.25%
Faridabad Facility-II and Faridabad Facility-III	5,580.00	3,994.50	71.59%	5,000.00	3,998.07	79.96%	4,540.00	3,532.37	77.81%
Faridabad Facility-IV and Faridabad V	2,385.00	1,631.49	68.41%	2,000.00	1,512.82	75.64%	1,130.00	823.27	72.86%
Faridabad Facility-VI	750.00	319.70	42.63%	-	-	0.00%	-	-	0.00%
Haridwar Facility	1,620.00	1,309.78	80.85%	1,445.00	1,250.20	86.52%	1,225.00	1,053.90	86.03%
Jaipur Facility I and Jaipur Facility II	2,225.00	1,621.78	72.89%	1,685.00	1,412.83	83.85%	1,305.00	950.98	72.87%
China Facility	2450	1725	70.41%	2190	1750	79.91%	1800	1405	78.06%
Italy Facility	1.5	1.28	85.33%	1.22	1.22	100.00%	0.89	0.89	100.00%
Egypt Facility	18	15	83.33%	18	16	88.89%	16	14	87.50%
Total	**17679.5**	**12457.81**	**70.46%**	**14719.22**	**11784.26**	**80.06%**	**12326.89**	**9634.15**	**78.16%**

#*As certified by Asheesh Mittal, Chartered Engineer, by certificate dated August 18, 2024.*

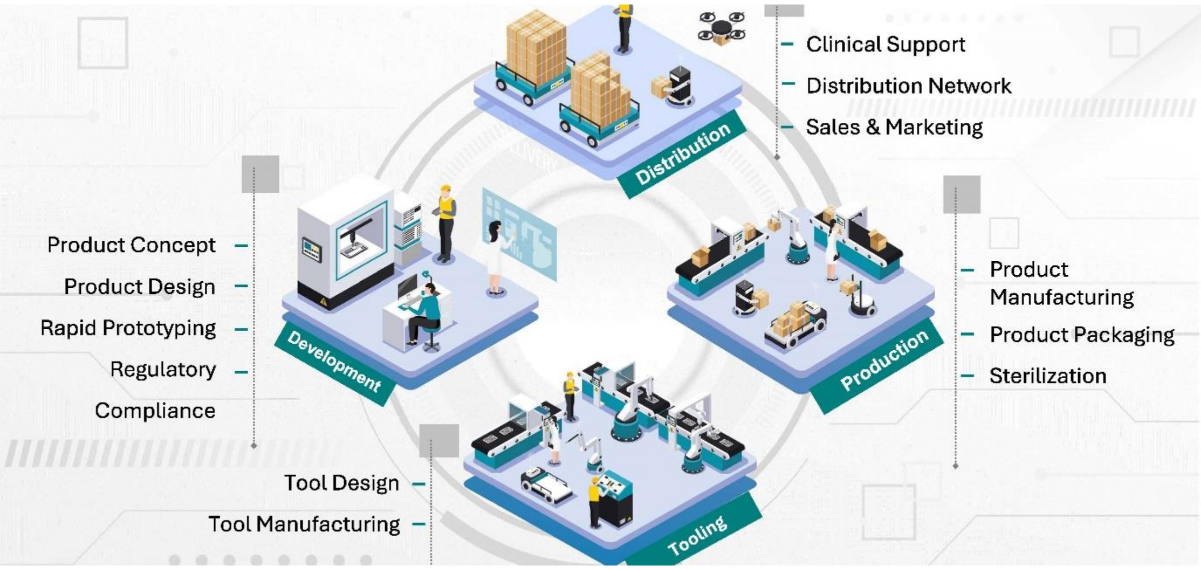
Manufacturing Process

We use different technologies for manufacturing different medical devices, including injection molding, extrusion, insert molding, blow molding, ultrasonic welding, UV bonding and laser welding and we have expertise in handling different kind of specialized plastic materials.

The manufacturing of components takes place on highly advanced PLC controlled plastic injection molding machines by using hot runner system or runner less mold technology, which is a clean technology and generates minimal scrap. Tubes are produced on highly accurate extruders with good yield. Our assembly machines are built-in with poka-yoke features and vision inspection systems. Our manufacturing facility is equipped with CNC controlled machines which enable accurate and efficient control over fabrication of molds.

We further employ kaizen or lean manufacturing technology for cycle time reduction in various manufacturing processes.

Our manufacturing process comprises of using raw materials in molding or tubing through extruders, following which components are assembled and samples are tested. The products are packed using a blister packing machine in duplex or correlated boxes and the final products undergo sterilization and quality checks.



Polymed's Manufacturing Ecosystem

Manufacturing Technology and Automation

Our manufacturing processes are automated with use of robotics and certain other technologies that have developed and are programmed in-house. These include automated arms installed at our assembly machines, which are designed and programmed for specific assembly functions that may be deployed for various product variants. As of June 30, 2024, we employed 350 moulding machines, 1,500 molds and dies, 200 automatic assembly machines, and 100 robots in our manufacturing processes. Our manufacturing equipment is also supported by 'Servo' systems that enable precise machine movements that improves accuracy in our processes and limits generation of scrap. As part of our quality control operations, we have deployed advanced vision systems to identify manufacturing anomalies in products that are then separated from the assembly line by the automated arm. As part of our automation efforts, we have equipped our machines with color sensors and internet ports to ensure greater accuracy, and easier intervention for operational control.

Procurement of Raw Materials

The primary raw materials used by our Company in the manufacturing of disposable medical devices are plastic granules, PVC (polyvinyl chloride) compounds, fibre and stainless steel tubes. Our total cost of raw materials (including packaging materials consumed) in Fiscals 2024, 2022, 2023 and in the thee months ended June 30, 2024, amounted to ₹ 46,478.45 lakhs, ₹ 42,431.15 lakhs, ₹ 35,327.25 lakhs, and ₹ 13,257.20 lakhs, respectively, and represented 33.78%, 38.05%, 38.17% and 34.45%, of our total revenue in these periods, respectively.

We procure all these raw materials from third party domestic and international suppliers on a spot purchase basis. While we do not have any long-term contracts with any of our raw material suppliers, we believe we have maintained a long-term relationship with each of these major suppliers.

Research and Development

We rely on our R&D operations to keep pace with our technological developments and to remain competitive in the market. We operate the R&D Centre at Faridabad, Haryana which is approved by DSIR. Our R&D efforts are primarily focused on developing new products within our existing product verticals as well as introduce products to enter into new product verticals, particularly focusing on fluid management within non-communicable diseases segment, including oncology, nephrology and cardiology, and further improving existing processes and production cost efficiency. As a result of our R&D activities, as of June 30, 2024, we have been granted 325 patents and have also filed for grant of 44 patents in India and worldwide, including in the United States of America, Europe and the United Kingdom, South Africa, Russia, China and Australia.

Our R&D Center is equipped to undertake rapid prototyping using 3D printers, process validation and customization of products. Through our R&D initiatives, we also seek to minimize process wastage and develop environmentally friendly products by using biodegradable materials.

As of June 30, 2024, our R&D team comprised 59 engineers and 36 clinical associates and is headed by Mr. Bijaya Rawat.

Sales and Distribution Network

Our operations network extends to overseas markets. In the three months ended June 30, 2024 we supplied our products to Europe, Africa, Americas, Australia, and Asia through a network of 260 distributors in these jurisdictions. In Fiscal 2024 and in the three months ended June 30, 2024, revenue generated from sales outside India represented 69.63% and 72.14% of our revenue from operations, respectively. For many of our distributors, we offer local or regional exclusivity, which grants these distributors an area in which they are the only authorized distributors of our medical devices, subject to certain conditions.

As of June 30, 2024, our distribution network included 440 personnel in our sales and marketing teams, comprising product and clinically trained graduates, as well as supply chain management personnel. Our sales division is involved in the promotion of our products in private and government hospitals, including by conducting continuing medical education programmes in several hospitals. As of June 30, 2024, we distributed our products in over 8,000 private and government hospitals and nursing homes in India and we engaged with 506 third-party distributors as well. We believe we have developed long-term relationships with a majority of our distributors.

Quality Control and Certifications

We believe that quality control is critical to our brand and continued growth. We have separate quality control procedures for raw materials being used in the manufacturing process and for finished goods. Our products pass through stringent quality tests, and our quality assurance team monitors at various stages of the manufacturing process and performs finished product inspections to ensure the quality of our products.

All products are manufactured in accordance with current Good Manufacturing Practices (GMP). We are also subject to routine internal and external quality audits for GMP compliance that assure our quality systems are consistent with current international standards. Our various manufacturing facilities are also periodically certified by independent and reputed external agencies. These certifications include, quality management system ISO 9001: 2015 by DNV GL Business Assurance, EN ISO 13485:2016 and EC Certification by TUV SUD Product Service GmbH, Germany.

We believe that quality control is critical to our brand and continued growth. We have separate quality control procedures for raw materials being used in the manufacturing process and for finished goods. Our products pass through stringent quality tests, and our quality assurance team monitors various stages of the manufacturing process and performs finished product inspections to ensure the quality of our products.

Awards

We have received the following key awards, accreditations and recognitions in the past three Fiscals and the three months ended June 30, 2024.

Calendar Year	Key Awards/Accreditations
2024	Recognized as one of the Best Healthcare Brands – 2024 by ET Edge
2023	Awarded as Winner: Best Company for Technology Innovation in Healthcare by Associated Chambers of Commerce & Industry of India (ASSOCHAM) at the 2nd Healthcare Summit and Awards 2023
2023	Recognized as one of the next 500 companies 2023 by Fortune
2023	Awarded as a top exporter by the Plastics Export Promotion Council for the year 2022-2023 for plastic medical disposables/surgical items (including syringes)
2022	Awarded India Medical Device Leader of the Year 2022 by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India
2022	Awarded as a Top 50 Innovative Company at the Confederation of Indian Industries (CII) Industrial Innovation Awards 2022

Health and Safety

Our activities are subject to various environmental laws and regulations which govern, among other matters, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages, and employee health and employee safety. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

We have complied, and will continue to comply, with all applicable environmental and associated laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, all material environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business.

Competition

Some of the key players in the Indian medical devices industry consist mainly of multi-national companies such as Hindustan Syringes & Medical Devices, 3 M, Medtronic, Johnson & Johnson, Becton Dickinson, Abbott Vascular, Bausch & Lomb, Baxter, Zimmer India, Healthium Medtech, Edwards Life Sciences, St. Jude Medical (Abbott), Smith & Nephew, Cochlear, Stryker, Boston Scientific, BPL HealthcareIndia, Trivitron Diagnostics, Accurex Biomedical, Biopore Surgicals, Endomed Technologies, HD Medical Services (India), Eastern Medikit, Harsoria Healthcare and Nidhi Meditech System(*Source: CRISL Report*).Other than multi-national companies and Indian companies, the disposable medical devices industry in India also has various fragmented local players catering to regional or local markets.

Human Resources

Our employees contribute significantly to our business operations. As of June 30, 2024, our Company had 6,300 employees (including contract workers) including 300 engineers.

We place significant emphasis on the recruitment and retention of our personnel and provide continuous training for employees to achieve high quality skills and improve productivity. Trainings are provided to enhance technical and behavioural skills. Other employee engagement programs include publication of our quarterly magazine "*Seekh*", highlighting development and training activities, and sponsoring fitness initiatives.

Our employees are not unionized and our operations have not been interrupted by any work stoppage, strike, demonstration or other labour or industrial disturbance. We have not experienced any industrial disputes.

Insurance

We maintain insurance policies with reputed independent insurers in relation to our business and operations, our assets, equipment, products, inventories, employees and other assets. Our insurance policies cover damage to fixed and tangible assets, and we also have separate policies for stock and receivables. We have standard fire and special peril insurance policies for all our manufacturing facilities. We also have insurance policies covering product liability claims, and marine cargo insurance to cover export of products. Further, for our directors and officers, we have obtained a director's and officers' liability insurance and for our human resources, we maintain a group health insurance policy.

Intellectual Property

As of June 30, 2024, we have successfully been granted 325 patents and have also filed for grant of 44 patents in India and worldwide, including in the United States of America, Europe and the United Kingdom, South Africa, Russia, China and Australia. Additionally, we have 283 registered trademarks including our logo, 119 registered designs and 15 registered copyrights in India and worldwide, as of June 30, 2024.

Corporate Social Responsibility

Our Company is actively involved in social initiatives which include several social and environmental initiatives. We support activities aimed at eradicating hunger, poverty, education and malnutrition, promote health care through awareness programs, and promoting gender equality and empowering women.

Property

Our Registered and Corporate Office is situated at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi 110 020, India and this property has been leased to our Company. As on the date of the Preliminary Placement Document, our Company owns the properties where our Faridabad Facility – I, Faridabad Facility – II, Faridabad Facility – III and the R&D Center are located. Further, our Company has entered into long term (more than 90 years) lease agreements for the properties where the Jaipur Facility and Haridwar Facility are located.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

In accordance with our Articles of Association, our Company is required to have not less than three Directors and not more than 12 Directors. However, our Company may appoint more than 12 Directors pursuant to a special resolution of our Shareholders. As on the date of this Placement Document, our Company has 12 Directors, which comprise two Executive Directors, three Non-Executive Director and seven Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding our Board of Directors as on the date of this Placement Document:

Name, Address, DIN, Term, Occupation and Nationality	Age (in years)	Designation
Mr. Devendra Raj Mehta *Address:* B-5, Mahavir Udyan Marg, Bajaj Nagar, Jaipur Rajasthan 302 015, India *DIN:* 01067895 *Term:* Five years with effect from September 23, 2019 *Occupation:* Professional *Nationality:* Indian	87	Chairman (Non-Executive Independent Director)
Mr. Himanshu Baid *Address:* W - 37, Greater Kailash, Part II, New Delhi 110 048, India *DIN:* 00014008 *Term:* Five years with effect from August 1, 2024 *Occupation:* Entrepreneur *Nationality:* Indian	56	Managing Director
Mr. Rishi Baid *Address:* W 169, Greater Kailash Part II, New Delhi 110 048, India *DIN:* 00048585 *Term:* Five years with effect from August 1, 2024 *Occupation:* Entrepreneur *Nationality:* Indian	52	Joint Managing Director
Mr. Jugal Kishore Baid *Address:* K-15, Malviya Marg, C- Scheme, Jaipur Rajasthan 302 001, India *DIN:* 00077347 *Term:* Liable to retire by rotation *Occupation:* Entrepreneur	82	Non-Executive Non-Independent Director

Name, Address, DIN, Term, Occupation and Nationality	Age (in years)	Designation
Nationality: Indian		
Mrs. Mukulika Baid *Address:* K-15, Malviya Marg, C- Scheme, Jaipur Rajasthan 302 001, India *DIN:* 02900103 *Term*: Liable to retire by rotation *Occupation:* Business *Nationality:* Indian	74	Non-Executive Non-Independent Director
Mr. Vimal Bhandari *Address*: A 164, Kalpataru Horizon, SK Ahire Marg, Worli, Mumbai, 400 018, India *DIN:* 00001318 *Term:* Five years with effect from July 22, 2024* *Occupation:* Service *Nationality:* Indian	65	Independent Director
Dr. Shailendra Raj Mehta *Address:* G-12, South Extension, Part-II, Delhi 110 049, India *DIN:* 02132246 *Term:* Five years with effect from September 23, 2019 *Occupation:* Professional *Nationality:* Indian	65	Independent Director
Dr. Sandeep Bhargava *Address:* W-12, GK- I Police Station, Greater Kailash Colony, South Delhi 110 024, India *DIN:* 07736003 *Term*: Five years with effect from September 23, 2019 *Occupation:* Doctor *Nationality:* Indian	56	Independent Director
Mr. Alessandro Balboni *Address:* San Giorgio Bigarello (MN), Italy, 46100 *DIN:* 08119143 *Term:* Liable to retire by rotation *Occupation:* Professional	62	Non-Executive Non-Independent Director

Name, Address, DIN, Term, Occupation and Nationality	Age (in years)	Designation
Nationality: Italian		
Ms. Sonal Mattoo *Address:* K- 1487, Palam Vihar, Gurgaon, Haryana, 112 017, India *DIN:* 00106795 *Term:* Five years with effect from September 29, 2020 *Occupation:* Advocate *Nationality:* Indian	50	Independent Director
Mr. Amit Khosla *Address:* B-1/18, First Floor, Vasant Vihar, New Delhi 110 057, India *DIN:* 00203571 *Term:* Five years with effect from September 29, 2020 *Occupation:* Service *Nationality:* Indian	50	Independent Director
Dr. Ambrish Mithal *Address:* C-5/47, Grand Vasant, Vasant Kunj, New Delhi 110 070, India *DIN:* 09618459 *Term:* Five years with effect from August 4, 2022 *Occupation:* Doctor *Nationality:* Indian	66	Independent Director

** He has been appointed as an additional director (Independent Director) of the Company to hold office for a period of five years subject to his regularization at the ensuing annual general meeting.*

Brief Profiles of Directors

Mr. Devendra Raj Mehta

Mr. Devendra Raj Mehta, aged 87 years, is our Chairman and is a Non-Executive, Independent Director of our Company. He has been on our Board since May 26, 2005. He is currently also a director on the board of Atul Rajasthan Date Palms Limited, Agriglow Farmer Producer Company Limited, Baif Institute for Sustainable Livelihoods and Development, Gandhi Research Foundation, MM Auto Industries Limited and Surefin Advisors Private Limited.

Mr. Himanshu Baid

Mr. Himanshu Baid, aged 56 years, is the Managing Director of the Company. He has been associated with the Company since its incorporation and has nearly 27 years of experience in the field manufacturing, sales and marketing of medical devices.

Mr. Rishi Baid

Mr. Rishi Baid, aged 52 years, is the Joint Managing Director of our Company. He has been associated with our

Company since its incorporation and has nearly 27 years of experience in the field manufacturing, operations and R&D of medical devices.

Mr. Jugal Kishore Baid

Mr. Jugal Kishore Baid, aged 82 years, is a Non-Executive, Non-Independent Director of our Company. He has been associated with our Company since its incorporation. He is currently also a director on the board of Polycure Martech Limited.

Mrs. Mukulika Baid

Ms. Mukulika Baid, aged 74 years, is a Non-Executive, Non-Independent Director of our Company. She has been on our Board since July 30, 2014.

Mr. Vimal Bhandari

Mr. Vimal Bhandari, aged 65 years, is an Independent Director of the Company. He has been on our Board since July 22, 2024. He is currently also a director on the board of KEC International Limited, Arka Financial Holdings Private Limited, Bharat Forge Limited, Arka Fincap Limited, Escorts Kubota Limited, JK Tyre & Industries Limited, Kirloskar Management Services Private Limited and HDFC Trustee Company Limited.

Dr. Shailendra Raj Mehta

Dr. Shailendra Raj Mehta, aged 65 years is an Independent Director of our Company. He has been on our Board since May 28, 2012 He is currently also a director on the board of JMC Projects (India) Limited, S-Ancial Finserv Private Limited, S-Ancial Technologies Private Limited, S-Ancial Globa Solutions Private Limited, ARC Associates Private Limited, and Kalpataru Power Transmission Limited.

Dr. Sandeep Bhargava

Dr. Sandeep Bhargava, aged 56 years, is an Independent Director of our Company. He has been associated with our Company since February 25, 2017.

Mr. Alessandro Balboni

Mr. Alessandro Balboni, aged 62 years, is a Non-Executive, Non-Independent Director of our Company. He has been associated with our Company since May 10, 2018. He is currently also a director on the board of Plan1 Health s.r.l., Italy, and Poly Medicure B.V., Netherlands.

Ms. Sonal Mattoo

Mrs. Sonal Mattoo, aged 50 years, is an Independent Director of our Company. She has been associated with our Company since August 29, 2020. She is currently also a director on the board of Ashiana Housing Limited, V-Mart Retail Limited and Azbil Telstar India Private Limited.

Mr. Amit Khosla

Mr. Amit Khosla, aged 50 years, is an Independent Director of our Company. He has been associated with our Company since June 5, 2020. He is currently also a director on the board of SC India Manager Private Limited and Metloy Trading Services Private Limited.

Dr. Ambrish Mithal

Dr. Ambrish Mithal, aged 66 years, is an Independent Director of our Company. He has been associated with our Company since August 4, 2022.

Borrowing Powers of the Board

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum or sums of money for the purposes of our Company. Pursuant to a special resolution passed through postal ballot and declared on January 10, 2015, our shareholders authorized our Board to borrow from time to time such sums of money as may be required, provided that such amount shall not exceed ₹ 40,000 lakh, irrespective of whether such amount exceeds the aggregate of the paid up share capital of the Company and its free reserves.

Interests of our Directors

All our Directors may be deemed to be interested to the extent of remuneration, commission, reimbursement of expenses and other benefits to which they are entitled as per their terms of appointment, including sitting fees payable to our Non-Executive Director and Independent Directors for attending meetings of the Board or a committee thereof. For details of remuneration received by our Directors, see " – ***Remuneration of the Directors***" on page.

Our Directors may also be deemed to be interested to the extent of their shareholding in our Company, any dividend payable to them and other distributions in respect of such shareholding and any other benefits arising out of such holding and transactions with the companies with which they are associated as directors or members. For details of the Equity Shares held by our Directors, see "– ***Shareholding of Directors***" on page 185 below.

No consideration in cash or shares or otherwise has been paid, or agreed to be paid to any of our Directors, or to the firms or companies in which they are interested as a member by any person either to induce such director to become, or to help such director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

None of our Directors have any interest in any transaction in acquisition of land, construction of building and supply of machinery, or any other arrangement, contract or agreement of such nature with the Company.

Except Mr. Himanshu Baid, Mr. Rishi Baid, Mr. Jugal Kishore Baid and Mrs. Mukulika Baid, who are Promoters of our company, our Directors have no interest in the promotion of our Company, as on the date of this Placement Document.

Other than as disclosed in this Placement Document and in "***Related Party Transactions***" on page 37, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which our Directors are interested. Further, our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

For details of our related party transactions, see "***Related Party Transactions***" on page 37.

Relationship between Directors

Except Mr. Himanshu Baid, Mr. Rishi Baid, Mr. Jugal Kishore Baid and Mrs. Mukulika Baid, none of our directors are related to each other. Mr. Himanshu Baid and Mr. Rishi Baid are sons of Mr. Jugal Kishore Baid and Mrs. Mukulika Baid is the wife of Mr. Jugal Kishore Baid and mother of Mr. Himanshu Baid and Mr. Rishi Baid.

Shareholding of Directors

Other than as set forth below, our Directors did not hold any Equity Shares as on June 30, 2024:

Name	Number of Equity Shares	Percentage (%) of the pre-Issue issued and paid-up share capital as on June 30, 2024
Mr. Rishi Baid	97,66,356	10.18
Mr. Himanshu Baid	79,07,624	8.24
Mrs. Mukulika Baid	30,62,400	3.19
Mr. Jugal Kishore Baid	22,79,376	2.38

Terms of appointment of Executive Directors

Remuneration of the Directors

A. Executive Directors

The table below sets forth the remuneration paid to our existing Managing Director and Joint Managing Director, including any commission, during the period April 1, 2024 to June 30, 2024 and during Fiscals 2024, 2023 and 2022:

(*₹ in lakh*)

Name	Designation	April 1, 2024 to June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Mr. Himanshu Baid	Managing Director	466.92	1736.02	1298.89	1085.19
Mr. Rishi Baid	Joint Managing Director	452.93	1683.77	1246.44	1054.17

For further details of compensation paid to our Executive Directors during Fiscals 2024, 2023 and 2022, see "***Related Party Transactions***" on page 37.

B. Non-Executive Directors and Independent Directors

Our Non-Executive Directors are entitled to sitting fees of ₹ 50,000 for attending each meeting of the Board of Directors and sitting fees of ₹ 25,000 for attending committee meetings thereof.

The table below sets forth the details of the remuneration (including sitting fees and commission) paid/payable by our Company to our Non-Executive Directors for the period between April 1, 2024 and June 30, 2024 and for Fiscals 2024, 2023 and 2022.

(*₹ in lakh*)

Name	Designation	April 1, 2024 to June 30, 2024***	Fiscal 2024	Fiscal 2023	Fiscal 2022
Mr. Devendra Raj Mehta	Chairman (Non-Executive Independent Director)	4.75	16.25	16.00	12.5
Mr. Jugal Kishore Baid	Non-Executive Non-Independent Director	4.25	14.25	14.25	11.25
Ms. Mukulika Baid	Non-Executive Non-Independent Director	4.25	14.25	14.25	11.25
Mr. Vimal Bhandari*	Independent Director	-	-	-	-
Dr. Shailendra Raj Mehta	Independent Director	4.25	15.00	15.50	12.25
Dr. Sandeep Bhargava	Independent Director	4.00	14.5	14.50	11.50
Mr. Alessandro Balboni**	Non-Executive Non-Independent Director	3.50	14.5	13.50	-
Ms. Sonal Mattoo	Independent Director	4.75	14.5	14.75	11.00
Mr. Amit Khosla	Independent Director	4.50	16.00	15.75	12.00
Dr. Ambrish Mithal	Independent Director	4.00	14.50	9.00	-
Mr. Devendra Raj Mehta	Independent Director	4.75	16.25	16.00	12.5

** Mr. Vimal Bhandari joined our Board on July 22, 2024 and accordingly, no remuneration was paid to him for the period between April 1, 2024 and June 30, 2024, and for Fiscals 2024, 2023 and 2022.*

*** In addition to the sitting fees and commissions, we have paid business development fees of ₹ 71.39 lakh, ₹ 284.50 lakh, ₹ 225.75 lakh, and ₹ 150.83 lakh for the period between April 1, 2024 and June 30, 2024, and for Fiscals 2024, 2023 and 2022, respectively, to Mr. Alessandro Balboni.*

****This includes commission payable to the non-executive directors.*

Terms and conditions of employment of our Chairman and Managing Director and our Joint Managing Director

Mr. Himanshu Baid, Managing Director

Mr. Himanshu Baid was re-appointed as our Managing Director for a period of five consecutive years commencing from August 1, 2024 pursuant to the meeting of our Board of Directors held on July 22, 2024, subject to our Shareholders' approval in the ensuing general meeting. He is entitled to a basic salary of ₹ 3,80,00,000 per annum with annual increment of 8% per annum.

In addition to the basic salary set out above, he is entitled to the following:

1. Perquisites and allowance of 60% of the salary;

2. Commission of such amount which is a value of up to 5% of the profits of our Company computed in accordance with Section 198 of the Companies Act, 2013;

3. In addition to the above, Mr. Himanshu Baid is also entitled to the following:

   (a) Our Company's contribution to provident fund of the salary;

   (b) Gratuity payable; and

   (c) Encashment of leave.

Further, in the event of loss or inadequacy of profits in a financial year during the currency of the tenure, Mr. Himanshu Baid shall be paid the above mentioned salary, allowances and perquisites, which shall not exceed the limits prescribed under the Companies Act.

Mr. Rishi Baid, Joint Managing Director

Mr. Rishi Baid was re-appointed as our Joint Managing Director for a period of five consecutive years commencing from August 1, 2024 pursuant to the meeting of our Board of Directors held on July 22, 2024, subject to our Shareholders' approval in the ensuing general meeting. He is entitled to a basic salary of ₹ 3,70,00,000 per annum with annual increment of 8% per annum.

In addition to the basic salary set out above, he is entitled to the following:

1. Perquisites and allowance 60% of the salary;

2. Commission of such amount which is a value of up to 5% of the profits of our Company computed in accordance with Section 198 of the Companies Act, 2013;

3. In addition to the above, Mr. Rishi Baid is also entitled to the following:

   (a) Our Company's contribution to provident fund of the salary;

   (b) Gratuity payable; and

   (c) Encashment of leave.

Further, in the event of loss or inadequacy of profits in a financial year during the currency of the tenure, the Mr. Rishi Baid shall be paid the above mentioned salary, allowances and perquisites, which shall not exceed the limits prescribed under the Companies Act.

Corporate Governance

As on the date of this Placement Document, we have 12 Directors on our Board, which comprise two Executive Directors, three Non-Executive Director and seven Independent Directors. Further, we have two women Directors, one of whom is an Independent Director. Our Company is in compliance with the corporate governance requirements prescribed under the SEBI Listing Regulations and Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Committees of our Board of Directors

Our Company has constituted the following five committees in terms of the SEBI Listing Regulations and the Companies Act, 2013, each of which functions in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as applicable:

(i) Audit Committee;
(ii) Stakeholders' Relationship Committee;
(iii) Nomination and Remuneration Committee;
(iv) Corporate Social Responsibility Committee; and
(v) Risk Management Committee.

The details of these committees are as follows:

A. Audit Committee

The members of the Audit Committee are:

(i) Mr. Devendra Raj Mehta - *Chairman*
(ii) Dr. Shailendra Raj Mehta - *Member*
(iii) Mr. Amit Khosla - *Member*
(iv) Ms. Sonal Mattoo - *Member*

B. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

(i) Mr. Sandeep Bhargava - *Chairman*
(ii) Mr. Himanshu Baid - *Member*
(iii) Mr. Rishi Baid - *Member*

C. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

(i) Ms. Sonal Mattoo - *Chairman*
(ii) Mr. Amit Khosla - *Member*
(iii) Mr. Devendra Raj Mehta - *Member*

D. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

(i) Mr. Devendra Raj Mehta - *Chairman*
(ii) Mr. Jugal Kishore Baid - *Member*
(iii) Mrs. Mukulika Baid - *Member*
(iv) Ms. Sonal Mattoo - *Member*

E. Risk Management Committee

The members of the Risk Management Committee are:

(i) Dr. Shailendra Raj Mehta - *Chairman*
(ii) Mr. Himanshu Baid - *Member*
(iii) Mr. Rishi Baid - *Member*
(iv) Ms. Sonal Mattoo - *Member*

Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

In addition to Mr. Himanshu Baid, the Managing Director of our Company and Mr. Rishi Baid, the Joint Managing Director of our Company, whose details are provided in "***- Brief profiles of Directors***" on page 183, the details of our other Key Managerial Personnel in terms of the Companies Act, 2013 and the SEBI ICDR Regulations, as of the date of this Placement Document are set forth below:

Mr. Naresh Vijayvergiya

Mr. Naresh Vijayvergiya is the Chief Financial Officer of our Company. He is responsible for the overall finance, accounts and strategy functions in our Company. He has been associated with our Company since April 20, 2020 and was appointed as the Chief Financial Officer of our Company on July 1, 2021.

Mr. Avinash Chandra

Mr. Avinash Chandra is the Company Secretary and Compliance Officer of our Company. He is responsible for compliances, investor grievances, and other secretarial matters in our Company. He has been associated with our Company since April 23, 2015.

Mr. Ravi Prakash

Mr. Ravi Prakash is the Deputy Company Secretary of our Company. He is responsible for secretarial matters, investor grievances and other statutory compliances in our Company. He has been associated with our Company since May 24, 2022.

Senior Management

All of our members of Senior Management are permanent employees of our Company.

In addition to Mr. Naresh Vijayvergiya, the Chief Financial Officer of our Company and Mr. Avinash Chandra, the Company Secretary and Compliance Officer of our Company, whose details are provided in "**- *Key Managerial Personnel***" on page 188, the details of our other Senior Management in terms of the SEBI ICDR Regulations, as of the date of this Placement Document are set forth below:

Mr. Vishal Baid

Mr. Vishal Baid is the Senior President of Sales and Marketing of our Company. He is responsible for handling various functions such as marketing, corporate, financial, manufacturing, research and development, new product development, import and export of machinery and material in our Company. He has been associated with our Company since June 1, 2011.

Mr. Pankaj Kumar Gupta

Mr. Pankaj Kumar Gupta is the President of Operations of our Company. He is responsible for handling manufacturing scale up, project planning and its execution in our company. He has been associated with our Company since February 18, 2008.

Mr. Hemant Bhalla

Mr. Hemant Bhalla is the Senior Vice President of Domestic Sales and Marketing of our Company. He is responsible for sales and marketing of products in our Company. He has been associated with our Company since September 6, 2006.

Mr. Surendra Singh Rawat

Mr. Surendra Singh Rawat is the Vice President and Management Representative of Quality Systems of our Company. He is responsible for the implementation of quality management systems in our Company. He has been associated with our Company since July 6, 2009.

Mr. Sujit Kumar Gupta

Mr. Sujit Kumar Gupta is the Vice President International of Sales and Marketing of our Company. He is responsible for sales and marketing of our products in international market. He has been associated with our Company since September 13, 1999.

Mr. Rakesh Bothra

Mr. Rakesh Bothra is the Vice President of Shipping and Logistics of our Company. He is responsible for sales and marketing of products at our Company. He has been associated with our Company since November 27, 2002.

Mr. Bijaya Singh

Mr. Bijaya Singh is the Senior General Manager of Research and Development of our Company. He is responsible for design activities and new product development in our Company. He has been associated with our Company since December 11, 1996.

Mr. Lokender Kumar

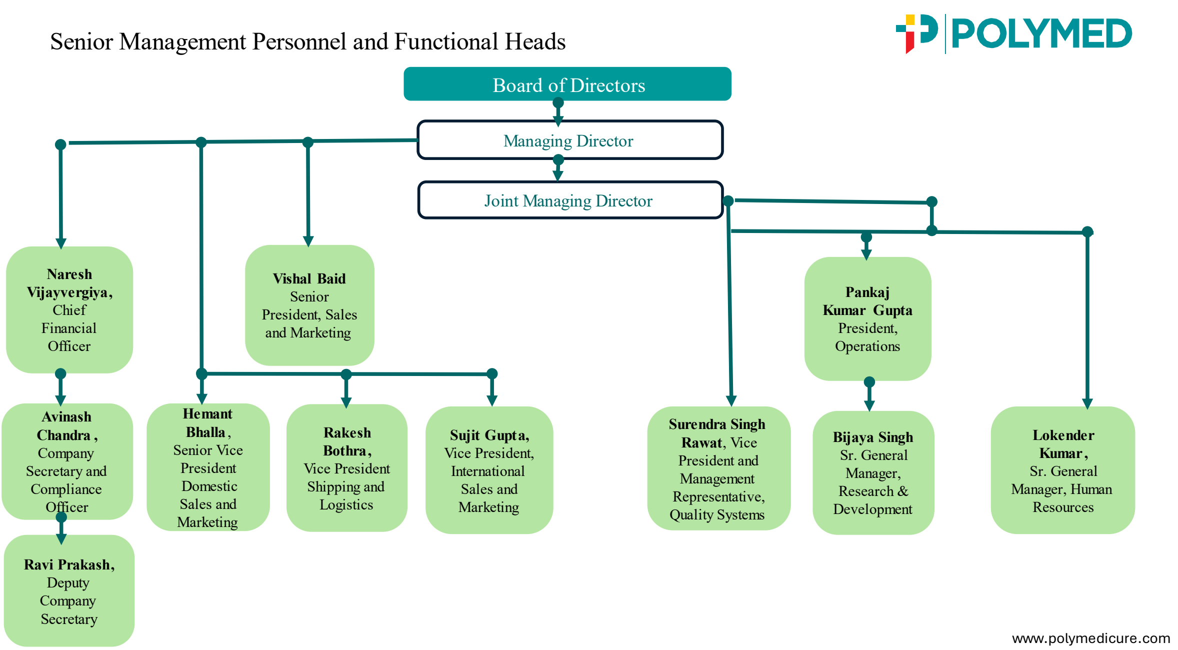
Mr. Lokender Kumar is the Senior General Manager of Human Resources of our Company. He is responsible for strategic and functional operations for all the human resources disciplines in our Company. He has been associated with our Company since December 20, 2021.

Shareholding of our Key Managerial Personnel and Senior Management

Except as disclosed below and above in "– ***Shareholding of our Directors***" on page 185, as on the date of this Placement Document, the Key Managerial Personnel and members of the Senior Management do not hold any Equity Shares in our Company:

Name	Number of Equity Shares	Percentage shareholding (%)
Key Managerial Personnel		
Mr. Avinash Chandra	1,250	Negligible
Mr. Naresh Vijayvergiya	1,700	Negligible
Senior Management		
Mr. Vishal Baid	16,81,260	1.75
Mr. Pankaj Kumar Gupta	6,000	Negligible
Mr. Hemant Bhalla	500	Negligible
Mr. Surendra Singh Rawat	2,200	Negligible
Mr. Sujit Gupta	10,500	Negligible
Mr. Rakesh Bothra	750	Negligible
Mr. Bijaya Singh	8,498	Negligible

Organizational chart of our Company



Interest of Key Managerial Personnel and Senior Management

Except as stated in " – ***Interest of our Directors***" above and in "***Related Party Transactions***" on pages 185 and 37, respectively, and to the extent of their shareholding in our Company, remuneration or benefits to which they are entitled to as per the terms of their appointment and reimbursement of expenses incurred by them in the ordinary course of business, and Equity Shares that have been allotted to them under the employee stock option scheme, our Key Managerial Personnel and Senior Management do not have any other interest in our Company. The Key Managerial Personnel and members of the Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as a key managerial personnel or member of senior management.

Other than as disclosed in "***– Relationship between Directors***" above on page 185, none of our Key Managerial Personnel are related to each other.

Other confirmations

Except as otherwise stated above in "***– Interests of our Directors***" and "***– Interest of Key Managerial Personnel***" on pages 185 and 190, respectively, none of our Directors, Promoters or Key Managerial Personnel or members of the Senior Management have any financial or other material interest in the Issue.

Neither our Company, nor any of our Directors or Promoter have been declared as a wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the Reserve Bank of India as defined under SEBI ICDR Regulations.

None of our Promoters or Directors have been declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018.

Neither our Company, nor our Directors or Promoters have been debarred from accessing capital markets under any order or direction made by SEBI.

None of the Directors, Promoters or Key Managerial Personnel and Senior Management of our Company intends to subscribe to the Issue.

No change in control in our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading SEBI Insider Trading

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct namely the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons" for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Avinash Chandra, our Company Secretary, acts as the 'compliance officer' of our Company under the aforesaid code of conduct for the prevention of insider trading.

ORGANIZATIONAL STRUCTURE

Corporate History

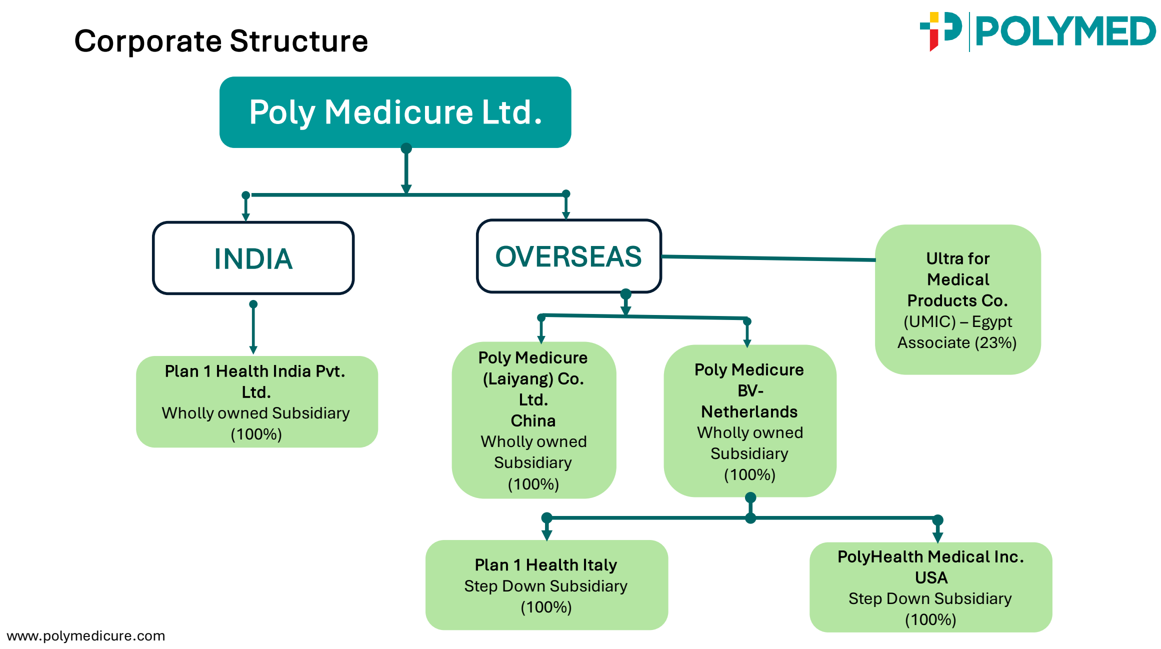
Our Company was incorporated in Delhi on March 30, 1995 under the Companies Act, 1956 as a public limited company under the name 'Poly Medicure Limited'. Our Company is engaged in the business of manufacturing disposable medical devices. We obtained a certificate of commencement of business on May 4, 1995.

The Equity Shares are listed on BSE from June 3, 1996 and on NSE from December 7, 2011.

Our Company's Corporate identity number is L40300DL1995PLC066923.

Organizational Structure

The organizational structure of our Company as on the date of this Placement Document is as follows:



Subsidiaries

As on the date of this Placement Document, our Company has three wholly owned subsidiaries and two step-down subsidiaries.

A. *Wholly owned Subsidiaries*

1. **Poly Medicure (Laiyang) Co. Limited**

   Poly Medicure (Laiyang) Co. Limited was incorporated on June 25, 2007 under the laws of China. Its registered office is situated at Area A, Heshan Road, Laiyang Economical Development District, Laiyang, Shandong, China.

2. **Plan1 Health India Private Limited**

   Plan1 Health (India) Private Limited was incorporated on February 25, 2020 under the Companies Act 2013 with the RoC. Its registered office is situated at 232-B, 3rd Floor, Okhla Industrial Estate, Phase-III, New Delhi 110 020 India.

3. **Poly Medicure B.V.**

Poly Medicure B.V. was incorporated on March 15, 2018 under the laws of Netherlands. Its registered office is situated at Keizersgracht 391A, 1016 EJ, Amsterdam, the Netherlands.

B. Step-down Subsidiaries

1. **Plan1 Health s.r.l**.

Plan1 Health s.r.l. was incorporated on February 26, 1990 under the laws of Italy. Its registered office is situated at Amaro (UD) Via Fratelli Solari 5 Cap 33020, Italy.

2. **PolyHealth Medical Inc.**

PolyHealth Medical Inc. was incorporated on July 19, 2021 under the laws of State of Delaware. Its registered office is situated at 800, North State Street, Suite 403 in the City of Dover, County of Kent, 19901.

Associates

As on the date of this Placement Document, our Company has one associate.

1. **Ultra for Medical Products Company**

Ultra for Medical Products Company was incorporated on March 19, 2002 under the laws of Egypt. Its registered office is situated at 64, Nakhla E1 Motei Street-Triumph-Heliopolis-Cairo, Egypt.

Holding company

As on the date of this Placement Document, our Company does not have any holding company.

Joint Venture

As on the date of this Placement Document, our Company does not have any joint venture.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on June 30, 2024, is set forth below.

Table I: Summary statement holding of specified securities

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting (XIV) Rights			Total as a % of (A+B+C)									
								Class eg: X	Class eg: y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(A)	Promoter & Promoter Group	21	6,33,65,340	-	0	6,33,65,340	66.03	6,33,65,340	0	6,33,65,340	66.03	-	-	-	66.03	-	-	-	-	6,33,65,340
(B)	Public	3,683	3,26,06,077	-	0	3,26,06,077	33.97	32606077	0	3,26,06,077	33.97	-	-	-	33.97	-	-	-	-	3,24,24,841
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	36,852	9,59,71,417	-	0	9,59,71,417	100	9,59,71,417	0	9,59,71,417	100	-	-	-	100	-	-	-	-	9,57,90,181

Table II: Statement showing shareholding pattern of the Promoters and Promoter Group

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting (XIV) Rights			Total as a % of Total Voting rights									
								Class eg: X	Class eg: y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	**Indian**																			
(a)	Individuals/Hindu undivided Family	14	3,55,71,516	-	-	3,55,71,516	37.06	3,55,71,516	-	3,55,71,516	37.06	-	-	-	37.06	-	-	-	-	3,55,71,516
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	5	2,75,86,624	-	-	27,586,624	28.74	2,75,86,624	-	2,75,86,624	28.74	-	-	-	28.74	-	-	-	-	2,75,86,624
	Sub-Total (A)(1)	19	6,31,58,140	-	-	-	65.81	6,31,58,140	-	-	65.81	-	-	-	-	-	-	-	-	-
(2)	**Foreign**																			
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	2	2,07,200	-	-	207,200	0.22	2,07,200	-	2,07,200	0.22	-	-	-	0.22	-	-	-	-	2,07,200
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Table III: Statement showing shareholding pattern of the public shareholders

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX) — No of Voting (XIV) Rights — Class eg: X	Class eg: y	Total	Total as a % of Total Voting rights	No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII) — No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered (XIII) — No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialized form (XIV)
(1)	**Institutions**																			
(a)	Mutual Funds	16	60,41,248	-	-	60,41,248	6.29	60,41,248	-	60,41,248	6.29	-	-	-	6.29	-		-		60,41,248
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(c)	Alternate Investment Funds	13	7,13,526	-	-	7,13,526	0.74	7,13,526	-	7,13,526	0.74	-	-	-	0.74	-		-		7,13,526
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(e)	Foreign Portfolio Investors	128	95,08,721	-	-	95,08,721	9.91	95,08,721	-	95,08,721	9.91	-	-	-	9.91	-		-		95,08,721
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(g)	Insurance Companies	4	22,14,031	-	-	22,14,031	2.31	22,14,031	-	22,14,031	2.31	-	-	-	2.31	-		-		22,14,031
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(i)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Sub-Total (B)(1)	161	1,84,77,526	-	-	1,84,77,526	19.26	1,84,77,526	-	1,84,77,526	19.26	-	-	-	-	-		-		1,84,77,526
(2)	Central Government/ State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(3)	**Non-institutions**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(a)(i)	Individuals - I. Individual shareholders holding nominal share capital up to Rs. 2 lakh.	34,756	-	-	-	46,80,455	4.88	46,80,455	-	46,80,455	4.88	-	-	-	-	-		-		44,99,219

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting (XIV) Rights			Total as a % of Total Voting rights									
								Class eg: X	Class eg: y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(a)(ii)	Individuals - ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	12	-	-	-	62,28,148	6.49	62,28,148	-	62,28,148	6.49	-	-	-	-	-		-		62,28,148
(b)	NBFCs registered with RBI	1	1	-	-	1	-	1	-	1	-	-	-	-	-	-		-		1
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
(f)	Key Managerial Personne	2	2,950	-	-	2,950	-	2,950	-	2,950	-	-	-	-	-	-		-		2,950
(g)	Non-Resident Indians (NRIs)	1,272	7,41,857	-	-	7,41,857	0.77	7,41,857	-	7,41,857	0.77	-	-	-	0.77	-		-		7,41,857
(h)	Bodies Corporate	610	24,62,691	-	-	24,62,691	2.57	24,62,691	-	24,62,691	2.57	-	-	-	2.57	-		-		24,62,691
(i)	Any Other (specify)	17	12,449	-	-	12,449	0.01	12,449	-	12,449	0.01	-	-	-	0.01	-		-		12,449
	Sub-Total (B)(3)	36,670	1,41,28,551	-	-	-	14.72	1,41,28,551	-	-	14.72	-	-	-	-	-		-		1,39,47,315
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	36,831	3,26,06,077	-	-	3,26,06,077	33.97	3,26,06,077	-	3,26,06,077	33.97	-	-	-	33.97	-		-		3,24,24,841

Table IV: Statement showing shareholding pattern of the non-promoter non-public shareholders

Sr.	Category & Name of the Shareholders (I)	Nos. Of shareholders (III)	No. of fully paid up equity shares held (IV)	No. Of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. Of Shares Underlying Outstanding convertible securities (X)	No. of Shares Underlying Outstanding Warrants (Xi)	No. Of Shares Underlying Outstanding convertible securities and No. Of Warrants (Xi) (a)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting (XIV) Rights			Total as a % of Total Voting rights									
								Class eg: X	Class eg: y	Total						No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-		-
Total Non-Promoter - Non Public Shareholding (C)= (C)(1)+(C)(2)		-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-		-
Total (A+B+C2)		-	-	-	-	-	-	-	-	-	-		-	-	-	-	-	-		-
Total (A+B+C)		36852	9,59,71,417	-	-	9,59,71,417	100	9,59,71,417	-	9,59,71,417	100		-	-	100	-	-	-		9,57,90,181

ISSUE PROCEDURE

*The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Bidders that applied in the Issue were required to confirm and have been deemed to have represented to our Company, the Book Running Lead Managers and their respective directors, officers, agents, affiliates and representatives that they were eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Also see "**Selling Restrictions**" and "**Transfer Restrictions**" on pages 215 and 224, respectively.*

Our Company, the Book Running Lead Managers and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutional Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document have not been, and will not be filed as a prospectus with the RoC and no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue has been made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs provided that certain conditions are met by such company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must *inter alia* specify that, (a) the allotment of Equity Shares is proposed to be made pursuant to the QIP; and (b) the Relevant Date for the QIP;

- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of the Issue, the contribution made by the Promoters or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are listed on Stock Exchanges for a period of at least one year prior to the date of issuance of notice to its Shareholders for convening the meeting to seek approval of the Shareholders for the above-mentioned special resolution. This is not applicable to such companies who propose to undertake a QIP for complying with the minimum public shareholding requirements specified in the SCRR;

- The "Equity Shares of the same class" shall mean Equity Shares which rank *pari passu* in relation to rights as to the dividend, voting otherwise of our Company.

- invitation to apply in the Issue must be made through a private placement offer-cum-application form (i.e., the Preliminary Placement Document and an Application Form) serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;

- the Issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;

- the Issuer shall have completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer, made by the Issuer, except as permitted under the Companies Act, 2013. However, subject to the limits prescribed under the applicable law, the Issuer may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., the Preliminary Placement Document and Application Form), the Issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by the Issuer prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;

- the Promoters and Directors of the Issuer are not Fugitive Economic Offenders and have not been declared as Wilful Defaulters;

- the Equity Shares issued through the QIP shall be listed on the Stock Exchanges where the Equity Shares of our Company are listed and our Company shall seek approval under rule 19(7) of the SCRR, if applicable; and

- the Directors of the Issuer are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the Issuer's equity shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, our Company has offered a discount of ₹ 0.69, being equivalent to a discount of 0.04% on the Floor Price, which is not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of postal ballot on August 5, 2024 and in compliance with the terms of Regulation 176(1) of the SEBI ICDR Regulations.

The "Relevant Date" mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the Board or the committee of Directors duly authorised by the board of the Issuer decides to open the Issue and "Stock Exchange" means any of the recognised stock exchanges in India on which the Equity Shares of the Issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares must be Allotted within 365 days from the date of passing of the Shareholders' resolution approving the Issue, being August 5, 2024 and also within 60 days from the date of receipt of Application Amount from the Successful Bidders, failing which our Company shall refund the Bid Amount in accordance with applicable laws.

The Equity Shares issued pursuant to the Issue must be issued on the basis of the Preliminary Placement Document and this Placement Document that contains all material information required under applicable laws including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you have receive a serially numbered copy of the Preliminary Placement Document and this Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for the QIP shall at least be:

- two, where the issue size is less than or equal to ₹ 25,000 lakh; and
- five, where the issue size is greater than ₹ 25,000 lakh.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "***Bid Process – Application Form***" on page 206.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approvals of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges on August 19, 2024. We have filed a copy of the Preliminary Placement Document and a copy of this Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

The Issue has been authorised and approved by our Board on June 29, 2024 and our Shareholders by way of a special resolution through postal ballot on August 5, 2024.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered, listed, or otherwise qualified in any jurisdiction, except India, and may not be offered or sold, and Bids may not be made by persons in any jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulations S and in accordance with the applicable laws of the jurisdictions where those offers and sales are made. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain other jurisdictions, see "***Selling Restrictions***" on page 215. The Equity Shares sold in the Issue are transferable only in accordance with the restrictions described in the sections "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 215 and 224, respectively.

Issue Procedure

1. On the Issue Opening Date, our Company in consultation with the BRLMs, circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form was specifically addressed to such

Eligible QIBs. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with the RoC within the stipulated time period as required under the Companies Act,2013 and the PAS Rules.

2. **The list of Eligible QIBs to whom the Preliminary Placement Document and the Application Form was delivered was determined by our Company in consultation with the BRLMs, at their sole discretion. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which included the details of the bank account wherein the Bid Amount was to be deposited, was addressed to a particular Eligible QIB, no invitation to make an offer or to subscribe was deemed to have been made to such Eligible QIB. Even if such documentation came into the possession of any person other than the intended recipient, no offer or invitation to offer was deemed to have been made to such person and any application that did not comply with this requirement was treated as invalid. The Application Form could have been signed physically or digitally, as required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could submit an unsigned copy of the Application Form, as long as the Bid Amount was paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount had been transferred to the Escrow Account, such Application Form constituted an irrevocable offer and could not be withdrawn or revised downwards after the Issue Closing Date. In case Bids were being made on behalf of the Eligible QIB and the Application Form was unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so.**

3. Eligible QIBs were required to submit an Application Form, including any revisions thereof, along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Issue Period to the BRLMs.

4. Bidders were required to indicate the following in the Application Form:

    - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;

    - number of Equity Shares Bid for;

    - price at which they were agreeable to subscribe to the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;

    - details of the depositary/ beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;

    - Equity Shares held by the Bidder in our Company prior to the Issue; and

    - it has agreed to certain other representations set forth in the Application Form and the Preliminary Placement Document.

    - a representation that it is outside the United States and it has agreed to certain other representations set forth in the Preliminary Placement Document and in the Application Form.

    NOTE**:** *Eligible FPIs were required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds were required to specifically state the names of the concerned schemes for which the Bids were made. In case of a Mutual Fund, a separate Bid could have been made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicated the scheme for which the Bid had been made. Application by various schemes or funds of a Mutual Fund were treated as one application from the Mutual Fund. Bidders were advised to ensure that any single Bid from them did not exceed the* *investment limits or maximum number of Equity Shares that could be held by them under applicable laws.*

5. Each Bidder was required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of "*POLY MEDICURE LIMITED - QIP ESCROW ACCOUNT*" with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares was required to made from the bank accounts of the relevant Bidders and our Company was required to keep a record of the bank account from where such payment had received. No payment was made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appeared first in the Application Form. On receipt of final listing and trading approvals from the Stock Exchanges, the Net Proceeds deposited in the Escrow Account, shall be transferred to a separate bank account with a scheduled bank as agreed between our Company and the Monitoring Agency. Notwithstanding the above, in the event (a) any Bidder was not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder was lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount had been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Issue Closing Date, the excess Bid Amount was refunded to the same bank account from which it was remitted, in the form and manner set out in "***– Refunds***" on page 211.

6. Once a duly completed Application Form was submitted by a Bidder, whether signed or not, and the Bid Amount was transferred to the Escrow Account, such Application Form constituted an irrevocable offer and the Bid could not be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount was required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs were deemed to have been given notice of such date after receipt of the Application Form.

7. The Eligible QIBs acknowledged that in accordance with the requirements of the Companies Act, 2013, upon Allocation, our Company is required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and any other regulatory filing and consented to such disclosure, if any Equity Shares were allocated to it.

8. Upon receipt of the duly completed Application Form, whether signed or not and the Bid Amount in the Escrow Account on or after the Issue Closing Date, our Company, in consultation with BRLMs determined the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. In case of Bids made on behalf of the Eligible QIB where the Application Form was unsigned, it was assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB was authorised to do so. The Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs were deemed to have been given notice of such date after receipt of the Application Form. Upon such determination, the BRLMs, on behalf of our Company, sent the serially numbered CAN and this Placement Document to the Successful Bidders. The dispatch of a CAN and this Placement Document to a Successful Bidder has been deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN contains details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation is at the absolute discretion of our Company and shall be in consultation with the BRLMs.**

9. Upon determination of the Issue Price and the issuance of the CAN and before Allotment of Equity Shares to the Successful Bidders, the BRLMs, have, on our behalf, sent a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.

11. After passing the resolution by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Successful QIBs to whom the Equity Shares have been Allotted. Our Company and the BRLMs shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible QIBs

16. Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, were considered as Eligible QIBs. However, with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules were considered as Eligible QIBs. FVCIs were not permitted to participate in the Issue. Currently, QIBs, who were eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

    - Eligible FPIs;
    - insurance companies registered with the Insurance Regulatory and Development Authority of India;
    - insurance funds set up and managed by army, navy or air force of the Union of India;
    - insurance funds set up and managed by the Department of Posts, India.
    - multilateral and bilateral development financial institutions eligible to invest in India;
    - Mutual Funds, VCFs, AIFs, each registered with SEBI;
    - pension funds with minimum corpus of ₹ 2,500 lakh registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
    - provident funds with minimum corpus of ₹ 2,500 lakh;
    - public financial institutions as defined under Section 2(72) of the Companies Act, 2013;
    - scheduled commercial banks;
    - state industrial development corporations;
    - systemically important non-banking financial companies;
    - the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India; and

- subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

ELIGIBLE FPIS WERE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THIS ISSUE. ELIGIBLE FPIS WERE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIS DID NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCI'S WERE NOT PERMITTED TO PARTICIPATE IN THIS ISSUE.

Other eligible non-resident QIBs could participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) should not exceed 10% of post-Issue Equity Share capital of our Company on a fully diluted basis, and the total holding of all FPIs, collectively, shall not exceed 24% of the paid-up Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or its investor group shall be below 10% of the total post issue paid-up Equity Share capital of our Company on a fully diluted basis. With effect from April 1, 2020, the aggregate limit for FPI investments is the sectoral cap applicable to our Company i.e. 100% on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post -Issue paid-up capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or I public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate permissible limit of all FPIs investments, with effect from April 1, 2020, is the sectoral cap applicable to the sector in which our Company operates.

Pursuant to the SEBI Circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed National Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see "***Selling Restrictions***" on page 215.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a Promoter, or any person related to, the Promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoters:

- rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company, the BRLMs and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs were advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs were advised to ensure that any single application from them did not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Preliminary Placement Document and this Placement Document.

A minimum of 10.00% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the BRLMs who are Eligible QIBs were permitted to participate in the Issue in compliance with applicable laws.*

Further, Eligible QIBs were required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

BID PROCESS

Application Form

Bidders could only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the BRLMs in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document. The Application Form could be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could submit an unsigned copy of the Application Form, as long as the Bid Amount was paid along with submission of the Application Form within the Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of the Preliminary Placement Document, the Bidder was deemed to have made all the representations, warranties, acknowledgments and agreements set forth in "***Notice to Investors***", "***Representations by Investors***", "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 1, 4, 215 and 224, respectively, including without limitation:

- The Eligible QIB confirmed that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
- The Eligible QIB confirmed that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or members of the Promoter Group or persons related to the Promoters;
- The Eligible QIB confirmed that it has no rights under a shareholders' agreement or voting agreement with the Promoter(s) or members of the Promoter Group, no veto rights or right to appoint any nominee

director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);

- The Eligible QIB confirmed that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

- The Eligible QIB acknowledged that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;

- The Eligible QIB confirmed that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchange;

- The Eligible QIB confirmed that the Bidder is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Bidder further confirmed that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;

- The Bidder confirmed that in the event it is resident outside India, it is not an FVCI;

- The Eligible QIB confirmed that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;

- The Eligible QIB agreed that it will make payment of its Bid Amount along with submission of the Application Form within the Issue Period. The Bidder agreed that once a duly filled Application Form was submitted by a Bidder, whether signed or not, and the Bid Amount had been transferred to the Escrow Account, such Application Form constituted an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date;

- The Eligible QIB agreed that although the Bid Amount was required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the BRLMs. The Bidder further acknowledged and agreed that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

- The Eligible QIB acknowledged that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company has disclosed names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document and such QIB consented of such disclosure, if any Equity Shares were Allocated to it. However, the Bidder further acknowledged and agreed that, disclosure of such details as "proposed Allottees" in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;

- The Eligible QIB confirmed that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

  (a) QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Bidder, its subsidiary or holding company and any other Bidder; and

  (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;

- The Eligible QIB acknowledged that no Allocation shall be made to it if the price at which it has Bid for in the Issue was lower than the Issue Price.

- The Eligible QIB confirmed that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.

- Each Eligible FPI, confirmed that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledged that Eligible FPIs could invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirmed that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

- The Bidder is located outside the United States and is purchasing the Equity Shares in accordance with the applicable laws of the jurisdiction where those offers and sales are made and is not an affiliate of our Company or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

ELIGIBLE QIBs WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs WERE REQUIRED TOENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM WAS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BRLMs, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BRLMs TO EVIDENCE THEIR STATUS AS A "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BRLMs, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account were be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount was remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form whether signed or not, and payment of the Bid Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and became a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document by our Company (by itself or through the BRLMs) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as applicable). The Bid Amount was to deposited in the Escrow Account as specified in the Application Form and the Application Form was required to be submitted to the BRLMs either through electronic form or through physical delivery at either of the following addresses:

Name	Address	Contact Person	Website and e-mail	Phone (Telephone)
SBI Capital Markets Limited	1501, 15th floor, A & B Wing Parinee Crescenzo, G Block Bandra Kurla Complex, Bandra	Sambit Rath/Karan Savardekar	www.sbicaps.com project.pace@sbicaps.com	+91 22 4006 9807

Name	Address	Contact Person	Website and e-mail	Phone (Telephone)
	(East) Mumbai 400 051 Maharashtra, India			
IIFL Securities Limited	24th Floor, One Lodha Place Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India	Yogesh Malpani	www.iiflcap.com Project.pace@iiflcap.com	+91 22 4646 4728

The BRLMs were not required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

All Application Forms were required to be duly completed, and Bidders Bidding in the Issue were required to pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Bank account for Payment of Bid Amount

Our Company has opened the Escrow Account in the name of "*POLY MEDICURE LIMITED - QIP ESCROW ACCOUNT*" with the Escrow Agent, in terms of the Escrow Agreement. Each Bidder was required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders could make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments were to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques were liable to be rejected. Further, if the payment was not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in *"POLY MEDICURE LIMITED - QIP ESCROW ACCOUNT"* only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company was not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, was lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "***– Refunds***" on page 211.

Bank Account Details

Each Bidder was required to mention the details of the bank account from which the payment of Bid Amount had been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company has offered a discount of ₹ 0.69, being equivalent to a discount of 0.04% on the Floor Price, which is not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of postal ballot on August 5, 2024 and in compliance with the terms of Regulation 176(1) of the SEBI ICDR Regulations.

Our Company, in consultation with the BRLMs, has determined the Issue Price, which was be at or above the Floor Price.

Build-up of the Book

The Bidders were required to submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the BRLMs. Such Bids could not be withdrawn or revised downwards after the Issue Closing Date. The book was maintained by the BRLMs.

Method of Allocation

Our Company has determined the Allocation in consultation with the BRLMs on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Bidders at or above the Issue Price were grouped together to determine the total demand. The Allocation to all such Bidders wase made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size was undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with BRLMs, has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BRLMs IN RESPECT OF ALLOCATION SHALL IS FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES WAS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE BRLMs AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BRLMs ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the BRLMs, in their sole and absolute discretion, have decided decide the Successful Bidders. Our Company has dispatched a serially numbered CAN to all such Successful Bidders pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them has been notified to such Successful Bidders. The CAN includes details of amount to be refunded, if any, to such Bidders. Additionally, the CAN includes the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders have also been sent a serially numbered Placement Document (which includes the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document, to the Eligible QIBs has been deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board/its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB has been deemed to have made the representations and warranties as specified in section "***Notice to Investors***" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of this Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.

3. Our Company, at its sole discretion (in consultation with the BRLMs), reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.

4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.

5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company shall apply for the final listing and trading approvals from the Stock Exchanges.

6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company from the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act, 2013.

7. After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and filed it with the Stock Exchanges as this Placement Document, which includes names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document.

8. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in this Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder was lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount had been paid by such Bidder, or the Bidder had deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares were not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowered or withdrew the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form, in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN. In the event we are unable to issue and Allot the Equity Shares offered in the Issue or within 60 days from the date of receipt of Bid Amount, our Company shall repay the Bid Amount within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% per annum form the expiry of the sixtieth day and in such manner as prescribed under the Companies Act, 2013. The Bid Amount to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, the Depositories Act and other applicable laws.

We, at our sole discretion (in consultation with the BRLMs), reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the Equity Shares offered pursuant to this Issue are received by our Company and our Company files the return of Allotment under Form PAS-3 in connection with the Issue with the RoC, whichever is later.

Provided that upon receipt of the listing and trading approval from Stock Exchanges, our Company files the return of Allotment in connection with the Issue with the RoC, upon which, the Net Proceeds deposited in the Escrow Bank Account, shall be transferred to a separate bank account with a scheduled bank or any other account as may be mutually agreed between our Company and the Monitoring Agency.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents were required to be provided along with the Application Form submitted with our Company/ BRLMs as soon as practicable.

Permanent Account Number or PAN

Each Bidder was required to mention its PAN (except Bids from any category of Bidders, which were exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card was required to be submitted with the Application Form. Further, the Application Forms without this information were considered incomplete and were liable to be rejected. It is to be specifically noted that applicants could not submit the GIR number instead of the PAN as the Application Form was liable to be rejected on this ground.

Bank account details

Each Bidder was required to mention the details of the bank account from which the payment of Bid Amount had been made along with confirmation that such payment had been made from such account.

Right to Reject Applications

Our Company, in consultation with the BRLMs, could reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the BRLMs in relation to the rejection of Bids was final and binding. In the event the Bid was rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see "***- Bid Process***" and "***- Refunds***" on pages 206 and 211, respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue was required to have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the BRLMs shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT AND LOCK-UP

No assurance can be given as to the liquidity or sustainability of the trading market for the Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Placement Agreement

The Book Running Lead Managers and our Company have entered into the Placement Agreement dated August 19, 2024 ("**Placement Agreement**"), pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and to use its reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the Book Running Lead Managers, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdiction where those offers and sales are made. For further information, see the sections "***Selling Restrictions***" on page 215. The Preliminary Placement Document and this Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

Applications shall be made to list the Equity Shares issued pursuant to this Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Each Eligible QIB confirms that it is outside the United States, it is not our affiliate or a person acting on behalf of such an affiliate and it has agreed to the representations, warranties, acknowledgement and agreements set forth in "***Selling Restrictions***" and "***Transfer Restrictions***" on pages 215 and 224, respectively, and the other representations, warranties, acknowledgement and agreements set forth in the Application Form.

Relationship with the Book Running Lead Managers

In connection with the Issue, the Book Running Lead Managers (or its affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers could have purchased Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See "***Offshore Derivative Instruments***" and "***Representations by Investors***" on pages 10 and 4, respectively.

From time to time, the Book Running Lead Managers and their respective affiliates and associate may engage in transactions with and perform services for our Company or its affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking, investment banking and other banking transactions with our Company, its affiliates or shareholders, for which they have received compensation and may in the future receive compensation.

Lock-up

In terms of the Placement Agreement, the Company agrees, subject to the exceptions set out below, not to: (a) issue, offer, lend, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or any securities convertible into, or exercisable for Equity Shares (including, without limitation, securities convertible into, or exercisable or exchangeable for Equity Shares), or file any registration statement under the U.S. Securities Act with respect to any of the foregoing; (b) enter into any swap or other agreement or transaction that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Equity Shares or such other securities, in cash or otherwise); (c) deposit Equity Shares with any other depositary in connection with a depositary receipt facility; or (d) publicly announce any intention to enter into any transaction described in (a) to (c) above, whether any such transaction described in (a) to (c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 90 days after the Closing Date without the prior written consent of the BRLMs, however, the foregoing restriction shall not be applicable to the (i) the issuance of the Issue Shares pursuant to the Issue; (ii) any employee stock option scheme of the Company in force as of the date of this Agreement, as amended, in accordance with Applicable Law. and (iii) any transaction required by Applicable Law or an order of a court of law or a statutory authority.

Lock-up by Promoters

In terms of the Placement Agreement, each of the Promoters hereby agrees that, without the prior written consent of the Book Running Lead Managers, they shall not, and shall procure that no other member of the promoter group of the Company with respect to them (collectively "**Promoter Group**") shall, during the period commencing on the date hereof and ending 90 days from the date of this Placement Document (both dates inclusive) ("**Lock-up Period**"), directly or indirectly:

(a) offer, issue, pledge, sell, encumber, contract to sell, lend, purchase any option, grant or sell any option, right, contract or warrant to purchase, make any short sale or otherwise transfer or dispose of any Lock-up Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Lock-up Shares, whether now owned or hereinafter acquired or file any registration statement under the Securities Act with respect to any of the foregoing (regardless of whether any of the transactions described in this clause (a) is to be settled by the delivery of the Lock-up Shares or such other securities, in cash or otherwise); or

(b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences of ownership of the Lock-up Shares or any securities that are convertible into, exercisable or exchangeable for the Lock-up Shares, whether now owned or hereinafter acquired (regardless of whether any of the transactions described in this clause (b) is to be settled by the delivery of the Lock-up Shares or such other securities, in cash or otherwise); or

(c) deposit any of the Lock-up Shares, or any securities convertible into, exercisable or exchangeable for the Lock-up Shares or which carry the rights to subscribe for or purchase the Lock-up Shares, with any depository in connection with a depository receipt facility; or

(d) publicly announce any intention to enter into any transaction falling within (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Lock-up Shares in any depository receipt facility.

Nothing would restrict (i) any inter-se transfer of any Equity Shares between Promoters/ members of the Promoter Group; (ii) any sale of such number of Equity Shares necessary to achieve minimum public shareholding as prescribed under the Securities Contracts (Regulation) Rules, 1957, as amended; or (iii) creation of pledge on Equity Shares, as collateral as per normal commercial terms for loans availed by the Company in the ordinary course of business of the Company.

SELLING RESTRICTIONS

The distribution of the Preliminary Placement Document, this Placement Document or any offering material and the offering, sale or delivery of Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of the Preliminary Placement Document, thi Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction.

General

No action has been taken or will be taken by our Company or the BRLMs that would permit a public offering of the Equity Shares to occur in any jurisdiction, or the possession, circulation or distribution of the Preliminary Placement Document, this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required (including filing of prospectus in India with SEBI or any other authority in connection with the Issue). Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and none of the Preliminary Placement Document and this Placement Document, any offering materials and any advertisements in connection with the offering of the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. The Issue will be made in compliance with the applicable SEBI ICDR Regulations.

Each subscriber of the Equity Shares offered in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and in "***Notice to Investors***", "***Representations by Investors***" and "***Transfer Restrictions***" on pages 1, 4 and 224, respectively.

Republic of India

The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

This Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Placement Document has not been and will not be filed as a prospectus with the RoC, or an advertisement and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Australia

This Placement Document is not a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been lodged with the Australian Securities and Investments Commission and it does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act.

No offer will be made under this Placement Document to investors to whom disclosure is required to be made under Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to represent and warrant that it is either a "sophisticated investor" or a "professional investor" and that not it is not a "retail client" within the meaning of those terms in the Corporations Act.

The Equity Shares acquired in the Issue in Australia must not be offered for sale in Australia in the period of 12 months after the date of the Allotment, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under Section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act. Each purchaser of the Equity Shares offered in the Issue in Australia shall be deemed to undertake to our Company that it will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those Equity Shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where or where the offer is pursuant to a disclosure document that complies with Chapter 6D of the Corporations Act.

No financial product advice is provided in this Placement Document and nothing in this Placement Document should be taken to constitute a recommendation or statement of opinion that is intended to influence a person or persons in making a decision to invest in the Equity Shares offered in the Issue.

This Placement Document does not take into account the objectives, financial situation or needs of any particular person. Before acting on the information contained in this Placement Document, or making a decision to invest in the Equity Shares offered in the Issue, prospective investors should seek professional advice as to whether investing in the Equity Shares is appropriate in light of their own circumstances.

None of the Book Running Lead Managers or any of their respective affiliates is the holder of an Australian Financial Services Licence.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Placement Document and the Equity Shares offered in the Issue have not been registered, filed, approved or licensed by the Central Bank of Bahrain ("**CBB**"), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism ("**MOICT**") or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain takes no responsibility for the accuracy of the statements and information contained in this Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

Cayman Islands

This Placement Document does not constitute an offer or invitation to the public in the Cayman Islands to subscribe for Equity Shares in the Issue.

People's Republic of China

This Placement Document does not constitute an offer of the Equity Shares offered in the Issue, whether by way of sale or subscription, in the People's Republic of China (the "**PRC**"). The Equity Shares are not being offered and may not be offered or sold, directly or indirectly, in the PRC to or for the benefit of, legal or natural persons of the PRC. According to legal and regulatory requirements of the PRC, the Equity Shares may, subject to the laws and regulations of the relevant jurisdictions, only be offered or sold to non-PRC natural or legal persons in any country other than the PRC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), an offer to the public of any Equity Shares in the Issue may not be made in that Relevant State, except if the Equity Shares are offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation (EU) 2017/1129 (and any amendment thereto) (the "**Prospectus Regulation**"):

- to any legal entity that is a qualified investor, as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the Book Running Lead Managers for any such offer;
- or in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Book Running Lead Managers of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this section, the expression an "offer of Equity Shares to the public" in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a "qualified investor" as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Book Running Lead Managers has been obtained to each such proposed offer or resale.

Our Company, the Book Running Lead Managers and their affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

This Placement Document has not been reviewed or approved by any regulatory authority in Hong Kong. In particular, the Placement Document has not been, and will not be, registered as a "prospectus" in Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap 32) ("**CO**") nor has it been authorised by the Securities and Futures Commission ("**SFC**") in Hong Kong pursuant to the Securities and Futures Ordinance (Cap 571) ("**SFO**"). Recipients are advised to exercise caution in relation to the Issue. If recipients are in any doubt about any of the contents of this Placement Document, they should obtain independent professional advice.

This Placement Document does not constitute an offer or invitation to the public in Hong Kong to acquire any Equity Shares nor an advertisement of the Equity Shares in Hong Kong. This Placement Document must not be issued, circulated or distributed in Hong Kong other than:

- to "professional investors" within the meaning of the SFO and any rules made under that ordinance ("**Professional Investors**"); or
- in other circumstances which do not result in the Placement Document being a prospectus as defined in the CO nor constitute an offer to the public which requires authorization by the SFC under the SFO.

Unless permitted by the securities laws of Hong Kong, no person may issue or have in its possession for issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the content of which is likely to be accessed or read by, the public of Hong Kong other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to Professional Investors.

Any offer of the Equity Shares will be personal to the person to whom relevant offer documents are delivered, and a subscription for the Equity Shares will only be accepted from such person. No person who has received a copy of the Placement Document may issue, circulate or distribute the Placement Document in Hong Kong or make or give a copy of the Placement Document to any other person. No person allotted Equity Shares may sell, or offer to sell, such Shares to the public in Hong Kong within six months following the date of issue of such Equity Shares.

Japan

No securities registration statement in relation to the solicitations of the Equity Shares offered in the Issue in Japan (the "**Solicitations**") has been or will be filed pursuant to Article 4, Paragraph 1 of the Financial Instrument and Exchange Law of Japan (the "**FIEL**"). The Solicitations shall only be made (i) to Qualified Institutional Investors and (ii) to no more than 49 persons (excluding any Qualified Institutional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Any Qualified Institutional Investors who acquire Equity Shares in the Issue (a) may not, directly or indirectly, resell, assign, transfer, or otherwise dispose of the Equity Shares to any person in Japan or to or for the benefit of any resident of Japan, including any corporation or other entity organised under the laws of Japan, except to Qualified Institutional Investors; and (b) shall deliver a notification indicating (a) and (b) herein to any transferee of the Equity Shares.

Capitalized terms used in this sub-section and not defined in this Placement Document have the meanings given to those terms in the FIEL.

Jordan

The Equity Shares offered in the Issue have not been and will not be offered, sold or delivered at any time, directly or indirectly, in the Hashemite Kingdom of Jordan in a manner that would constitute a public offering. This Placement Document has not been and will not be reviewed or approved by, or registered with, the Jordan Securities Commission in accordance with its regulations and any other regulations in the Hashemite Kingdom of Jordan. The Equity Shares are not and will not be traded on the Amman Stock Exchange. The Equity Shares have not been and will not be offered, sold or promoted or advertised in Jordan other than in compliance with the Securities Law No. (76) of 2002, as amended, the Law Regulating Dealings in Foreign Exchange No. (50) of 2008, and regulations issued pursuant thereto governing the issue of offering and sale of securities. Without limiting the foregoing, the Equity Shares have not been and will not, in any manner, be offered, sold, promoted or advertised to more than thirty (30) persons in Jordan, without complying with the required approval and notification requirements set-out under the above-referenced laws and the regulations issued pursuant to them

Kuwait

This Placement Document has not been licensed for the offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares offered in the Issue in the State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of securities in the State of Kuwait ("**Kuwait Securities Laws**"). Therefore, in accordance with the Kuwait Securities Laws, no private or public offering of the Equity Shares is or will be made in the State of Kuwait, no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

This Placement Document has not been and will not be registered as a prospectus with the Securities Commission Malaysia ("**SC**") under the Malaysian Capital Markets and Services Act 2007 (as amended) ("**CMSA**"). No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares offered in the Issue which complies with the requirements of the CMSA and the guidelines of the SC has been or will be registered with the SC under the CMSA or with any other regulatory body in Malaysia. Also, no approval or authorisation of the SC has been granted for making available, offering for subscription or purchase, or issuing an invitation to subscribe for or purchase the Equity Shares offered in the Issue in Malaysia. This Placement Document does not constitute and may not be used for the purpose of a public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the SC under the CMSA. None of the Book Running Lead Managers or any of their respective affiliates is the holder of a Capital Markets Services License in Malaysia who carries on the business of dealing in securities. Accordingly, this Placement Document and any other document or material in connection with the Issue may not be circulated or distributed, nor may the Equity Shares offered in the Issue be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia.

Mauritius

In accordance with The Securities Act 2005 of Mauritius, no offer of the Equity Shares offered in the Issue may be made to the public in Mauritius without, amongst other things, the prior approval of the Mauritius Financial Services Commission. This Placement Document has not been approved or registered by the Mauritius Financial Services Commission. Accordingly, this Placement Document does not constitute a public offering. The

Placement Document is for the exclusive use of the person to whom it has been given by a Book Running Lead Manager and is a private concern between the sender and the recipient.

New Zealand

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMA Act**"). The Equity Shares offered in the Issue may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who: (a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act; (b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act; (c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; (d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or (e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Oman

This Placement Document does not constitute an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman. This Placement Document is strictly private and confidential and is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

This Placement Document has not been approved by the Capital Market Authority of Oman (the "**CMA**") or any other regulatory body or authority in the Sultanate of Oman ("**Oman**"), nor have the Book Running Lead Managers or any placement agent acting on their behalf received authorisation, licensing or approval from the CMA or any other regulatory authority in Oman, to market, offer, sell, or distribute the Equity Shares in Oman.

No marketing, offering, selling or distribution of any Equity Shares has been or will be made from within Oman and no subscription for any Equity Shares may or will be consummated within Oman. Neither the Book Running Lead Managers nor any placement agent acting on their behalf is a company licensed by the CMA to provide investment advisory, brokerage, or portfolio management services in Oman, nor a bank licensed by the Central Bank of Oman to provide investment banking services in Oman. Neither the Book Running Lead Managers nor any placement agent acting on their behalf advise persons or entities resident or based in Oman as to the appropriateness of investing in or purchasing or selling securities or other financial products.

The Equity Shares offered in the Issue have not and will not be listed on any stock exchange in the Sultanate of Oman.

Nothing contained in this Placement Document is intended to constitute Omani investment, legal, tax, accounting or other professional advice. This Placement Document is for your information only, and nothing herein is intended to endorse or recommend a particular course of action. You should consult with an appropriate professional for specific advice on the basis of your situation.

Qatar (excluding the Qatar Financial Centre)

This Placement Document does not, and is not intended to, constitute an invitation or an offer of Equity Shares in the State of Qatar and accordingly should not be construed as such. The Equity Shares offered in the Issue have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this Placement Document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, or any other authority or agency in the State of Qatar; (b) our Company and the Book Running Lead Managers are not authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Issue has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. Our Company and the Book Running Lead Managers are not, by distributing this Placement Document, advising individuals resident in the State of Qatar as to the appropriateness of purchasing Equity Shares in the Offer. Nothing contained in this Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar Financial Centre

This Placement Document does not, and is not intended to, constitute an invitation or offer of Equity Shares from or within the Qatar Financial Centre ("**QFC**"), and accordingly should not be construed as such. This Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Company has not been approved or licenced by or registered with any licensing authorities within the QFC.

Singapore

This Placement Document has not been and will not be registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") under the Securities and Futures Act (Chapter 289) of Singapore ("**SFA**"). Accordingly, the Equity Shares offered in the Issue may not be offered or sold, or made the subject of an invitation for subscription or purchase nor may this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Equity Shares be circulated or distributed, whether directly or indirectly, in Singapore other than (i) to an "institutional investor" within the meaning of Section 274 of the SFA and in accordance with the conditions of an exemption invoked under Section 274, (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) other pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are purchased under Section 275 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights or interest in that trust are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for a corporation, in accordance with the conditions specified in Section 275 of the SFA; (2) where no consideration is or will be given for the transfer; or (3) where the transfer is by operation of law.

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), our Company has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA) that the Equity Shares are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Africa

In South Africa, the offering of the Equity Shares in the Issue will only be made by way of private placement to:

(a) selected persons falling within one of the specified categories listed in section 96(1)(a) of the South African Companies Act of 2008, as amended (the "**South African Companies Act**"); and

(b) selected persons, acting as principal, acquiring Equity Shares for a total acquisition cost of ZAR1,000,000 or more, as contemplated in section 96(1)(b) of the South African Companies Act,

and in each case to whom the offer of the Equity Shares will specifically be addressed, and only by whom the offer will be capable of acceptance (the "**South African Qualifying Investors**"). This Placement Document is being made available only to such South African Qualifying Investors. The information contained in this Placement Document does not constitute, nor form part of, any offer or invitation to sell or issue, an advertisement or any solicitation of any offer or invitation to purchase or subscribe for any Equity Shares or any other securities and is not an "offer to the public" as contemplated in the South African Companies Act. This Placement Document does not, nor does it intend to, constitute a "registered prospectus" or an "advertisement", as contemplated by the South African Companies Act and no prospectus has been filed with the Companies and Intellectual Property Commission (the "**CIPC**") in respect of the Issue of the Equity Shares. As a result, this Placement Document does not comply with the substance and form requirements for a prospectus set out in the South African Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the CIPC.

The information contained in this Placement Document constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act of 2002, as amended (the "**FAIS Act**") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Equity Shares or in relation to the business or future investments of the Bank is appropriate to the particular investment objectives, financial situation or needs of a prospective investor, and nothing in this Placement Document should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa. Our Company is not a financial services provider licenced as such under the FAIS Act.

South Korea

No securities registration statement in relation to the Solicitations (as defined under Financial Investment Services and Capital Markets Act of the Republic of Korea ("**South Korea**") (the "**FISCMA**")) of the Equity Shares offered in the Issue in South Korea has been or will be filed pursuant to the FISCMA. The Solicitations shall only be made (i) to certain professionals as prescribed in the FISCMA and the enforcement decree promulgated thereunder ("**Professional Investors**") and (ii) to no more than 49 persons (excluding any Professional Investors) during the six-month period prior to the contemplated date of the allotment of the Equity Shares in the Issue.

Furthermore, the Equity Shares may not be offered, sold, transferred or delivered for reoffering or resale, directly or indirectly, in South Korea or to, or for the account or benefit of, any resident (as defined under the Foreign Exchange Transactions Act of South Korea and the decree, rules and regulations promulgated thereunder) thereof for a period of one year from the date of the issuance of the Equity Shares, except as otherwise permitted under applicable South Korean laws and regulations.

Switzerland

The offering of the Equity Shares offered in the Issue in Switzerland is exempt from the requirement to prepare and publish a prospectus under the Swiss Financial Services Act ("**FinSA**") because such offering in Switzerland is directed only at investors classified as "professional clients" within the meaning of the FinSA and the Equity Shares offered in the Offer will not be admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. This document does not constitute a prospectus pursuant to the FinSA, and no such prospectus has been or will be prepared for or in connection with the Issue.

No key information document under article 58 of the FinSA or article 59(2) of the FinSA in respect of the Issue has been prepared and published. Accordingly, the Equity Shares offered in the Issue may not be offered to "private clients" within the meaning of the FinSA in Switzerland.

Each person in Switzerland who acquires Equity Shares in the Issue shall be deemed to have represented to our Company and the Book Running Lead Managers that it is a "professional client" within the meaning of the FinSA and that it has not opted-in to be treated as a "private client" on the basis of article 5(5) of the FinSA.

This document is not intended to constitute an advertising document within the meaning of article 68 of the FinSA and article 95 of the Swiss Federal Financial Services Ordinance.

The Equity Shares do not constitute a participation in a collective investment scheme within the meaning of the

Swiss Federal Act on Collective Investment Schemes and are not licensed by the Swiss Financial Market Supervisory Authority ("**FINMA**") thereunder. Accordingly, neither the Equity Shares nor the Shareholders benefit from protection under the Swiss Federal Act on Collective Investment Schemes or supervision by FINMA.

United Arab Emirates (excluding the Dubai International Financial Centre)

No offering, marketing, promotion, advertising or distribution (collectively, "**Promotion"**) of the Placement Document or the Equity Shares may be made in the United Arab Emirates (the "**UAE**") unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the "**SCA**") and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors' Chairman Decision no. (3/R.M.) of 2017 (the "**Promotion and Introduction Regulations**"), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE.

The Promotion of the Placement Document and the Equity Shares has not been and will not be approved by the SCA and, as such, the Placement Document does not constitute an offer to the general public in the UAE to acquire any Equity Shares. Except where the Promotion of the Placement Document and the Equity Shares is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE, the Promotion of the Placement Document and the Equity Shares in the UAE is being made only to Qualified Investors who are not High Net Worth Individuals (as such terms are defined in the Promotion and Introduction Regulations).

None of the SCA, the Central Bank of the United Arab Emirates or any other regulatory authority in the UAE has reviewed or approved the contents of the Placement Document and nor does any such entity accept any liability for the contents of the Placement Document.

Dubai International Financial Centre

The Equity Shares offered in the Issue are not being offered to any persons in the Dubai International Financial Centre except on that basis that an offer is: (i) an "Exempt Offer" in accordance with the Markets Rules (MKT) (the "**Markets Rules**") adopted by the Dubai Financial Services Authority (the "**DFSA**"); and (ii) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA rulebook and are not natural Persons. The Placement Document must not be delivered to, or relied on by, any other person. The DFSA has not approved the Placement Document nor taken steps to verify the information set out in it, and has no responsibility for it. Capitalised terms not otherwise defined in the Placement Document have the meaning given to those terms in the Markets Rules.

The Equity Shares may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Equity Shares offered in the Issue should conduct their own due diligence on the Equity Shares. If you do not understand the contents of the Placement Document, you should consult an authorised financial adviser.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of the Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234, except that it may make an offer to the public in the United Kingdom of any Equity Shares at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the UK Prospectus Regulation,

provided that no such offer of the Equity Shares shall require our Company or the Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Placement Document may not be distributed or circulated to any person in the United Kingdom other than to (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"); and (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Financial Promotion Order (all such persons together being referred to as "relevant persons"). This Placement Document is directed only at relevant persons. Other persons should not act on this Placement Document or any of its contents. This Placement Document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any other purpose.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S. To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in "***Transfer Restrictions***" on page 224. The Equity Shares purchased in the Issue are transferable only in accordance with the restrictions described in "***Transfer Restrictions***" on page 224.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares offered in the Issue within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below. The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "***Selling Restrictions***" on page 215 and the following resale restrictions.

United States Transfer Restrictions

Each purchaser of the Equity Shares offered in the Issue shall be deemed to have represented, warranted and acknowledged to and agreed with our Company and the Book Running Lead Managers as follows:

- It understands that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and are being offered and sold to it in reliance on Regulation S.

- It was outside the United States at the time the offer of the Equity Shares offered in the Issue was made to it and it was outside the United States when its buy order for the Equity Shares offered in the Issue was originated.

- It did not purchase the Equity Shares offered in the Issue as a result of any "directed selling efforts" (as defined in Regulation S).

- It is buying the Equity Shares offered in the Issue for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares offered in the Issue, it agrees that it will not offer, sell, pledge or otherwise transfer the Equity Shares offered in the Issue except in transactions complying with Rule 903 or Rule 904 of Regulation S or an available exemption from registration under the U.S. Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India.

- Where it is subscribing to the Equity Shares offered in the Issue as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein.

- Where it is subscribing to the Equity Shares offered in the Issue for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to subscribe to the Equity Shares offered in the Issue for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees to indemnify and hold our Company and the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares purchased in the Issue.

- It acknowledges that our Company, the Book Running Lead Manager and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Our Company, our representatives and our agents will not be obligated to recognize any acquisition, transfer or resale of the Equity Shares purchased in the Issue made other than in compliance with the restrictions set forth herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the **SCR (SECC) Regulations**, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as S&P CNX NIFTY, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "Delisting Regulations") to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold. However, every listed public sector company whose public shareholding falls below 25% at any time, such company shall increase its public shareholding to at least 25%, within a period of twelve months from the date of such fall, respectively, in the manner specified by SEBI. Further, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI and other applicable laws. NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE on-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated BSE on-line trading platform (**"BOLT+"**) through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, 2013, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the PAS Rules and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act, 2013, also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, 2013, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer.

The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and creation/invocation/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the regulations of 1992. The SEBI Insider Trading Regulations prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**"), subject to certain limited exceptions. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

Further, the SEBI Insider Trading Regulations makes it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders.

The SEBI Insider Trading Regulations also provides for initial and continuing disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. Initial disclosures are required from promoters, key managerial personnel, directors as well as continual disclosures by every promoter, employee or director in case value of trade exceed monetary threshold of ₹ 10 lakh over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company's website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations. The definition of "insider" includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company. On July 17, 2020, SEBI amended the SEBI Insider Trading Regulations to prescribe that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday.

DESCRIPTION OF THE EQUITY SHARES

Set out below is certain information relating to the share capital of our Company, including a brief summary of certain provisions of our Company's Memorandum and Articles of Association and the Companies Act, 2013 and certain related legislations of India, all as currently in effect. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorized share capital of our Company as of the date of this Placement Document is ₹ 60,00,00,000, divided into 12,00,00,000 Equity Shares of ₹ 5 each. Our issued, subscribed and paid up equity share capital as of the date of this Placement Document is ₹ 47,98,57,085 divided into 9,59,71,417 Equity Shares of ₹ 5 each.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. The Companies Act, 2013 read with the Companies (Declaration and Payment of Dividend) Rules, 2014 provides that if the profit for a year is inadequate or nil, the dividend for that year may be declared out of the accumulated profits earned in previous years and transferred to reserves, subject to the following conditions: (i) the rate of dividend to be declared shall not exceed the average of the rates at which dividend was declared by the company in the three years immediately preceding that year; (ii) the total amount to be drawn from such accumulated profits from previous years shall not exceed one-tenth of the sum of the paid-up share capital and free reserves as appearing in the latest audited financial statement; (iii) the amount so drawn shall first be utilized to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared; (iv) the balance of reserves after withdrawal must not be below 15% of paid-up share capital as appearing in the latest audited financial statement; and (v) unless carried over previous losses and depreciation not provided in previous year or years are set-off against profit of the company of the current year for which the dividend is declared or paid. SEBI, by its circular dated April 24, 2009, amended the Listing Agreement and provided that the dividend declared has to be on a per share basis only.

According to the Articles of Association, the shareholders of our Company in a general meeting may declare dividend which may not exceed the amount of the dividend recommended by our Board of Directors. However, our Board of Directors is not obligated to recommend a dividend. The decision of our Board of Directors and shareholders may depend on a number of factors, including but not limited to our Company's profits, capital requirements and overall financial condition. The profits of our Company shall, subject to any special rights relating thereto created or authorized to be created under our Articles of Association, be divisible among our shareholders in proportion to the amount of capital paid-up on the Equity Shares held by them respectively. The Board may also, from time to time, without the sanction of the shareholders of our Company in general meeting, pay to the shareholders of our Company, such interim dividends as in their judgment appear to be justified. Under the Companies Act, 2013 dividends can only be paid in cash to shareholders listed on the register of shareholders or to the order of such registered shareholders or to his bankers. No shareholder is entitled to a dividend while unpaid calls on any of his Equity Shares are outstanding.

Dividend must be paid within 30 days from the date of its declaration. Unclaimed dividend shall not be forfeited by our Company unless the claim thereof becomes barred by law. In terms of the provisions of the Companies Act, as applicable, our Company shall credit such unclaimed dividends to the unpaid dividend account of our Company, and any money transferred to the unclaimed dividend account of our Company which remains unpaid and unclaimed for a period of seven years from the date they became due for payment, shall be transferred by our Company to the 'Investor Education and Protection Fund', established by the Central Government.

Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares, which are similar to a stock dividend. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. The relevant provisions of the SEBI ICDR Regulations prescribe that no company shall, pending conversion of outstanding convertible securities, fully or partly convertible debt instruments, issue any shares by way of bonus unless similar benefit is extended to the holders of such convertible securities, through reservation of shares in proportion to such conversion. Further, as per the Companies Act, 2013, for the issuance of bonus shares a company should not have defaulted in the payment of interest or principal in respect of fixed deposits and interest on existing debentures or principal on redemption of such debentures. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Our Company, in a general meeting, may resolve that it is desirable to capitalize any part of the amount standing to the credit of any of our Company’s reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, among such shareholders as would be entitled to receive dividends, provided that any sum standing to the credit of a share premium account or capital redemption reserve fund may only be applied in paying up of unissued equity shares to be issued to our Company’s shareholders as fully paid bonus shares.

Pre-Emptive Rights and Alteration of Share Capital

The Companies Act, 2013 and our Articles of Association give the shareholders the preemptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 21 days from the date of the offer within which the offer, if not accepted, will be deemed to have declined. The offer shall be deemed to include: a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorized to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Under Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our Company’s shareholders in a general meeting.

Our Articles of Association provide that our Company shall have the power to increase, reduce, sub-divide the share capital into several classes or repay or consolidate the share capital of our Company.

Preference Shares

Subject to Section 55 of the Companies Act, 2013, any new shares may be issued as preference shares which are liable to be redeemed within a period not exceeding 20 years from the date of their issue, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. Such preference shares shall be redeemed out of the profits of our Company or out of the proceeds of a fresh issue of shares for the purpose of the redemption.

General Meetings of Shareholders

There are two types of general meetings of the Shareholders:

(i) Annual General Meeting, and
(ii) Extraordinary General Meeting

In accordance with Section 96 of the Companies Act, 2013 a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the Registrar of Companies at its request for any special reason for a period not exceeding three months.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting and an Extraordinary General Meeting shall on the requisition of members or in case of default by the Board, may be called by such requisitionists as provided by Section 100 of the Companies Act, 2013. Since our Company has more than 5,000 members, 30 members personally present shall constitute the quorum for a general meeting, as provided under Section 103 of the Companies Act, 2013. If the quorum is not present within half an hour of the scheduled time for holding of the general meeting, the meeting, convened upon requisition of members shall be dissolved, but in any other case it shall stand adjourned and reconvened to the same day in the next week.

Section 101 of the Companies Act, 2013 provides that notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. However, a general meeting may be called at shorter notice if at least 95% of the shareholders entitled to vote at the meeting give their consent.

Notices, either in writing or through electronic mode, convening a meeting setting out the date, day, hour, place and agenda of the meeting must be given to members at least 21 clear days prior to the date of the proposed meeting. A general meeting may be called after giving shorter notice if consent is received, in writing or electronic mode, from not less than 95% of the Shareholders entitled to vote. A document may be served by the company on any member thereof and the notice of every meeting of the company shall be given to every member in any manner authorized by and as provided in Sections 20 and 101 of the Companies Act, 2013.

According to Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, a company intending to pass a resolution relating to matters such as, but not limited to, amendment in the objects clause of its memorandum of association, the issuing of shares with different voting or dividend rights, a variation of the rights attached to a class of shares or debentures or other securities, buy-back of shares, giving loans or extending guarantees in excess of limits prescribed, is required to obtain the resolution passed by means of a postal ballot instead of transacting the business in the company's general meeting. A notice to all the shareholders shall be sent along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a postal ballot within a period of 30 days from the date of posting the letter. Postal ballot includes voting by electronic mode. Due to the outbreak of COVID-19 pandemic and the restrictions imposed on gathering of people through social distancing norms, the MCA, by way of its, General Circular No. 14/ 2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 20/2020 dated May 5, 2020 and SEBI, by way of its Circular No. SEBI/ HO/CFD / CMD1/ CIR/P/2020/79 dated May 12, 2020, has permitted companies to hold meetings, including annual general meetings through video conferencing or other audio visual means, during the calendar year 2020.

Voting Rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorized representative under Section 113 of the Companies Act, 2013, shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of the company. On a show of hands, every member holding Equity Shares and present in person shall have one vote. On a poll, every member holding Equity Shares therein shall have voting rights in proportion to his share of the paid-up equity share capital. In the case of joint holders, anyone of such persons may vote at any meeting either personally or by his proxy in respect of such share as if he were solely entitled thereto; and if more than one of such joint holders be present at any meeting, that the vote of the first named person of such joint holders in the register of members, who tenders a vote whether in person or proxy shall be accepted to the exclusion of the votes of the other joint holders.

Ordinary resolutions may be passed by simple majority of those present and voting. Special resolutions require that the votes cast in favour of the resolution must be at least three times the votes cast against the resolution. The Companies Act, 2013 provides that to amend the articles of association of a company, a special resolution is required to be passed in a general meeting.

Section 47 of the Companies Act, 2013 provides that any preference shareholder present at any meeting of our Company, shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. However, where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders shall have a right to vote on all the resolutions placed before the company.

Under the Companies Act, 2013, every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, shall be signed by an officer or any attorney duly authorized by it. The proxy so appointed shall have no right to speak at such meeting and shall not be entitled to vote except on poll.

As per our Articles of Association, the instrument appointing a proxy is required to be lodged with our Company at least 48 hours before the time of the meeting. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the prior death of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given.

Registration of Transfers and Register of Members

Our Company shall keep its Register of Members at its Registered Office and shall enter the particulars of every transfer or transmission of Equity Shares. Subject to the provisions of Section 91 of the Companies Act, 2013, the Board of Directors shall have the power to close the Register of Members for such periods, not exceeding 45 days in aggregate in a year and 30 days at any one time, subject to giving of previous notice of at least seven days or such lesser period as may be specified by SEBI. Under the Listing Agreements with the Stock Exchanges, our Company may, upon at least seven working days' advance notice to such Stock Exchanges, set a record date and/or close the register of shareholders in order to ascertain the identity of shareholders. The trading of equity shares and the delivery of certificates in respect thereof may continue while the register of members is closed.

Directors

The Articles of Association of our Company provide that unless otherwise determined by the shareholders of our Company at a general meeting, the number of directors of our Company shall not be less than three and not be more than 12. The directors shall be appointed by our Company in a general meeting subject to the provisions of the Companies Act, 2013, and the Articles of Association. Pursuant to the Companies Act, 2013, not less than two-thirds of the total numbers of directors shall be persons whose period of office is subject to retirement by rotation and one third of such directors, or if their number is not three or a multiple of three, the number nearest to one-third, shall retire from office at every annual general meeting. The directors to retire are those who have been the longest in the office since their last appointment.

The Directors have the power to appoint any other persons as an addition to the Board but any Director so appointed shall hold office only up to the date of the next following annual general meeting of our Company but shall be eligible for re-election at such meeting. A casual vacancy in the Board can be filled by the Board of Directors at a meeting of the Board, and the person so appointed shall hold office only until the date which the director in whose place he is appointed would have held office. Our Board of Directors shall also have the power to appoint any person to act as an alternate director for a director during the latter's absence for a period of not less than three months from India.

Annual Report and Financial Results

The annual report must be laid before the annual general meeting of the shareholders of a company. This includes financial information about the company such as the audited financial statements as of the date of closing of the financial year, directors' report, management's discussion and analysis and a corporate governance section, and is sent to the shareholders of the company. Under Section 137 the Companies Act, 2013, a company must file the financial statements with the registrar of companies within 30 days from the date of the annual general meeting. As required under the SEBI Listing Regulations, copies of such balance sheet and the statement of profit and loss account are required to be simultaneously sent to the stock exchanges on which the shares of the company making such filings are listed. A listed company must also publish its financial results in at least one English language daily newspaper circulating the whole or substantially the whole of India and also in a newspaper published in the language of the region where the registered office of such company is situated. Our Company submits certain information online, including its financial results and the shareholding pattern statement, in accordance with the requirements of the SEBI Listing Regulations and as may be specified by SEBI from time to time.

Annual Report and Financial Results

The annual report must be laid before the annual general meeting of the shareholders of a company. This includes financial information about the company such as the audited financial statements as of the date of closing of the financial year, directors' report, management's discussion and analysis and a corporate governance section, and

is sent to the shareholders of the company. Under Section 137 of the Companies Act, 2013, a company must file the financial statements with the Registrar of Companies within 30 days from the date of the annual general meeting. As required under the Listing Agreements with the Stock Exchanges, copies of such balance sheet and the profit and loss account are required to be simultaneously sent to the Stock Exchanges on which the shares of our Company making such filings are listed. A listed company must also publish its financial results in at least one English language daily newspaper circulating the whole or substantially the whole of India and also in a newspaper published in the language of the region where the registered office of such company is situated. Our Company submits certain information online, including its financial results and the shareholding pattern statement, in accordance with the requirements of the Listing Agreements and as may be specified by SEBI from time to time.

Transfer of shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), which are, however, exempt from stamp duty. The transfer of shares in dematerialized form is governed by the Depositories Act, 1996 and regulations made thereunder.

Under Section 58 of the Companies Act, 2013, if a public company without sufficient cause refuses to register a transfer of shares within 30 days from the date on which the instrument or intimation of transfer is delivered to the company, the transferee may, within a period of 60 days of such refusal or where no intimation has been received from the company, within 90 days of the delivery of the instrument of transfer, appeal to the National Company Law Tribunal seeking to register the transfer of shares.

Pursuant to the Listing Agreements, in the event our Company has not effected the transfer of shares within 15 days or where our Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 15 days, our Company is required to compensate the aggrieved party for the opportunity loss caused during the period of the delay. The Companies Act, 2013, provides that the shares or debentures of a publicly listed company shall be freely transferable. However, the Board of Directors may, under our Articles of Association, subject to Section 58 of the Companies Act, 2013 and the SCRA, at any time in its absolute discretion decline to register transfer of shares. Notice of such refusal must be sent to the transferee within one month of the date on which the transfer was lodged with our Company.

Acquisition by our Company of its own Equity Shares

Sections 68, 69 and 70 of the Companies Act, 2013, read with Rule 17 of the Companies (Share Capital and Debentures) Rules, 2014, relate to the power of a company to purchase its own shares or other specified securities out of its free reserves, or the securities premium account or the proceeds of the issue of any shares or other specified securities (other than from the proceeds of an earlier issue of the same kind of shares or other specified securities proposed to be bought back) subject to certain conditions, including:

- the buy-back has been authorized by the articles of association of the company;
- a special resolution has been passed in a general meeting of the company authorizing the buy-back. Under the Companies (Management and Administration) Rules, 2014, such resolution authorizing buy-back has to be passed through a postal ballot;
- the buy-back is for less than 25% of the total paid-up capital and free reserves of the company, provided that the buy-back of equity shares in any financial year shall not exceed 25% of its total paid-up equity capital in that financial year;
- the ratio of the aggregate of secured and unsecured debts owed by the company after buy-back is not more than twice the paid-up capital and its free reserves;
- all the shares or other specified securities for buy-back are fully paid-up; and
- the buy-back is in accordance with the regulations made by SEBI in this behalf.

The requirement of special resolution mentioned above would not be applicable if the buy-back is for less than 10% of the total paid-up equity capital and free reserves of the company and provided that such buy-back has been authorized by the board of directors of the company. A company buying back its securities is required to extinguish and physically destroy the securities so bought back within seven days of the last date of completion of the buy-back. Further, a company buying back its securities is not permitted to buy back any securities for a period of one year from the buy-back or to issue the same kind of securities for six months subject to certain exceptions. Every buy-back must be completed within a period of one year from the date of passing of the special resolution or resolution of the board of directors, as the case may be. Under Section 70 of the Companies Act, 2013, a company is also prohibited from purchasing its own shares or other specified securities through any subsidiary company, including its own subsidiary companies, or through any investment company or group of investment companies or if the company is defaulting on the repayment of deposit or interest, redemption of debentures or preference shares or payment of dividend to a shareholder or repayment of any term loan or interest payable thereon to any financial institution or bank, or in the event of non-compliance with certain other provisions of the Companies Act, 2013.

Winding up

Our Articles of Association provide that on winding up, the liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of our Company, and may, with the like sanction, vest any part of the assets of our Company in trustees upon such trusts for the benefit of the contributories, as the liquidator with the like sanction shall think fit.

As per the Companies Act, 2013, subject to the rights of creditors, of employees, and of the holders of any other shares entitled by their terms of issue to preferential repayments over the shares, in the event of winding-up of our Company, the holders of Equity Shares are entitled to be repaid the amounts of capital paid up or credited as paid up on such shares or in case of a shortfall, proportionately. All surplus assets after payments due to employees, the holders of any preference shares and other creditors belong to the holders of ordinary shares in proportion to the amount paid up or credited as paid up on such shares, respectively, at the commencement of winding up. Without prejudice to the rights or the holder of shares issued upon special terms and conditions, preference shareholders shall have prior rights to repayment of capital and dividends due.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

Date: August 19, 2024

To,

The Board of Directors
Poly Medicure Limited
232-B, 3rd floor
Okhla Industrial Area, Phase-III
Delhi 110 020, India

SBI Capital Markets Limited
1501, 15th Floor, A & B Wing
Parinee Crescenzo, BKC
Bandra (East)
Mumbai 400 051
Maharashtra, India

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India

(SBI Capital Markets Limited and IIFL Securities Limited, hereinafter collectively referred to as the "**Book Running Lead Managers**" or the "**BRLMs**")

Dear Sirs/Madams,

Sub: Qualified institutions placement of equity shares of face value of ₹ 5 each ("Equity Shares") under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and applicable provisions of the Companies Act, 2013, and the rules framed thereunder, each as amended ("Companies Act") by Poly Medicure Limited (the "Company", and such qualified institutions placement, the "Issue")

1. We hereby confirm that the enclosed Annexure 1 (the "Annexure"), prepared by Poly Medicure Limited ('the Company') provides the possible tax benefits available to the Company and its shareholders, under the provisions of the Income-tax Act, 1961 ('the Act') read with the Income-tax Rules, 1962, as amended by the Finance Act, 2024 and by the Finance (No.2) Act, 2024 i.e. applicable for the Financial Year 2024-25 relevant to the assessment year 2025-26 (together, the "Direct Tax Laws"), the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, relevant State Goods and Services Tax Act, 2017 read with rules, circulars, and notifications ("GST law"), the Customs Act, 1962, the Customs Tariff Act, 1975 read with rules, circulars, and notifications ("Customs law"), each as amended by the Finance Act, 2024 and by the Finance (No.2) Act, 2024 applicable for the Financial Year 2024-25 and Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade Policy 2023 - 2028 (FTP), each as amended and presently in force in India (collectively referred as "Indirect Tax Laws" and along with "Direct Tax Laws", the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and / or its shareholders to derive the possible tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.

2. The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated in the Annexure is the responsibility of the Company's management. We are informed that this statement is

only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the proposed issue.

3. We do not express any opinion or provide any assurance as to whether:

   - the Company or its shareholders will obtain/ continue to obtain these possible tax benefits in thefuture;
   - the conditions prescribed for availing the possible tax benefits have been / would be met with; or
   - the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

5. This statement is prepared solely for inclusion in the Preliminary Placement Document ("**PPD**") and the Placement Document ("**PD**") in connection with proposed offering of equity shares of face value Rs 5 each by the Company in the Issue in accordance with the provisions of Chapter Vl of the SEBl ICDR Regulations filed and to be filed, as applicable, by the Company with the National Stock Exchange of India Limited, BSE Limited and the Securities and Exchange Board of India ("**SEBI**"), as amended and is not to be used, referred to or distributed for any other purpose.

For M.C. Bhandari & Co.
Chartered Accountants
ICAI Firm Registration Number: 303002E

Ravindra Bhandari
Partner
Membership No. 097466
UDIN: 24097466BKGQPN9047

Date: August 19, 2024
Place: New Delhi

Annexure 1 - Statement of Possible Tax Benefits available to Poly Medicure Limited, ('The Company') and its Shareholders

Outlined below are the possible tax benefits available to the Company and its Shareholders under the Income TaxAct, 1961 read with the Income-tax Rules, 1962 (hereinafter referred to as 'the Act'), as amended by the Finance Act, 2024 and by the Finance (No.2) Act, 2024 i.e. applicable for the Financial Year ('FY') 2024-25 relevant to the assessment year ('AY') 2025-26

1. <u>Possible tax benefits available to the Company under the Act</u>

1.1 Special Tax Benefits available to the company

No Special Tax benefits available to the Company

1.2 General Tax Benefits available to the company

A. Lower corporate tax rate under Section 115BAA of the Act

A new Section 115BAA had been inserted by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") w.e.f. FY 2019-20 granting an option to domestic companies to compute corporate tax at a reducedrate of 25.17% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specifiedexemptions/ incentives.

The Amendment Act, 2019 further provided that domestic companies availing such option will not be requiredto pay Minimum Alternate Tax ("MAT") under Section 115JB. The CBDT had further issued Circular 29/2019dated October 02, 2019 clarifying that since the MAT provisions under Section 115 JB itself would not applywhere a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

The Company has opted for the beneficial tax rate under section 115BAA of the Act from FY 2019-20 onwards.As the Company has opted for the beneficial tax rate introduced by the ordinance, they are not eligible to availthe exemptions/ incentives as specified under Section 115BAA of the Act. Further, the option once exercised by the Company cannot be subsequently withdrawn for the same or any other FY.

B. Deductions from Gross Total Income

- **Section 80JJAA: Deduction in respect of employment of new employees:**

  Subject to fulfilment of prescribed conditions, the Company is entitled to claim deduction under the provisions of Section 80JJAA of the Act, of an amount equal to thirty per cent of additional employee cost(relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided.

  The deduction u/s 80JJAA of the Act shall be applicable even if the Company avail the benefits of the special rate u/s 115BAA of the Act.

- **Section 80M of the Act: Deduction in respect of inter-corporate dividends**

  A new Section 80M had been inserted by the Finance Act, 2020 w.e.f. FY 2020-21 providing for deductionfrom gross total income of a domestic company, of an amount equal to dividends received by such companyfrom another domestic company or a foreign company or a business trust to the extent it does not exceed the amount of dividend distributed by it on or before one month prior to the date of filing its tax return as prescribed under Section 139(1) of the Act.

  Where the company receives any such dividend during a FY and also, distributes dividend to its shareholders before the aforesaid date, as may be relevant to the said FY, it shall be entitled to the deductionunder Section 80M of the Act. The deduction u/s 80M of the Act shall be applicable for the company availing the benefits of the special rate u/s 115BAA of the Act.

C. Buy-back of shares by the Company

(i) In accordance with the provisions of section 115QA of the Act, in case of buy-back of shares from its shareholders, the company is liable for additional tax at the rate of 20% (to be increased by applicable surcharge and cess) on the consideration paid by the company on buyback of shares, as reduced by the amount received by the company on the issue of such shares, determined in the manner prescribed under Rule 40BB of the Income Tax Rules, 1962. Also, such Buy Back Tax has to be paid by the company over and above the tax paid by it, if any, on its total income.

Buy Back Tax is levied at the level of the company, the consequential income arising in the hands of shareholders is exempt from tax, as per Section 10(34A) of the Act.

The aforesaid provisions are applicable before October 1, 2024.

(ii) With effect from October 1, 2024, Finance Act (No.2), 2024 has abolished section 115QA of the Act resulting, tax payable by the company on buy-back of shares will no longer apply. However, buy-back consideration received by the shareholders will taxable in their hands as deemed dividend u/s 2(22)(f)of the Act.

2. <u>Possible tax benefits available to the Shareholders</u>

2.1 Special Tax Benefits available to the Shareholders

No Special Tax benefits available to the Company

2.2 General Tax Benefits available to the Shareholders

A. Higher cost of acquisition benefit in relation to long term capital asset being shares of company referred to insection 112A of the Act

A new section 55(2)(ac) of the Act has been inserted to provide grandfathering of gains on the specified assets(as defined u/s 112A of the Act) acquired prior to 1 February 2018. The Cost of acquisition would be higher of:-

a) Cost of acquisition and
b) Lower of

• Fair market value* of such shares
• Full value of consideration received or accruing as result of transfer of capital Asset

*'fair market value' means —

In a case where the capital asset is an equity share in a company which is not listed on a recognised stock exchange as on the 31st day of January, 2018 but listed on such exchange on the date of transfer, an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the financial year 2017-18 bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the yearbeginning on the first day of April, 2001, whichever is later.

B. Long-term and short-term capital gains arising in the hands of the shareholders

Section 112A of the Act provides for concessional rate of tax at the rate of 12.50% (10% for the transfers done up to 22 July, 2024) applicable for the in respect of long- term capital gains gain exceeding Rs.1,25,000 arising from the transfer of a long-term capital asset (i.e., capital asset held for the period of 12 months or more)] being an Equity Share in a company or a unit of an equity- oriented fund wherein Securities TransactionTax ('STT') is paid on both acquisition and transfer, without giving effect to indexation. Further, the benefit of lowerrate is extended in case STT is not paid on acquisition / allotment of equity shares through Initial Public Offering.

Section 54F of the Act provides for exemption of long-term capital gain on sale of shares of the company in case of Individual or Hindu Undivided Family shareholders subject to the conditions including ownership of not more than one residential house on the date of transfer of shares and to the extent specified in section 54F of the Act if the net sale consideration is utilised, within a period of one year before, or two years after the date of transfer of shares, for the purchase of a new residential house, or is utilised for construction of a residential house within three years. If the whole of the net sale consideration is not so utilised, the exemption shall be allowed on a pro rata basis.

Further, section 111A of the Act provides for concessional rate of tax @ 20% (15% for the transfers done up to 22 July, 2024) in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short-term capital asset [i.e. capital asset held for the period of less than 12 monthsas per section 2(42A) of the Act] being an Equity Share in a company or a unit of an equity-oriented fund wherein STT is paid on transfer.

C. Reduced tax rates with respect to certain taxpayers opting for concessional taxregime under section 115BAC

Finance Act (No.2), 2024 has amended section 115BAC of the Act to provide that with effect from FY 2023- 24 relevant to AY 2024-25, Individuals, HUF, Association of Persons (other than a co-operative society), Body of Individuals and Artificial Juridical Person will be taxed on its total income at the reduced tax rates ('New Tax Regime'). The income would however have to be computed without claiming prescribeddeductions or exemptions.

D. Dividend paid by company to the shareholders

The Finance Act, 2020 has abolished the Dividend Distribution Tax and moved to the taxation wherein dividends are taxed in the hands of the shareholders. So now, dividend income will become taxable in the hands of shareholders.
In case of resident shareholders, dividend income is taxable at applicable income tax slab rates.
In case of non-resident shareholders, it is taxable at the rate of 20% plus applicable surcharge and cess. Benefits of Double Taxation Avoidance Agreement is subject to furnishing specified forms and certificates and fulfilment of prescribed conditions in the Act and treaty.

E. Income derived by Mutual funds

Any income earned by a Mutual Fund registered under the Securities and Exchange Board of India Act, 1992, or a Mutual Fund set up by a public sector bank or a public financial institution, or a Mutual Fund authorised by the Reserve Bank of India would be exempt from income-tax, subject to such conditions as the Central Government may by notification in the Official in accordance with the provisions of section 10(23D) of the Act.

F. Income derived by Venture Capital Companies / funds

Any income of Venture Capital Company to whom the certificate of registration is granted under SEBI (Venture Capital Funds) Regulations, 1996 before 21 May 2012 or as a sub-category I Alternative Investment Fund and is regulated under SEBI (Alternative Investment Funds Regulations) 2012, under the SEBI Act, 1992, from a Venture Capital Undertaking would be exempt from income tax, subject to conditions specified therein in accordance with the provisions of section 10(23FB) of the Act.

As per Section 115U of the Act, any income derived by a person from his investment in Venture Capital Company/ Venture Capital Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing or arising to or received by such person had the investments been made directly in the Venture Capital Undertaking.

G. **Income derived by Investment funds**

Income of an Investment Fund, being a Trust, Company, Limited Liability Partnership or a body corporate which has been granted a certificate of registration is granted under and is regulated under SEBI (Alternative Investment Funds Regulations), 2012 as Category I or Category II Alternate Investment Fund, other than the income chargeable under the head 'profits and gains of business and profession', shall be exempt from tax under 10(23FBA).

As per Section 115UB of the Act, any income derived by a person from his investment in an Investment Fund covered under section 10(23FBA), other than that proportion which is of the same nature as 'profits and gains of business and profession', would be taxable in the hands of the person making such investment in the same manner as if it were the income accruing or arising to or received by such person had the investments made by the Investment Fund been made directly by him.

H. No interest on deferment of advance tax instalment with respect to dividend income

The Finance Act 2020 amended the manner of taxation of dividend income by abolishing dividend distributiontax and restoring classical system of dividend taxation (i.e., taxation of dividend income in the hands of the shareholders). Considering the nature of income, it is not possible for taxpayer to accurately determine the advance tax liability on dividend income and therefore, the proviso to section 234C(1) of the Act provides thatno interest shall be levied under section 234C of the Act, if the shortfall in payment of advance tax instalmentis on account of underestimation or failure to estimate dividend income. The amendment was introduced by Finance Act 2021 and is applicable from 1 April 2021.

I. Set off and carry forward of capital gain losses

Short-term capital losses incurred from the shares of the company are allowed to be set-off against short-term or long-term capital gains of the same and balance short-term capital losses are allowed to carry forward for eight subsequent years for claiming set-off against subsequent years' short-term or long- term capital gains.

Long-term capital losses incurred from the shares of the company are allowed to be set-off against long-term capital gains of the same year and balance loss, if any, are allowed to carry forward for eight subsequent years long-term capital gains.

J. Surcharge on all long-term capital gains, short-term capital gains covered under section 111A of ITA and dividend income capped at 15%.

The Finance Act 2022 has capped surcharge on all type of long-term capital gains, short term capital gains covered under section 111A and dividend income to 15% which is up to 37% (25% for individuals opting for concessional tax regime) on other income in graded manner.

K. Surcharge on personal income capped at 25% for individuals opting concessional tax regime under section115BAC.

The Finance Act 2023 has capped surcharge on total income of individual assessee's opting for concessional tax regime under section 115BAC to 25% (instead of earlier surcharge of 37% for individuals having total income exceeding Rs. 5 crores).

NOTES:

1. The above statement is based on the provisions of the Act presently in force in India.

2. The above statement of possible tax benefits sets out the provisions of Direct Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

3. The above statement covers only certain possible tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company. The above are based on the existing provisions of the Direct Tax Laws and its interpretations, which are subject to change or modification by subsequent legislative, regulatory,

administrative or judicial decisions.Any such change, which also be retrospective, could have an effect on the validity of the above. We do not assume responsibility to update the views consequent to such changes.

4. The above statement of possible tax benefits is as per the current Direct Tax Laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Direct Tax Laws.

5. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.

6. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult their own tax advisor with respect to specific tax consequences of their investment in the shares of the Company.

7. No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

For **Poly Medicure Limited**

Naresh Vijayvergiya
Chief Financial Officer

Date: August 19, 2024
Place: New Delhi

LEGAL PROCEEDINGS

We are, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are in the nature of, amongst others, civil suits, criminal proceedings, tax proceedings, land and labour disputes.

As on the date of this Placement Document, except as disclosed below, there is no outstanding legal proceeding which has been considered material in accordance with our Company's policy in relation to disclosure of material events framed in accordance with Regulation 30 of the SEBI Listing Regulations. Solely for the purpose of the Issue, in accordance with the resolution passed by the QIP Committee on August 19, 2024, our Company has disclosed in this section, to the extent applicable: (i) all outstanding criminal proceedings involving our Company and its Subsidiaries; (ii) all outstanding actions (including notices received) by regulatory and/ or statutory authorities involving our Company and its Subsidiaries; (iii) all outstanding claims related to direct and indirect tax matters involving our Company and its Subsidiaries on a consolidated basis; and (iv) all other pending litigation, involving our Company and its Subsidiaries, exceeding the Materiality Amount, as set out below.

*For the purpose of (iv) above, all outstanding litigation (other than otherwise covered in this section) involving our Company and/ or its Subsidiaries shall be disclosed, if the monetary amount of claim by or against the entity in any such pending proceeding is in excess of ₹ 973.41 lakh (i.e. 5% of the average of the absolute value of the profit/ loss after tax as per the last three annual consolidated financial statements of our Company) ("**Materiality Amount**"). Further, we have also disclosed: (i) details of any inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, or any previous companies law, in the last three years immediately preceding the year of issue of this Placement Document, against our Company and our Subsidiaries; (ii) significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations; (iii) any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of issue of this Placement Document for our Company and our Subsidiaries; (ii) details of material frauds committed against our Company in the last three years, and if so, the action taken by our Company; (iv) details of default, if any, by our Company, including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) details of default in annual filing of our Company under the Companies Act, 2013; (vi) all litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoters of our Company during the last three years immediately preceding the year of issue of this Placement Document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any; and (vii) reservations, qualifications or adverse remarks our auditors in the last five Fiscals immediately preceding the year of the issue and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.*

It is clarified that for the purposes of the above, pre-litigation notices received by our Company and/ or its Subsidiaries from third parties (excluding notices from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be considered as litigation till such time that our Company and its Subsidiaries, are impleaded as parties in any such proceedings before any judicial/ arbitral forum or is notified by any governmental, statutory, or regulatory authority of any such proceeding that may be commenced.

A. *Litigation involving our Company*

<u>Litigation against our Company</u>

Civil proceedings

Nil

Criminal proceedings

Nil

Actions by statutory or regulatory authorities

1. A complaint was filed by D.C. Shaikh, Drugs Inspector, Raigad ("**Drugs Inspector**") under sections 18(c), 27(b)(ii) read with section 34(2) of the Drugs and Cosmetics Act, 1940 before the Chief Judicial Magistrate, Alibag Raigad ("**CJM Court**") on November 26, 2012 ("**Complaint**") against our Company alleging that our Company sold and distributed polyway three way stop cock without license to civil hospital, Alibag in contravention of section 18(c) of Drugs and Cosmetics Act, 1940 and sold and distributed non-standard quality drug i.e., polyway three way stop cock to civil hospital, Alibag in contravention of section 18(n)(i) read with section 10 and 18(b) of Drugs and Cosmetics Act, 1940. Our Company subsequently filed a writ petition dated September 13, 2013 before the High Court of Judicature at Bombay seeking a stay on the proceedings in the Complainant. The High Court of Judicature at Bombay pursuant to its order dated June 11, 2014 granted stay on the proceedings in the Complaint. Further, the CJM Court pursuant to its order dated September 22, 2015 referred the Complaint to the District and Session Court, Raigad for the court having jurisdiction. The matter is currently pending before the District and Session Court, Raigad.

<u>Litigation by our Company</u>

Civil proceedings

Nil

Criminal proceedings

1. A complaint was filed by our Company against B. Braun Medical (India) Private Limited and others (together, the "**Defendants**") before the Metropolitan Magistrate, Patiala House, New Delhi ("**Magistrate Court**") on November 24, 2012 ("**Complaint**") alleging that the Defendants made false and misleading statements, and willfully concealed facts to register a patent for a certain type of catheter. It was also alleged that the Defendants criminally conspired against our Company in registering the said patent and caused wrongful losses to our Company. However, the Magistrate Court dismissed our Complaint pursuant to its order dated July 1, 2014 stating that a civil suit involving the same parties and the same patent was already pending before the High Court where there have been not any findings of the forgery. Thereafter, our Company moved a revision petition dated August 22, 2014 before the Sessions Judge, Patiala House, New Delhi ("**Court**") challenging the order dated July 1, 2014 issued by the Magistrate Court. The matter is currently pending.

2. Our Company filed a criminal complaint dated February 7, 2020 against Veena Sachdeva and K.P Singh ("**Accused**") before the Judicial Magistrate, 1st Class Faridabad Courts, Faridabad, Haryana ("**Court**") under Section 138 of the Negotiable Instruments Act, 1881, as amended, alleging dishonor of cheque amounting to ₹ 279,139 issued by the Accused as consideration for the supply of various medical disposable products and equipment. The matter is currently pending.

3. Our Company filed a complaint dated June 8, 2023 against M/s. Quality Care Dialysis Private Limited and Others ("**Accused**") before the Judicial Magistrate First Class Faridabad ("**Court**") under Section 138 of the Negotiable Instruments Act, 1881, as amended, alleging dishonor of cheque that was issued to discharge the liability of paying the remaining sum of ₹ 8,13,946 as consideration for the supply of various medical disposable products and equipment. The matter is currently pending.

B. *Litigation involving our Subsidiaries*

Criminal proceedings against our Subsidiaries

Nil

Material Civil Proceedings against our Subsidiaries

Nil

Actions by statutory or regulatory authorities involving our Subsidiaries

Nil

Litigation by our Subsidiaries

Criminal proceedings by our Subsidiaries

Nil

Material Civil Proceedings by our Subsidiaries

Nil

C. ***Tax proceedings involving our Company and our Subsidiaries***

Except as disclosed below, none of our Company or our Subsidiaries are involved in any proceedings relating to direct and indirect taxes and no assessments have been disputed with tax authorities.

Nature of case	Number of cases	Aggregate Amount involved (*in ₹ lakh*) *
Company		
Direct Tax	Nil	Nil
Indirect Tax	2	881.37
Total (A)	**2**	**881.37**
Subsidiaries		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total (A)	**Nil**	**Nil**

** To the extent ascertainable.*
*** This includes (a) show cause notice issued by Principal Commissioner of Customs for duty difference amounting to ₹ 849.03 lakh plus penalty thereon. The matter is currently pending in appeal with Customs, Excise & Gold (Control) Appellate Tribunal (CEGAT Tribunal); and (b) demand in respect of transitional input tax credit by Assistant Commissioner of CGST amounting to ₹ 32,34 Lakh (including penalty). The appeal is pending to be filed with the tribunal.*

D. ***Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years***

There have been no inquiries, inspections or investigations initiated or conducted or prosecutions filed, disposed of or fine imposed or compounding application filed under the Companies Act, 1956 or the Companies Act, 2013, or any previous company law in relation to our Company in the three years immediately preceding the date of this Placement Document

E. ***Inquiries, inspections, or investigations under the Companies Act initiated or conducted in the last three Years***

There have been no inquiries, inspections or investigations initiated or conducted against our Company or our Subsidiaries under the Companies Act, 1956 or the Companies Act, 2013 in the last three years immediately preceding the year of issue of this Placement Document, nor have there been any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document involving our Company or our Subsidiaries.

F. ***Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company***

There have been no material frauds committed against our Company in the last three years preceding the date of this Placement Document.

G. ***Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of statutory dues; debentures and interests thereon; deposits and interest thereon; and loan from any bank or financial institution and interest thereon***

Except as disclosed in "***Legal Proceedings – Tax proceedings involving our Company and our Subsidiaries***" on page 245. As of the date of this Placement Document, there are no outstanding instances of defaults in payment of undisputed or disputed statutory dues by our Company.

H. ***Details of defaults in annual filing of our Company under the Companies Act, 2013 and the rules made thereunder***

As on the date of this Placement Document, our Company has not made any default in annual filings of our Company under the Companies Act, 2013 and the rules made thereunder.

I. ***Details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations***

There are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

J. ***Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Placement Document and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks***

There are no reservations, qualifications or adverse remarks of our statutory auditors in their respective reports on our audited financial statements for the last five Fiscals preceding the date of this Placement Document.

OUR STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013, M. C. Bhandari & Company, Chartered Accountants, were appointed as our Company's Statutory Auditors pursuant to a resolution adopted by our Shareholders at the annual general meeting held on September 23, 2019, for a period of five years from September 23, 2019 until the conclusion of the 29th annual general meeting of our Company.

M. C. Bhandari & Company, Chartered Accounts, our Company's Statutory Auditors have audited the Audited Consolidated Financial Statements and have issued their respective audit reports which are included in this Placement Document in the "***Financial Information***" on page 248. Further, M. C. Bhandari & Company, Chartered Accounts, have performed limited review of the Statement of Unaudited Financial Results for the quarter and three months ended June 30, 2024 and the quarter and three months ended June 30, 2023, and have issued corresponding review reports dated July 22, 2024 and August 7, 2023 respectively, thereon, which are also included in this Placement Document in "***Financial Information***" on page 248.

The peer review certificate of our Statutory Auditors is valid as of the date of this Placement Document.

FINANCIAL INFORMATION

Independent Auditors' Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To Board of Directors
Poly Medicure Limited
232-B, IIIrd Floor,
Okhla Industrial Estate, Phase-III,
New Delhi- 110020

We have reviewed the accompanying statement of unaudited standalone financial results of Poly Medicure Limited ("the company") for the quarter ended 30th June 2024 attached herewith, being submitted by the company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). This statement is the responsibility of the Company's Management and approved by the Board of Directors has been compiled from the related interim financial statements which has been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M C Bhandari & Co.
Chartered Accountants
Firm Registration No. 303002E

Ravindra Bhandari
Partner
Membership No. 097466
UDIN:

Place of signature: New Delhi
Date: 22nd July 2024

Independent Auditors' Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To Board of Directors
Poly Medicure Limited
232-B, IIIrd Floor,
Okhla Industrial Estate, Phase-III,
New Delhi- 110020

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Poly Medicure Limited (" Parent") and its subsidiaries (the parent and its subsidiaries together referred to as 'the group') and its share of the profit after tax of its associate for the quarter ended 30th June 2024 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019('the Circular').

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the entities mentioned in Annexure I to the statement.

5. We did not review the financial results of 2 foreign subsidiaries and one subsidiary incorporated in India included in the consolidated unaudited financial results, whose financial results reflect

total revenues of Rs 2181.98 Lacs, total net profit/ (loss) after tax of Rs 130.33 Lacs, for the quarter ended 30th June 2024, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 43.39 Lacs, for the quarter ended 30th June 2024, as considered in the statement, in respect of one foreign associate, whose financial results have not been reviewed by us.

These financial results are certified by the management of respective companies and our conclusion on the Statement in so far as it relates to the amounts and disclosures in respect of these subsidiaries and associate is based solely on the basis of financial statement as certified and procedures performed by us as stated in paragraph 3 above. Our conclusion on the statement is not modified in respect of above matter.

6. In respect of subsidiaries and associate located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and are management certified. The Parent's management has converted the financial results of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have reviewed conversion adjustment made by the parent's management. Our conclusion in so far as it relates to balances and affairs of such subsidiaries and associate located outside India is based on the conversion adjustments prepared by the management of the Parent and reviewed by us.

7. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the financial statements as certified by the management referred to paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with recognition and measurement principles laid in the aforesaid Indian Accounting Standard specified under Section 133 of Companies Act,2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation, read with circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M C Bhandari & Co.
Chartered Accountants
Firm's Registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN:

Place: New Delhi
Date: 22nd July 2024.

Annexure I: List of entities consolidated as at June 30, 2024

1. Poly Medicure (Laiyang) Co. Ltd.- China - Wholly owned Subsidiary.(Management Certified)
2. Poly Medicure BV - Netherlands (Consolidated) – Wholly owned Subsidiary (Management Certified)
3. Ultra for Medical Products Co. (UMIC) – Egypt – Associate (Management Certified)
4. Plan 1 Health India Pvt. Ltd. (Management Certified)

POLY MEDICURE LIMITED

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020
Website: www.polymedicure.com, E-mail: investorcare@polymedicure.com, CIN: L40300DL1995PLC066923

STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024

(₹ in lacs except per share data)

	Particulars	Standalone			Consolidated			Standalone	Consolidated
		Quarter Ended			Quarter Ended			Year Ended	Year Ended
		30.06.2024	31.03.2024	30.06.2023	30.06.2024	31.03.2024	30.06.2023	31.03.2024	31.03.2024
		(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Audited)
1	**Income**								
a	Revenue from operations	36,742.47	36,092.85	30,555.96	38,477.64	37,807.42	32,083.00	130,724.91	137,579.63
b	Other income	1,683.15	1,565.90	1,316.83	1,691.91	1,497.30	1,311.49	5,817.67	5,874.81
	Total income(A)	**38,425.62**	**37,658.75**	**31,872.79**	**40,169.55**	**39,304.72**	**33,394.49**	**136,542.58**	**143,454.44**
2	**Expenses**								
a	Cost of materials consumed	12,529.85	11,703.16	9,939.59	13,257.17	12,660.71	10,524.72	43,276.80	46,478.45
b	Purchases of stock-in-trade	89.26	135.40	176.63	89.26	135.42	176.63	702.09	702.15
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(510.69)	568.63	346.57	(520.47)	324.28	513.84	1,302.43	1,080.16
d	Employee benefits expense	6,639.80	6,229.32	5,440.81	7,078.96	6,944.46	5,774.55	22,885.45	24,591.17
e	Research and development expenses	411.97	487.44	428.12	412.05	490.42	428.53	1,892.63	1,896.02
f	Finance cost	297.99	293.35	235.94	316.20	312.46	249.19	1,074.09	1,130.09
g	Depreciation and amortisation expense	1,897.57	1,615.77	1,504.26	1,964.97	1,620.00	1,552.48	6,205.18	6,392.65
h	Other expenses	7,462.34	7,228.45	5,714.07	7,769.07	7,594.18	5,945.38	25,714.52	27,009.52
	Total expenses(B)	**28,818.09**	**28,261.52**	**23,785.99**	**30,367.21**	**30,081.93**	**25,165.32**	**103,053.19**	**109,280.21**
3	**Profit from operations before exceptional items (A-B)**	**9,607.53**	**9,397.23**	**8,086.80**	**9,802.34**	**9,222.79**	**8,229.17**	**33,489.39**	**34,174.23**
4	**Exceptional Items**								
5	Share of Profit of an associate	-	-		43.39	22.88	74.90	-	252.68
6	**Profit before tax**	**9,607.53**	**9,397.23**	**8,086.80**	**9,845.73**	**9,245.67**	**8,304.07**	**33,489.39**	**34,426.91**
7	Tax expense								
a	Current tax	2,204.27	1,957.95	1,966.07	2,268.78	2,023.86	1,966.20	7,409.30	7,693.19
b	Deferred tax	173.01	386.03	68.31	173.01	386.03	68.31	898.41	898.41
c	Earlier Year Taxes	-	-	-	-	-	-	9.34	9.34
	Total Tax Expense	**2,377.28**	**2,343.98**	**2,034.38**	**2,441.79**	**2,409.89**	**2,034.51**	**8,317.05**	**8,600.94**
8	**Profit after tax**	**7,230.25**	**7,053.25**	**6,052.42**	**7,403.94**	**6,835.78**	**6,269.56**	**25,172.34**	**25,825.97**
9	**Other Comprehensive Income**								
	Items that will not be reclassified to profit or loss :								
	Remeasurements of defined benefit obligations	(172.69)	(0.16)	(12.55)	(172.69)	(0.16)	(12.55)	(112.95)	(112.95)
	Tax impacts on above	43.47	0.04	3.16	43.47	0.04	3.16	28.43	28.43
	Items that will be reclassified to profit or loss in subsequent period:								
	Exchange differences on translation of financial statements of foreign Subsidiaries	-	-	-	(8.36)	(8.29)	(14.50)	-	(3.84)
	Tax impacts on above				-	-			-
	Total Other Comprehensive Income	**(129.22)**	**(0.12)**	**(9.39)**	**(137.58)**	**(8.41)**	**(23.89)**	**(84.52)**	**(88.36)**
10	**Total comprehensive income (comprising profit after tax and other comprehensive income after tax)**	**7,101.03**	**7,053.13**	**6,043.03**	**7,266.36**	**6,827.37**	**6,245.67**	**25,087.82**	**25,737.61**
11	**Net Profit attributable to:**								
	Equity holders of the parent	**-**	**-**	**-**	**7,403.94**	**6,835.78**	**6,269.56**	**-**	**25,825.97**
	Non-controlling interests	**-**	**-**	**-**	**-**	**-**	-	**-**	
12	**Other Comprehensive income attributable to:**								
	Equity holders of the parent	**-**	**-**	**-**	**(137.58)**	**(8.41)**	**(23.89)**	**-**	**(88.36)**
	Non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
13	**Total comprehensive income attributable to:**								
	Equity holders of the parent	**-**	**-**	**-**	**7,266.36**	**6,827.37**	**6,245.67**	**-**	**25,737.61**
	Non-controlling interests	**-**	**-**	**-**	**-**	**-**	-	**-**	
14	Paid-up equity share capital (Face Value of ₹ 5 each)	4,798.58	4,798.58	4,797.23	4,798.58	4,798.58	4,797.23	4,798.58	4,798.58

15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year		-		-	-	-	141,026.25	142,206.77
16	Earnings per share (Quarterly not annualised) :								
	Basic (₹)	7.53	7.35	6.31	7.71	7.12	6.54	26.24	26.92
	Diluted (₹)	7.53	7.35	6.30	7.71	7.12	6.53	26.22	26.90

Notes:

1 The above unaudited standalone and consolidated results were reviewed and recommended by the Audit Committee & approved by the Board of Directors at their respective meetings held on 22nd July, 2024 and have also been limited reviewed by Statutory auditors of the company.The statutory auditors have expressed an unmodified review report on these standalone and consolidated financial results.

2 The standalone and consolidated financial results have been prepared in accordance with the principles and procedures of Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013.

3 The Consolidated unaudited Financial Results of the Company and its Foreign Subsidiaries/Indian subsidiary ("Group") and associate have been prepared as per IND AS 110 "Consolidated Financial statements" and IND AS 28 on "Investment in Associates". The following entities have been considered in Consolidated quarterly financial results.

1. Poly Medicure (Laiyang) Co. Ltd – Wholly owned Subsidiary (Management Certified)
2. Poly Medicure B V – Netherlands(Consolidated) – Wholly owned Subsidiary (Management certified)
3. Plan 1 health India Pvt Ltd.- Wholly owned Subsidiary (Management Certified)
4. Ultra for Medical Products Co.(UMIC) Egypt – Associate (Management Certified)

4 The financial results include the results for the quarter ended March 31,2024 being the balancing figures between the audited figures in respect of full financial year ended 31st March 2024 and the published unaudited year to date figures upto the third quarter of the previous financial year.

5 In line with the provisions of Ind AS 108- Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the group falls under medical devices, which is considered to be the only reportable segment by the management.

6 During the quarter ended 30th June 2024, the company received a demand order from joint Commissioner of CGST Faridabad, Haryana for aggregate amount of Rs. 42.38 crore along with penalty under section 74(1) of the CGST Act, 2017 read with section 20 of the ICGST Act, 2017 and interest under section 50(1) of the CGST Act, 2017 for the period July 2017 to November 2019 on the grounds that the company was not eligible to claim refund under rule 96(10) of the CGST Rules, 2017.
Based on Company's assessment the aforesaid demands are not maintainable, and company is evaluating all options including filling an appeal against the order. The company does not envisage any relevant impact on financials, operations, or other activities of the company

7 The unaudited results of Poly Medicure Limited for the Quarter ended 30th June 2024 are available on our website, www.polymedicure.com and on the Stock Exchange website www.nseindia.com and www.bseindia.com

Place : New Delhi
Date : 22nd July 2024

Himanshu Baid
Managing Director

POLY MEDICURE LIMITED

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020,
Website: www.polymedicure.com, E-mail: investorcare@polymedicure.com, CIN: L40300DL1995PLC066923
STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER JUNE 30, 2024

(₹ in lacs except per share data)

	Particulars	Standalone			Consolidated		
		Quarter Ended	Quarter Ended	Year Ended	Quarter Ended	Quarter Ended	Year Ended
		30.06.2024	30.06.2023	31.03.2024	30.06.2024	30.06.2023	31.03.2024
		(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Audited)
1	Total Income from operations	38,425.62	31,872.79	136,542.58	40,169.55	33,394.49	143,454.44
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	9,607.53	8,086.80	33,489.39	9,845.73	8,304.07	34,426.91
3	Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	9,607.53	8,086.80	33,489.39	9,845.73	8,304.07	34,426.91
4	Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items)	7,230.25	6,052.42	25,172.34	7,403.94	6,269.56	25,825.97
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	7,101.03	6,043.03	25,087.82	7,266.36	6,245.67	25,737.61
6	Equity paid up share capital	4,798.58	4,797.23	4,798.58	4,798.58	4,797.23	4,798.58
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year			141,026.25	-		142,206.77
8	Earnings per share (Face Value of ₹ 5 each) (Quarterly not annualised) :						
	Basic (₹)	7.53	6.31	26.24	7.71	6.54	26.92
	Diluted (₹)	7.53	6.30	26.22	7.71	6.53	26.90

1 The above unaudited standalone and consolidated results were reviewed and recommended by the Audit Committee & approved by the Board of Directors at their respective meetings held on 22nd July,2024 and have also been limited reviewed by Statutory auditors of the company.

2 The above is an extract of the detailed format of unaudited Standalone and Consolidated Financial Results for the Quarter ended June 30,2024 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the unaudited Financial Results are available on the Stock Exchange websites, www.bseindia.com, www.nseindia.com and on the company website www.polymedicure.com.

Place : New Delhi

Date : 22nd July 2024

Himanshu Baid
Managing Director

Independent Auditors' Review Report on the Quarterly Unaudited Standalone Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To Board of Directors
Poly Medicure Limited
232-B, IIIrd Floor,
Okhla Industrial Estate, Phase-III,
New Delhi- 110020

We have reviewed the accompanying statement of unaudited standalone financial results of Poly Medicure Limited ("the company") for the quarter ended 30th June 2023 attached herewith, being submitted by the company pursuant to the requirements of Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). This statement is the responsibility of the Company's Management and approved by the Board of Directors has been compiled from the related interim financial statements which has been prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), specified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M C Bhandari & Co.
Chartered Accountants
Firm Registration No. 303002E

Ravindra Bhandari
Partner
Membership No. 097466
UDIN:

Place of signature: New Delhi
Date: 7th August 2023

Independent Auditors' Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

To Board of Directors
Poly Medicure Limited
232-B, IIIrd Floor,
Okhla Industrial Estate, Phase-III,
New Delhi- 110020

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Poly Medicure Limited (" Parent") and its subsidiaries (the parent and its subsidiaries together referred to as 'the group') and its share of the profit after tax of its associate for the quarter ended 30th June 2023 (the "Statement") attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended ('the Regulation'), read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019('the Circular').

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34, (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India read with the Circular. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

4. The Statement includes the results of the entities mentioned in Annexure I to the statement.

5. We did not review the financial results of 2 foreign subsidiaries and one subsidiary incorporated in India included in the consolidated unaudited financial results, whose financial results reflect total revenues of Rs 1672.90 Lacs, total net profit/ (loss) after tax of Rs 145.52 Lacs, for the quarter ended 30th June 2023, as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 74.90 Lacs, for the quarter ended 30th June 2023, as considered in the statement, in respect of one foreign associate, whose financial results have not been reviewed by us.
These financial results are certified by the management of respective companies and our conclusion on the Statement in so far as it relates to the amounts and disclosures in respect of these subsidiaries and associate is based solely on the basis of financial statement as certified and procedures performed by us as stated in paragraph 3 above. Our conclusion on the statement is not modified in respect of above matter.

6. In respect of subsidiaries and associate located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and are management certified. The Parent's management has converted the financial results of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have reviewed conversion adjustment made by the parent's management. Our conclusion in so far as it relates to balances and affairs of such subsidiaries and associate located outside India is based on the conversion adjustments prepared by the management of the Parent and reviewed by us.

7. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the financial statements as certified by the management referred to paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with recognition and measurement principles laid in the aforesaid Indian Accounting Standard specified under Section 133 of Companies Act,2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation, read with circular, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M C Bhandari & Co.
Chartered Accountants
Firm's Registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN:

Place: New Delhi
Date: 7th August 2023.

Annexure I: List of entities consolidated as at June 30, 2023

1. Poly Medicure (Laiyang) Co. Ltd.- China - Wholly owned Subsidiary.
2. Poly Medicure BV - Netherlands (Consolidated) – Wholly owned Subsidiary
3. Ultra for Medical Products Co. (UMIC) – Egypt – Associate
4. Plan 1 Health India Pvt. Ltd.

POLY MEDICURE LIMITED

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020
Website: www.polymedicure.com, E-mail: investorcare@polymedicure.com, CIN: L40300DL1995PLC066923
STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

(₹ in lacs except per share data)

	Particulars	Standalone			Consolidated			Standalone	Consolidated
		Quarter Ended			Quarter Ended			Year Ended	Year Ended
		30.06.2023 (Unaudited)	31.03.2023 (Audited)	30.06.2022 (Unaudited)	30.06.2023 (Unaudited)	31.03.2023 (Audited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)	31.03.2023 (Audited)
1	**Income**								
a	Revenue from operations	30,555.96	29,331.16	23,900.77	32,083.00	30,685.26	24,885.32	1,06,804.50	1,11,523.04
b	Other income	1,316.83	865.55	457.68	1,311.49	849.45	457.10	3,628.74	3,618.54
	Total income(A)	**31,872.79**	**30,196.71**	**24,358.45**	**33,394.49**	**31,534.71**	**25,342.42**	**1,10,433.24**	**1,15,141.58**
2	**Expenses**								
a	Cost of materials consumed	9,939.59	10,118.02	9,208.11	10,524.72	10,882.20	9,774.42	39,484.49	42,431.15
b	Purchases of stock-in-trade	176.63	131.06	230.03	176.63	131.06	230.03	521.31	521.31
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	346.57	(346.78)	(640.51)	513.84	(528.80)	(743.45)	(1,552.13)	(2,364.94)
d	Employee benefits expense	5,440.81	4,993.95	4,187.68	5,774.55	5,351.45	4,540.51	18,834.91	20,274.58
e	Research and development expenses	428.12	573.55	391.76	428.53	577.27	392.23	1,776.04	1,780.25
f	Finance cost	235.94	221.53	106.90	249.19	234.88	121.15	830.07	883.86
g	Depreciation and amortisation expense	1,504.26	1,471.26	1,358.16	1,552.48	1,478.76	1,393.47	5,563.68	5,716.68
h	Other expenses	5,714.07	5,693.82	5,703.42	5,945.38	5,950.86	6,044.74	21,292.16	22,342.22
	Total expenses(B)	**23,785.99**	**22,856.41**	**20,545.55**	**25,165.32**	**24,077.68**	**21,753.10**	**86,750.53**	**91,585.11**
3	**Profit from operations before exceptional items (A-B)**	**8,086.80**	**7,340.30**	**3,812.90**	**8,229.17**	**7,457.03**	**3,589.32**	**23,682.71**	**23,556.47**
4	**Exceptional Items**	-	-		-	-		-	-
5	Share of Profit of an associate	-	-		74.90	58.57	39.81	-	192.67
6	**Profit before tax**	**8,086.80**	**7,340.30**	**3,812.90**	**8,304.07**	**7,515.60**	**3,629.13**	**23,682.71**	**23,749.14**
7	Tax expense								
a	Current tax	1,966.07	1,810.81	966.60	1,966.20	1,853.46	966.60	5,870.26	5,912.91
b	Deferred tax	68.31	(218.93)	(33.70)	68.31	(218.93)	(33.70)	(109.76)	(109.76)
c	Earlier Year Taxes	-	-	-	-	-	-	17.74	17.74
	Total Tax Expense	**2,034.38**	**1,591.88**	**932.90**	**2,034.51**	**1,634.53**	**932.90**	**5,778.24**	**5,820.89**
8	**Profit after tax**	**6,052.42**	**5,748.42**	**2,880.00**	**6,269.56**	**5,881.07**	**2,696.23**	**17,904.47**	**17,928.25**
9	**Other Comprehensive Income**								
	Items that will not be reclassified to profit or loss :								
	Remeasurements of defined benefit obligations	(12.55)	18.52	25.04	(12.55)	18.52	25.04	19.80	19.80
	Tax impacts on above	3.16	(4.66)	(6.30)	3.16	(4.66)	(6.30)	(4.98)	(4.98)
	Items that will be reclassified to profit or loss in subsequent period:								
	Exchange differences on translation of financial statements of foreign Subsidiaries	-	-	-	(14.50)	(62.22)	(14.43)	-	25.79
	Tax impacts on above				-	-			-
	Total Other Comprehensive Income	**(9.39)**	**13.86**	**18.74**	**(23.89)**	**(48.36)**	**4.31**	**14.82**	**40.61**
10	**Total comprehensive income (comprising profit after tax and other comprehensive income after tax)**	**6,043.03**	**5,762.28**	**2,898.74**	**6,245.67**	**5,832.71**	**2,700.54**	**17,919.29**	**17,968.86**
11	**Net Profit attributable to:**								
	Equity holders of the parent	-	-	-	6,269.56	5,881.07	2,696.23	-	17,928.25
	Non-controlling interests	-	-	-	-	-	-	-	
12	**Other Comprehensive income attributable to:**								
	Equity holders of the parent	-	-	-	(23.89)	(48.36)	4.31	-	40.61
	Non-controlling interests	-	-	-	-	-	-		

POLY MEDICURE LIMITED New Delhi

13	**Total comprehensive income attributable to:**								
	Equity holders of the parent	-	-	-	**6,245.67**	**5,832.71**	**2,700.54**	-	**17,968.86**
	Non-controlling interests	-	-	-	-	-	-	-	
14	Paid-up equity share capital (Face Value of ₹ 5 each)	4,797.23	4,797.23	4,795.02	4,797.23	4,797.23	4,795.02	4,797.23	4,797.23
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year		-		-	-	-	1,18,615.22	1,19,365.49
16	Earnings per share (Quarterly not annualised) :								
	Basic (₹)	6.31	6.00	3.00	6.54	6.13	2.81	18.67	18.69
	Diluted (₹)	6.30	5.99	3.00	6.53	6.13	2.81	18.65	18.67

Notes:

1 The above unaudited standalone and consolidated results were reviewed and recommended by the Audit Committee & approved by the Board of Directors at their respective meetings held on 7th August, 2023 and have also been limited reviewed by Statutory auditors of the company.The statutory auditors have expressed an unmodified audit opinion on these standalone and consolidated financial results.

2 The standalone and consolidated financial results have been prepared in accordance with the principles and procedures of Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 as specified in Section 133 of the Companies Act, 2013.

3 The Consolidated unaudited Financial Results of the Company and its Foreign Subsidiaries/Indian subsidiary ("Group") and associate have been prepared as per IND AS 110 "Consolidated Financial statements" and IND AS 28 on "Investment in Associates". The following entities have been considered in Consolidated quarterly financial results.

1. Poly Medicure (Laiyang) Co. Ltd – Wholly owned Subsidiary (Management Certified)
2. Poly Medicure B V – Netherlands(Consolidated) – Wholly owned Subsidiary (Management certified)
3. Plan 1 health India Pvt Ltd.- Wholly owned Subsidiary (Management Certified)
4. Ultra for Medical Products Co.(UMIC) Egypt – Associate (Management Certified)

4 The financial results include the results for the quarter ended March 31,2023 being the balancing figures between the audited figures in respect of full financial year ended 31st March 2023 and the published unaudited year to date figures upto the third quarter of the previous financial year.

5 In line with the provisions of Ind AS 108- Operating Segments and on the basis of review of operations being done by the management of the Company, the operations of the group falls under medical devices, which is considered to be the only reportable segment by the management.

6 Previous period figures have been regrouped wherever necessary to conform to the current year classification.

7 The unaudited results of Poly Medicure Limited for the Quarter ended 30th June 2023 are available on our website, www.polymedicure.com and on the Stock Exchange website www.nseindia.com and www.bseindia.com

Place : New Delhi
Date : 7th August 2023

POLY MEDICURE LIMITED New Delhi

Himanshu Baid
Managing Director

POLY MEDICURE LIMITED

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020,
Website: www.polymedicure.com, E-mail: investorcare@polymedicure.com, CIN: L40300DL1995PLC066923
STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER JUNE 30, 2023

(₹ in lacs except per share data)

	Particulars	**Standalone**			**Consolidated**		
		Quarter Ended 30.06.2023 (Unaudited)	**Quarter Ended 30.06.2022 (Unaudited)**	**Year Ended 31.03.2023 (Audited)**	**Quarter Ended 30.06.2023 (Unaudited)**	**Quarter Ended 30.06.2022 (Unaudited)**	**Year Ended 31.03.2023 (Audited)**
1	Total Income from operations	31,872.79	24,358.45	1,10,433.24	33,394.49	25,342.42	1,15,141.58
2	Net Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	8,086.80	3,812.90	23,682.71	8,304.07	3,629.13	23,749.14
3	Net Profit/(Loss) for the period before Tax (after Exceptional and/or Extraordinary items)	8,086.80	3,812.90	23,682.71	8,304.07	3,629.13	23,749.14
4	Net Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items)	6,052.42	2,880.00	17,904.47	6,269.56	2,696.23	17,928.25
5	Total Comprehensive Income for the period [Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	6,043.03	2,898.74	17,919.29	6,245.67	2,700.54	17,968.86
6	Equity paid up share capital	4,797.23	4,795.02	4,797.23	4,797.23	4,795.02	4,797.23
7	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year			1,18,615.22	-		1,19,365.49
8	Earnings per share (Face Value of ₹ 5 each) (Quarterly not annualised) :						
	Basic (₹)	6.31	3.00	18.67	6.54	2.81	18.69
	Diluted (₹)	6.30	3.00	18.65	6.53	2.81	18.67

1 The above unaudited standalone and consolidated results were reviewed and recommended by the Audit Committee & approved by the Board of Directors at their respective meetings held on 7th August,2023 and have also been limited reviewed by Statutory auditors of the company.

2 The above is an extract of the detailed format of unaudited Standalone and Consolidated Financial Results for the Quarter ended June 30,2023 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the unaudited Financial Results are available on the Stock Exchange websites, www.bseindia.com, www.nseindia.com and on the company website www.polymedicure.com.

POLY MEDICURE LIMITED New Delhi

Place : New Delhi

Date : 7th August 2023

Himanshu Baid
Managing Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POLY MEDICURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Poly Medicure Limited ("the Holding Company") its foreign subsidiaries and subsidiary company incorporated in India (the Company and its subsidiaries together referred to as "the Group") its associate as per list annexed, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows including its associate for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the Key Audit Matter was addressed
Goodwill The Group has recognised goodwill on consolidation amounting to ₹ 2,858.11 lacs. The group conducts annual impairment testing of goodwill using discounted cash flow method. Significant judgements are used to estimate the recoverable amount of goodwill. The determination of recoverable amount involves use of several key assumptions including estimate of future sales volume, price, operating margin and discount rate and is, hence, considered as a key audit matter. The Group has assessed that no impairment in the value of goodwill is necessitated. (Refer Note 46)	We have assessed business plan and future cash flows of Step subsidiary company to evaluate management position on non-impairment in value of goodwill on consolidation. Our audit procedures included following: Evaluated the design and tested operating effectiveness of management control in assessing carrying amount of goodwill. Obtained computation of recoverable amount and tested reasonableness of key assumptions Obtained & Evaluated management sensitivity analysis to ascertain impact of changes in key assumptions for determining downside impact on recoverable amount.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of the audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard, as for the year ended March 31, 2024 the other information has not yet been prepared and not yet approved by Board of Directors.

Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding company.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls. There is only one subsidiary company incorporated in India and two subsidiary companies are incorporated out of India.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statement which have been audited by other auditors situated outside India, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of holding company and subsidiary company incorporated in India included in financial statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of ₹ 1,739.91 lacs as at 31st March 2024 and total revenue of ₹ 1,503.45 lacs for the year then ended on that date and financial statements of one foreign associate in which the share of profit of the Group is ₹ 252.68 lacs. The financial statements of one foreign subsidiary namely Poly Medicure (Laiyang) Co. Ltd., China have been audited by other auditors outside India whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

The financial statements of one associate namely Ultra for Medical Products (UMIC), Egypt, have been furnished to us by management of that company and is unaudited and management certified and our opinion is based solely on the basis of unaudited/ management certified financial statements for the year ended 31st December 2023.

The Financial Statement of one foreign subsidiary (as Consolidated) namely Poly Medicure BV Netherlands in which financial statement of Step Subsidiary Plan 1 Health and Poly Health Medical INC. US are consolidated and whose consolidated financial statement/information reflect total assets of ₹7,746.55 Lacs as at 31st March'2024, and total consolidated revenue of ₹6,654.54Lacs for the year ended on that date as considered in the Consolidated financial statements. These consolidated financial statement/financial information have not been audited as based on article 2.396 Section 6 of Dutch Civil Code, the said foreign subsidiary company is exempt from the obligation to have the annual accounts (including consolidated accounts) audited by the auditor, and are, therefore, management certified and have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosure included in respect of the Subsidiary so far as it relates to the aforesaid subsidiary is based solely on the basis of management certified consolidated financial statements as adjusted suitably to give effect to adopt uniform accounting policies.

In respect of subsidiaries/ associate located outside India whose financial result and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditor/ management certified. The holding company's management has converted the financial results of such subsidiaries/associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the holding company's management. Our opinion in so far as it relates to the balances and affair of such subsidiaries/ associate located outside India is based on the report of other auditor/ management certified and the conversion adjustment prepared by the management of the holding company and audited by us.

Our Opinion on Consolidated financial statements and our report on other legal and regulatory requirements is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statement/financial information as certified by management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2024 taken on record by the Board of Directors of the holding Company, and of subsidiary company incorporated in India, none of the directors of the holding Company and its subsidiary company incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy and the operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements of the Holding company and its subsidiary company incorporated in India, refer to our separate report in annexure 1 to this report.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements as also other financial information of subsidiaries, associates as noted in "other Matter'' paragraph.

      i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group. (Refer Note No. 35 to consolidated financial statements.)

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses. The Company did not have any long-term derivative contract.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and subsidiary company incorporated in India.

      iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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 (a) and (b) above, contain any material misstatement.

v) (a). The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. No interim dividend was declared or paid by the company during the year.

(b). The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination, which included test checks, the company and its subsidiary company incorporated in India has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of audit, we do not come accress any instance of the audit trail being tempered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1st, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company incorporated in India included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN: 24097466BKGQOD1043

Place: New Delhi
Date: 17th May 2024

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2024, we have audited the internal financial controls over financial reporting of Poly Medicure Limited ("the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and of subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI'). 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over financial Reporting
Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion
In our opinion, the Holding Company and subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2024, based on the internal control over financial reporting 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 ICAI.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN: 24097466BKGQOD1043

Place: New Delhi

Date: 17th May 2024

Annexure I: List of entities consolidated as at 31 March 2024

Poly Medicure (Laiyang) Co. Ltd.- China - Wholly owned Subsidiary (Audited)
Poly Medicure BV - Netherlands (Consolidated) – Wholly owned Subsidiary (Unaudited Management Certified)
Ultra for Medical Products Co. (UMIC) – Egypt – Associate (Unaudited Management Certified)
Plan 1 Health India Pvt. Ltd. Subsidiary (Audited)

Poly Medicure Limited

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020,

www.polymedicure.com, Email: investorcare@polymedicure.com

CIN: L40300DL1995PLC066923

Consolidated Balance Sheet as at 31 March 2024

(₹ in lacs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
1 **Non-current assets**			
(a) Property, plant and equipment	2	81,852.79	58,732.09
(b) Capital work-in-progress		6,669.78	7,258.35
(c) Right of Use	2	371.10	247.38
(d) Investment Properties	3	58.37	90.89
(e) Goodwill on consolidation		2,858.11	2,858.11
(f) Intangible assets	2	1,598.59	1,597.34
(g) Intangible assets under development		900.85	557.50
(h) Financial Assets			
(i) Investment in associates	4	712.87	764.20
(ii) Other Investments	5	2,044.15	-
(ii) Other financial assets	7	1,330.97	1,133.04
(i) Other non-current assets	8	3,306.94	3,813.25
Total non-current assets		**101,704.52**	**77,052.15**
2 **Current assets**			
(a) Inventories	9	22,103.04	20,865.48
(b) Financial assets			
(i) Investments	5	13,954.10	12,402.35
(ii) Trade receivables	10	26,993.88	23,543.20
(iii) Cash and cash equivalents	11	1,205.31	706.24
(iv) Bank balances other than (iii) above	12	13,480.52	17,057.08
(v) Loans	6	23.00	29.77
(vi) Other financial assets	7	1,283.69	737.43
(c) Other current assets	8	5,119.13	5,327.22
Total current assets		**84,162.67**	**80,668.77**
TOTAL ASSETS		**185,867.19**	**157,720.92**

EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	4,798.58	4,797.23
(b) Other equity	14	142,206.77	119,365.49
Equity attributable to shareholders of the company		**147,005.35**	**124,162.72**
Non-controlling interest		-	-
Total equity		**147,005.35**	**124,162.72**
LIABILITIES			
1 **Non-current liabilities**			
(a) Financial liabilities			
(i) Borrowings	15	108.81	1,750.12
(ii) Lease Liabilities		208.70	134.93
(iii) Other financial liabilities	16	72.82	65.66
(b) Provisions	17	598.98	460.23
(c) Government Grants		300.04	273.52
(d) Deferred tax liabilities (Net)	18	2,448.34	1,543.47
Total non-current liabilities		**3,737.69**	**4,227.93**
2 **Current liabilities**			
(a) Financial liabilities			
(i) Borrowings	19	16,912.65	12,893.27
(ii) Lease Liabilties		185.07	123.36
(iii) Trade payables	20		
a) total outstanding dues of micro enterprises and small enterprises		1,422.61	1,387.17
b) total outstanding dues of creditors other than micro enterprises and small enterprises		8,137.15	7,844.31
(iv) Other financial liabilities	21	5,214.56	3,658.63
(b) Other current liabilities	22	2,838.95	3,284.56
(c) Provisions	17	57.19	55.20
(d) Current tax liabilities (net)	23	355.97	83.76
Total current liabilities		**35,124.15**	**29,330.26**
TOTAL LIABILITIES		**185,867.19**	**157,720.92**
Material accounting policies	a-y		
The accompanying notes are integral part of the Consolidated financial statements.	1 - 51		

As per our consolidated audit report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Place : New Delhi
Date : 17th May 2024

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020,
www.polymedicure.com, Email: investorcare@polymedicure.com
CIN: L40300DL1995PLC066923

Consolidated Statement of Profit and Loss for the year ended 31 March 2024

(₹ in lacs)

Particulars	Note No.	Year ended 31 March2024	Year ended 31 March2023
INCOME			
Revenue from operations	24	137,579.63	111,523.04
Other income	25	5,874.81	3,618.54
Total Income		**143,454.44**	**115,141.58**
EXPENSES			
Cost of materials consumed	26	46,478.45	42,431.15
Purchases of Stock-in-Trade		702.15	521.31
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	1,080.16	(2,364.94)
Employee benefits expense	28	24,591.17	20,274.58
Research and development expenses	29	1,896.02	1,780.25
Finance cost	30	1,130.09	883.86
Depreciation and amortization expense	31	6,392.65	5,716.68
Other expenses	32	27,009.52	22,342.22
Total Expenses		**109,280.21**	**91,585.11**
Profit before tax, and share of net profit from associates		**34,174.23**	**23,556.47**
Share of profit from associates		252.68	192.67
Profit before tax		**34,426.91**	**23,749.14**
Tax expenses:			
(1) Current tax		7,693.19	5,912.91
(2) Deferred tax		898.41	(109.76)
(3) Tax adjustment for earlier years (net)		9.34	17.74
Total tax expenses	33	**8,600.94**	**5,820.89**
Profit after tax		**25,825.97**	**17,928.25**

Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent period:-			
Re-measurement gains/(losses) of defined benefit plan		(112.95)	19.80
Tax impacts on above		28.43	(4.98)
Items that will be reclassified to profit or loss in subsequent period:-			
Exchange differences on translation of financial statements of foreign subsidiaries		(3.84)	25.79
Tax impacts on above		-	-
Other comprehensive income for the year (net of tax)		**(88.36)**	**40.61**
Total comprehensive income for the year		**25,737.61**	**17,968.86**
Profit for the year attributable to:			
Equity holders of the parent		25,825.97	17,928.25
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		25,737.61	17,968.86
Non-controlling interests		-	-
Earnings per equity share: (Face value ₹ 5 each) in rupees	40		
Basic		26.92	18.69
Diluted		26.90	18.67
Weighted average number of equity shares used in computing earnings per equity share			
Basic		95,946,790	95,916,495
Diluted		96,020,790	96,020,945
Material accounting policies	a-y		
The accompanying notes are integral part of the Consolidated financial statements.	1 - 51		

As per our consolidated audit report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

For and on behalf of the Board of Directors

Ravindra Bhandari
Partner
Membership No. 097466

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Place : New Delhi
Date : 17th May 2024

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited
Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110020,
www.polymedicure.com, Email: investorcare@polymedicure.com
CIN: L40300DL1995PLC066923

Consolidated Statement of Cash Flow for the year ended 31st March 2024

(₹ in Lacs)

	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax and exceptional items	**34,426.91**	**23,749.14**
	Adjusted for:		
	Depreciation and amortisation	6,392.65	5,716.68
	Share in Income of Associates	(252.68)	(192.67)
	Interest expense	1,130.09	883.86
	Interest income	(1,294.58)	(586.44)
	Loss/(profit) on sale of fixed assets, net	(62.28)	(10.03)
	Debts/advances written off	118.27	14.22
	Provision for doubtful debts and advances	112.62	59.39
	Credit balances no longer required, written back	(51.36)	(21.23)
	Deferred employee compensation expenses (net)	211.44	192.74
	Unrealised foreign exchange (gain) /loss	(180.77)	(85.74)
	Unrealised (Gain)/Loss on Mutual Fund	(2,094.88)	400.69
	Ind As Adjustment on Govt. Grant & Subsidy	(324.12)	(325.19)
	Ind As Adjustment for Interest Income on Financial Assets	(34.29)	(10.96)
	Ind As Adjustment on Forward Contracts (Net)	(15.72)	62.17
	Ind As Adjustment for Deferred Processing fees	6.50	14.83
	Ind As Adjustment for Interest on Security Deposit against Rent	5.48	3.88
	Other adjustments including minority	10.76	(27.47)
	Operating profit before working capital changes	**38,104.04**	**29,837.88**
	Movement in working capital		
	Decrease/(increase) in inventories	(1,237.56)	(4,029.05)
	Decrease/ (increase) in sundry debtors	(3,668.56)	(2,879.68)
	Decrease/(Increase) in financial assets	(732.20)	(13.51)
	Decrease/(Increase) in other assets	259.79	(99.10)
	Increase/ (decrease) in trade payables	376.15	376.92
	Increase/ (decrease) in other financial liabilities	1,358.34	593.00
	Increase/ (decrease) in other liabilities	(445.61)	977.44
	Increase/ (decrease) in provisions	23.95	128.01
	Cash generated from operations	**34,038.35**	**24,891.89**
	Direct taxes paid (net of refunds)	(7,430.13)	(5,786.69)
	Net cash from operating activities	**26,608.22**	**19,105.20**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances)	(27,701.59)	(23,927.48)
	(Purchase)/Sale of Investments (net)	(1,501.02)	20,856.68
	Proceeds from / (Investment in) Fixed Deposits (net)	3,545.22	(15,080.30)
	Proceeds from sale of fixed assets	191.63	14.77
	Dividend Income	54.26	53.86
	Interest income	1,317.70	158.31
	Net cash used for investing activities	**(24,093.80)**	**(17,924.16)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from (Repayment) of borrowings / deferred payment liabilities (net)	2,111.96	2,098.99
	Proceeds from Share Allotments	26.38	35.13
	Repayment of Lease Liabilities (including interest)	(177.29)	(141.60)
	Dividend Paid(including unclaimed dividend transferred)	(2,874.00)	(2,397.30)
	Interest / Finance charges paid	(1,102.40)	(845.75)
	Net cash from (used for) financing activities	**(2,015.35)**	**(1,250.53)**
	Net increase in cash and cash equivalents (A+B+C)	**499.07**	**(69.50)**
	Cash and cash equivalents at the beginning of the year	**706.24**	**775.74**
	Cash and cash equivalents at the end of the year	**1,205.31**	**706.24**
	COMPONENTS OF CASH AND CASH EQUIVALENTS		
	Balances with Banks in current account	1,186.89	676.88
	Cheques, drafts on hand	-	-
	Cash on hand (including foreign currency notes)	18.42	29.36
	Fixed deposits with banks, having original maturity of three months or less	-	-
	Cash and cash equivalents at the end of the year	**1,205.31**	**706.24**

(₹ in Lacs)

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES	As at	
	31 March 2024	31 March 2023
Cash and cash equivalents at the end of the year as per above	**1,205.31**	**706.24**
Add: Balance with banks in dividend / unclaimed dividend accounts	41.25	36.92
Add: Fixed deposits with banks, having maturity period for less than twelve months	13,439.27	17,020.16
Add: Fixed deposits with banks (lien marked)	670.25	540.97
Add: Fixed deposits with banks, having maturity period for more than twelve months	39.28	132.89
Cash and bank balances as per balance sheet (refer note 7, 11 and 12)	**15,395.36**	**18,437.18**

DISCLOSURE AS REQUIRED BY IND AS 7
Reconciliation of liabilities arising from financing activities

31 March 2024	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	**12,893.27**	4,213.80	(194.42)	**16,912.65**
Long term secured borrowing	**1,750.12**	(2,101.84)	460.53	**108.81**
Total liabilities from financing activities	**14,643.39**	**2,111.96**	**266.11**	**17,021.46**

31 March 2024	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	**8,714.73**	4,180.65	(2.11)	**12,893.27**
Long term secured borrowing	**3,812.72**	(2,081.65)	19.05	**1,750.12**
Total liabilities from financing activities	**12,527.45**	**2,098.99**	**16.95**	**14,643.39**

Notes
This is the Cash Flow Statement referred to in our report of even date.
The above Consolidated cash Flow statement should be read in conjunction with the accompanying notes
As per our audit report of even date annexed

For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date : 17th May 2024

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN: 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March 2024

A. Equity share capital

(₹ in Lacs)

Balance as at the 1 April 2023	**Changes in Equity Share Capital due to prior period errors**	**Restated balance as at 1 April 2023**	**Changes in equity share capital during the year**	**Balance as at 31 March 2024**
4,797.23	-	4,797.23	1.35	4,798.58

Balance as at the 1 April 2022	**Changes in Equity Share Capital due to prior period errors**	**Restated balance as at 1 April 2022**	**Changes in equity share capital during the year**	**Balance as at 31 March 2023**
4,795.02	-	4,795.02	2.20	4,797.23

B. Other equity

(₹ in Lacs)

Particulars	**Reserves and surplus**							**Item of other comprehensive income**		**Total**
	Capital Reserve	**Capital reserve on change in interest in equity of associates**	**Securities Premium**	**Share Based Payment Reserve Account**	**General Reserve**	**Retained Earnings**	**Share in reserve in associates**	**Foreign Currency Translation Reserve**	**Re-measurement of defined benefit**	
Balance as at 1 April 2022	**46.98**	**668.60**	**39,127.01**	**152.51**	**23,634.83**	**39,904.12**	**60.05**	**281.03**	**77.99**	**103,953.13**
Profit for the year	-	-	-	-	-	17,928.25	-	-	-	17,928.25
Securities Premium received during the year (net of share issue expenses adjusted)	-	-	148.35	-	-	-	-	-	-	148.35
Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	-	-	(34.91)	-	-	-	-	-	-	(34.91)
Addition during the year (net of taxes)	-	-	-	-	-	-	-	-	14.82	14.82
Transfer from retained earnings to General reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-
Addition (deletion) during the year (Net of lapses)	-	-	-	78.02	-	-	-	-	-	78.02
Final Dividend adjusted	-	-	-	-	-	(2,397.95)	-	-	-	(2,397.95)
Share from associate adjusted	-	-	-	-	-	(159.56)	-	-	-	(159.56)
Addition during the year	-	(176.62)	-	-	-	-	(13.82)	25.79	-	(164.65)
Balance as at 31 March 2023	**46.98**	**491.98**	**39,240.45**	**230.53**	**26,134.83**	**52,774.86**	**46.23**	**306.82**	**92.81**	**119,365.49**
	-	-	-	-	-	-	-	-	-	
Balance as at 1 April 2023	**46.98**	**491.98**	**39,240.45**	**230.53**	**26,134.83**	**52,774.86**	**46.23**	**306.82**	**92.81**	**119,365.49**
Profit for the year	-	-	-	-	-	25,825.97	-	-	-	25,825.97
Securities Premium received during the year (net of share issue expenses adjusted)	-	-	126.98	-	-	-	-	-	-	126.98
Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	-	-	(34.92)	-	-	-	-	-	-	(34.92)
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	(84.52)	(84.52)
Transfer from retained earnings to General reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-
Addition (deletion) during the year (Net of lapses)	-	-	-	109.48	-	-	-	-	-	109.48
Final Dividend adjusted	-	-	-	-	-	(2,878.33)	-	-	-	(2,878.33)
Share from associate adjusted	-	-	-	-	-	(137.32)	-	-	-	(137.32)
Addition/(deletion) during the year	-	(87.69)	-	-	-	-	5.47	(3.84)	-	(86.06)
Balance as at 31 March 2024	**46.98**	**404.29**	**39,332.51**	**340.01**	**28,634.83**	**73,085.18**	**51.70**	**302.98**	**8.29**	**142,206.77**

Note:
Nature and purposes of reserves forming part of other equity are fully described in Note No. 14.

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Particulars	Freehold Land	Leasehold Land	Building	Plant & Equipment	Furniture & Fixtures	Office Equipment	Vehicles	Total Tangible	Software	Patent & Trade Marks	Total Intangible	Net Assets
Gross Carrying Value as at 01.04.2022	**6,770.97**	**862.18**	**9,855.70**	**55,006.68**	**717.00**	**1,254.90**	**1,225.11**	**75,692.54**	**905.86**	**2,188.07**	**3,093.93**	**78,786.47**
Translation Adjustment	-	-	0.48	45.85	5.59	7.62	0.47	60.01	3.78	4.85	8.62	68.63
Additions during the year	2,310.35	-	6,871.11	10,412.71	124.41	146.18	318.27	20,183.03	105.96	196.25	302.21	20,485.23
Deductions/Adjustments	-	-	-	355.59	23.86	68.98	115.61	564.04	-	-	-	564.04
Gross Carrying Value as at 31.03.2023	**9,081.32**	**862.18**	**16,727.29**	**65,109.65**	**823.15**	**1,339.71**	**1,428.23**	**95,371.53**	**1,015.60**	**2,389.16**	**3,404.76**	**98,776.29**
Accumulated Depreciation as at 01.04.2022	**-**	**87.62**	**1,934.89**	**27,786.65**	**457.28**	**940.37**	**617.54**	31,824.35	**578.96**	**933.54**	1,512.51	33,336.85
Translation Adjustment	-	-	0.26	33.09	5.24	6.93	0.19	45.71	1.87	1.08	2.95	48.66
Depreciation for the year	-	9.28	345.62	4,605.04	50.12	131.83	154.85	5,296.74	95.03	196.91	291.94	5,588.68
Deductions/Adjustments	-	-	-	320.64	23.74	68.51	114.46	527.35	-	-	-	527.35
Accumulated Depreciation as at 31.03.2023	**-**	**96.90**	**2,280.77**	**32,104.15**	**488.90**	**1,010.63**	**658.11**	**36,639.45**	**675.87**	**1,131.52**	**1,807.40**	**38,446.86**
Carrying Value as at 31.03.2023	**9,081.32**	**765.28**	**14,446.52**	**33,005.50**	**334.25**	**329.08**	**770.13**	**58,732.09**	**339.73**	**1,257.64**	**1,597.34**	**60,329.43**
Gross Carrying Value as at 01.04.2023	**9,081.32**	**862.18**	**16,727.29**	**65,109.65**	**823.15**	**1,339.71**	**1,428.23**	**95,371.53**	**1,015.60**	**2,389.16**	**3,404.76**	**98,776.29**
Translation Adjustment	-	-	(9.53)	(30.24)	0.99	(0.06)	0.08	(38.76)	0.70	1.22	1.92	(36.84)
Additions during the year	1,693.12	2,037.77	7,351.78	16,890.22	342.98	230.28	582.79	29,128.94	26.50	323.01	349.51	29,478.45
Deductions/Adjustments	-	-	-	320.61	-	1.57	153.09	475.27	-	-	-	475.27
Gross Carrying Value as at 31.03.2024	**10,774.44**	**2,899.95**	**24,069.54**	**81,649.02**	**1,167.12**	**1,568.36**	**1,858.02**	**123,986.45**	**1,042.80**	**2,713.39**	**3,756.18**	**127,742.63**
Accumulated Depreciation as at 01.04.2023	**-**	**96.90**	**2,280.77**	**32,104.15**	**488.90**	**1,010.63**	**658.11**	**36,639.45**	**675.87**	**1,131.52**	**1,807.40**	**38,446.86**
Translation Adjustment	-	-	(5.61)	(23.59)	0.96	0.06	0.05	(28.14)	0.55	0.53	1.09	(27.05)
Depreciation for the year	-	9.56	595.69	4,886.85	68.25	150.71	184.31	5,895.38	105.84	243.27	349.11	6,244.48
Deductions/Adjustments	-	-	-	225.14	(0.11)	4.28	143.72	373.03	-	-	-	373.03
Accumulated Depreciation as at 31.03.2024	**-**	**106.46**	**2,870.85**	**36,742.27**	**558.22**	**1,157.12**	**698.75**	**42,133.66**	**782.26**	**1,375.33**	**2,157.60**	**44,291.26**
Carrying Value as at 31.03.2024	**10,774.44**	**2,793.49**	**21,198.69**	**44,906.75**	**608.90**	**411.24**	**1,159.27**	**81,852.79**	**260.53**	**1,338.06**	**1,598.59**	**83,451.38**

Notes:

2.1 The estimated amortisation in intangible assets for the period subsequent to 31st March 2024 is as follows:

Year Ending March 31	Amortisation Expense
2025	274.21
2026	255.57
2027	216.02
Thereafter	852.79

2.2 The title deeds of immovable properties are held in the name of the Company other than for addtions in lease hold land for Rs. 2037.77 lacs for which lease deed is pending for execution as per following details:

Particulars	Description of item of immovable property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Lease hold Land	2037.77	Mahindra World City (Jaipur) Limited (transferor company)	NO	28-03-24	Conveyance deed in favour of the company is pending for execution

2.3 **Right of Use Asset**

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	247.38	115.20
Addition	270.29	371.07
Deletion	-	115.20
Depreciation for the year	146.57	123.69
Closing balance at the end of year	371.10	247.38

2.4 **Capital work-in-progress- Ageing Schedule**

Ageing for capital work-in-progress as at March 31, 2024 is as follows: (₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	5,953.13	567.17	133.89	15.59	6,669.78

Ageing for capital work-in-progress as at March 31, 2023 is as follows:

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	6,936.58	226.94	87.51	7.32	7,258.35

Intangible assets under development - Ageing schedule

Ageing for intangible asset under development as at March 31, 2024 is as follows:

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible asset under developnment	606.97	45.33	91.68	156.87	900.85

Ageing for intangible asset under development as at March 31, 2023 is as follows:

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible asset under developnment	122.45	116.36	138.10	180.59	557.50

Notes:- 1) Intangible assets under development mainly represent expenditure incurred on Patents and trademarks pending for granting in favour of the Group.
2) There are no projects under intangible assets under development where the completion is over due or has exceeded its cost compared to its original plan.

2.5 The Group has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the current or previous year.

(₹ in Lacs)

3	INVESTMENT PROPERTIES	As at 31 March 2024	As at 31 March 2023
	Gross balance at beginning	98.91	413.17
	Additions during the year	-	-
	Disposals / Deductions	33.07	314.26
	Depreciation for the year	1.59	4.31
	Accumulated Depreciation	(7.47)	(8.02)
	Net balance at the end of reporting year	**58.37**	**90.89**
	Fair Value (Refer note 2 below)	**79.88**	**97.82**

	Amount recognised in Statement of Profit & Loss for Investment Properties	Year ended 31 March2024	Year ended 31 March2023
	Rental Income	**0.20**	**1.80**

The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.

Note 1: The investment properties consist of residential properties in India and have been categorized as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note 2: The Fair value of investment properties as at 31st March 2024 & as at 31st March 2023 are based on the valuation by a Registered valuer as defined in Rule 2 of Companies (Registered valuer and Valuation) Rules, 2017.

(₹ in Lacs)

4	INVESTMENT IN ASSOCIATES	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	(valued at cost unless stated otherwise)				
	Unquoted equity instruments - fully paid				
	Investment in associates				
	241,500 (previous Year 195,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	712.87	764.20	-	-
	Total	**712.87**	**764.20**		
	Aggregate amount of Unquoted Investment	712.87	764.20	-	-
	Aggregate provision for diminuation in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at Equity method (net of provision)	712.87	764.20	-	-
	Financial assets measured at fair value through profit and loss	-	-	-	-

(₹ in Lacs)

5	OTHER INVESTMENT	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Investment measured at fair value through profit and loss				
	Unquoted				
	In Liquid Mutual Funds				
	Axis StrategicBond (G)	-	-	4,594.15	4,257.10
	HDFC Medium Term Debt Fund-Regular Plan-Growth	-	-	221.05	205.68
	ICICI Prudential-Equity & Commodities Mutual Funds	-	-	48.81	39.78
	Kotak Asset AllocRP (G)	-	-	2,843.70	2,164.11
	Kotak Corporat BndRP (G)	-	-	538.28	500.53
	NIPPON INDIA Corporate Bond Fund(G)	-	-	2,670.23	2,475.93
	Parag Parikh Flexi Cap Fund - Regular Plan - Growth	-	-	2,821.26	2,014.30
	DSP Savings (G)	-	-	216.61	201.80
	Investment measured at Amortized Cost	2,044.15			
	Motilal Oswal Wealth Limited		-	-	543.13
	Total	**2,044.15**	**-**	**13,954.10**	**12,402.35**
	Aggregate amount of Unquoted Investment	2,044.15	-	13,954.10	12,402.35
	Aggregate provision for diminution in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at amortised cost (net of provision)	2,044.15	-	-	543.13
	Financial assets measured at fair value through profit and loss	-	-	13,954.10	11,859.22

5.1 Investments made by the company other than those with a maturity of less than one year, are intended to be held for long term.

5.2 In absence of the active market and non-availability of quotes on recognised stock exchange, investment in fixed maturity plan and liquid mutual funds are disclosed as unquoted and fair value is assessed based on NAV of respective funds.

(₹ in Lacs)

6	LOANS	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Considered good- Unsecured:				
	Loans and advances to employees	-	-	23.00	29.77
	Total	**-**	**-**	**23.00**	**29.77**

(₹ in Lacs)

7	OTHER FINANCIAL ASSETS	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	(Unsecured, considered good, unless stated otherwise)				
	Security Deposits				
	Considered good	603.84	435.61	104.84	141.64
	Considered doubtful	-	-	11.42	10.12
	Less: Provision for doubtful deposits	-	-	(11.42)	(10.12)
	Interest accrued on bank deposits / Loan and Advances	17.60	23.57	431.96	461.20
	Dividend / Governing council share from associates	-	-	112.35	97.26
	Other financial assets #	-	-	634.54	37.33
	Non-current bank balances (refer note 12)	709.53	673.86	-	-
	Total	**1,330.97**	**1,133.04**	**1,283.69**	**737.43**

Includes ₹ 2.33 lacs (₹ 2.33 lacs) paid under protest for enhanced cost of land, contested in Hon'ble Punjab and Haryana High Court.

(₹ in Lacs)

7.1	Movement in the provision for doubtful deposits	As at 31 March 2024	As at 31 March 2023
	Balance at the beginning of the year	10.12	6.68
	Movement in the amount of provision (Net)	1.30	3.44
	Balalnce at the end of the year	**11.42**	**10.12**

(₹ in Lacs)

8	OTHER ASSETS	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	(Unsecured, considered good, unless stated otherwise)				
	Capital Advances				
	Considered Good	3,205.19	3,700.67	-	-
	Considered Doubtful	18.86	18.86	-	-
	Less: Provision for doubtful advances	(18.86)	(18.86)	-	-
	Other loans and advances				
	Advance for goods / services				
	Considered Good	-	-	1,093.09	887.62
	Balance with revenue authorities	-	-	1,784.82	2,619.67
	Amount deposited against Custom/ GST matter under show cause/ appeal.	33.46	31.84	-	-
	Advance tax/ tax deducted at source (net of provision)	20.36	20.55	2.33	20.75
	Prepaid Expenses	47.93	60.19	314.02	868.52
	GST, Custom & Service tax refundable	-	-	1,727.61	819.88
	Export benefits receivable	-	-	197.24	110.77
	Total	**3,306.94**	**3,813.25**	**5,119.13**	**5,327.22**

8.1	Movement in provison for doubtful advances	As at 31 March 2024	As at 31 March 2023
	Balance at the beginning of the year	18.86	116.36
	Movement in amount of provision (Net)	-	(97.50)
	Balance at the end of the year	**18.86**	**18.86**

(₹ in Lacs)

9	INVENTORIES	As at 31 March 2024	As at 31 March 2023
	(Valued at lower of cost and net realisable value)		
	Raw Materials including packing materials	12,341.22	10,960.88
	Goods-in transit	1,169.76	631.02
	Work-in-progress	4,525.76	3,356.41
	Finished Goods	2,805.55	5,128.26
	Stock-in-trade	250.11	176.90
	Stores and spares	1,010.64	612.01
	Total	**22,103.04**	**20,865.48**

9.1 Inventories are hypothicated with bankers against working capital limits (Refer Note No. 19.2)

10	TRADE RECEIVABLES	As at 31 March 2024	As at 31 March 2023
	Considered good- Unsecured	26,993.88	23,543.20
	Considered Doubtful	299.17	187.85
	Less: Provision for Doubtful Debt	(299.17)	(187.85)
	Total	**26,993.88**	**23,543.20**

	Particulars	As at 31 March 2024	As at 31 March 2023
	Trade receivable includes:		
	Due from Ultra For Medical Products (UMIC), being associate company	697.30	647.23

	Movement in the provision for doubtful debts	As at 31 March 2024	As at 31 March 2023
	Balance at the beginning of the year	187.85	37.90
	Addition/(Deletion)	111.32	149.95
	Balance at the end of the year	**299.17**	**187.85**

The concentration of credit risk is limited due to large and unrelated customer base.
Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2024 is as follows: (₹ in lacs)

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	20,380.95	5,086.09	500.68	289.00	353.89	652.74	27,263.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (considered good)	-	-	-	-	-	3.18	3.18
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk (considered good)	-	-	-	0.49	7.65	15.16	23.30
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							27,293.04
Less: Allowance for doubtful trade receivables							(299.17)
Trade receivables							**26,993.88**

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2023 is as follows: (₹ in lacs)

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	13,830.13	8,454.19	573.97	326.80	281.88	237.04	23,704.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk (considered good)	-	4.48	-	-	-	6.69	11.17
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk (considered good)	-	-	-	-	-	15.86	15.86
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							23,731.04
Less: Allowance for doubtful trade receivables							(187.85)
Trade receivables							**23,543.20**

(₹ in Lacs)

11	CASH AND CASH EQUIVALENTS	As at 31 March 2024	As at 31 March 2023
	Balances with Banks		
	In current accounts	1,186.89	676.88
	In deposit accounts, with less than 3 months maturity period	-	-
	Cash on hand (including foreign currency notes)	18.42	29.36
	Cheque in hand	-	-
	Total	**1,205.31**	**706.24**

There are no repratriation restrictions with regard to cash & cash equivalents as at the end of reporting year and prior year.

(₹ in Lacs)

12	OTHER BANK BALANCES	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Unclaimed dividend accounts	-	-	41.25	36.92
	Held as margin money	670.25	540.97	-	-
	Deposits with more than 3 months but less than 12 months maturity period	-	-	13,439.27	17,020.16
	Deposits with more than 12 months maturity period	39.28	132.89	-	-
	Amount disclosed under the head "other Non Current Financial Assets" (Refer note 7)	(709.53)	(673.86)	-	-
	Total	**-**	**-**	**13,480.52**	**17,057.08**

13	EQUITY SHARE CAPITAL	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
	Authorised share Capital				
	Equity Shares of ₹ 5 each	120,000,000	6,000.00	120,000,000	6,000.00
	Issued, subscribed & paid up shares				
	Equity Shares of ₹ 5 each fully paid up	95,971,417	4,798.58	95,944,342	4,797.23
	Total	**95,971,417**	**4,798.58**	**95,944,342**	**4,797.23**

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
	At the beginning of the year	95,944,342	4,797.23	95,900,342	4,795.02
	Add: Issued during the year by way of ESOP	27,075	1.35	44,000	2.20
	Outstanding at the end of year	**95,971,417**	**4,798.58**	**95,944,342**	**4,797.23**

13.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 (₹ 5). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Details of shareholders' holding more than 5% shares in the company

	Particulars	As at 31 March 2024		As at 31 March 2023	
		No. of Shares	% of Holding	No. of Shares	% of Holding
	Equity Share of ₹ 5 each (Previous Year ₹ 5 each)				
	M/s Ezekiel Global Business Solutions LLP	12,361,320	12.88%	12,361,320	12.88%
	Mr. Rishi Baid	9,766,356	10.18%	9,893,048	10.31%
	M/s Zetta Matrix Consulting LLP	8,322,160	8.67%	8,322,160	8.67%
	Mr. Himanshu Baid	7,907,624	8.24%	7,907,624	8.24%

The aforesaid disclosure is based upon percentages computed separately for each class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.4 Detail of Shares held by promoters at the end of the year

Disclosure of shareholding of promoters as at March 31,2024 is as follows:

		As at 31 March 2024		As at 31 March 2023		% change during the year
S. No	**Promoter name**	**No. Of shares**	**% of total shares**	**No. Of shares**	**% of total shares**	
1	Rishi Baid	9,766,356	10.18%	9,893,048	10.31%	-1.28%
2	Himanshu Baid	7,907,624	8.24%	7,907,624	8.24%	0.00%
3	Himanshu Baid HUF	3,839,200	4.00%	3,839,200	4.00%	0.00%
4	Vcb Trading LLP	3,541,144	3.69%	3,541,144	3.69%	0.00%
5	Jai Polypan Pvt. Ltd.	3,352,000	3.49%	3,352,000	3.49%	0.00%
6	Smt.Mukulika Baid	3,062,400	3.19%	3,062,400	3.19%	0.00%
7	Rishi Baid HUF	2,780,000	2.90%	2,780,000	2.90%	0.00%
8	Jugal Kishore Baid	2,279,376	2.38%	2,279,376	2.38%	0.00%
9	Vishal Baid	1,681,360	1.75%	1,681,360	1.75%	0.00%
10	Shaily Baid	1,188,000	1.24%	1,188,000	1.24%	0.00%
11	Shireen Baid	1,121,600	1.17%	1,121,600	1.17%	0.00%
12	Neha Baid	1,024,000	1.07%	1,024,000	1.07%	0.00%
13	Dhruv Baid	360,000	0.38%	360,000	0.38%	0.00%
14	Arham Baid	280,000	0.29%	280,000	0.29%	0.00%
15	Aaryaman Baid	280,000	0.29%	280,000	0.29%	0.00%
16	Madhu Kothari	151,200	0.16%	171,200	0.18%	-11.68%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Zetta Matrix Consulting LLP	8,322,160	8.67%	8,322,160	8.67%	100.00%
20	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		51,004,020	53.16%	51,150,712	53.31%	-0.29%

Disclosure of shareholding of promoters as at March 31,2023 is as follows:

		As at March 31,2023		As at March 31,2022		% change during the year
S. No	**Promoter name**	**No. Of shares**	**% of total shares**	**No. Of shares**	**% of total shares**	
1	Rishi Baid	9,893,048	10.31%	9,893,048	10.32%	0.00%
2	Himanshu Baid	7,907,624	8.24%	7,907,624	8.25%	0.00%
3	Himanshu Baid HUF	3,839,200	4.00%	3,839,200	4.00%	0.00%
4	Vcb Trading LLP	3,541,144	3.69%	3,541,144	3.69%	0.00%
5	Jai Polypan Pvt. Ltd.	3,352,000	3.49%	3,352,000	3.50%	0.00%
6	Smt.Mukulika Baid	3,062,400	3.19%	3,062,400	3.19%	0.00%
7	Rishi Baid HUF	2,780,000	2.90%	2,780,000	2.90%	0.00%
8	Jugal Kishore Baid	2,279,376	2.38%	2,279,376	2.38%	0.00%
9	Vishal Baid	1,681,360	1.75%	1,681,360	1.75%	0.00%
10	Shaily Baid	1,188,000	1.24%	1,188,000	1.24%	0.00%
11	Shireen Baid	1,121,600	1.17%	1,121,600	1.17%	0.00%
12	Neha Baid	1,024,000	1.07%	1,024,000	1.07%	0.00%
13	Dhruv Baid	360,000	0.38%	360,000	0.38%	0.00%
14	Arham Baid	280,000	0.29%	280,000	0.29%	0.00%
15	Aaryaman Baid	280,000	0.29%	280,000	0.29%	0.00%
16	Madhu Kothari	171,200	0.18%	171,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Zetta Matrix Consulting LLP	8,322,160	8.67%	-	0.00%	100.00%
20	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		51,150,712	53.31%	42,828,552	44.67%	19.43%

13.5 Dividend paid during the year ended 31st March, 2024 represents amount of Rs. 2,878.33 lakhs towards final dividend for the year ended 31st March, 2023. Dividend declared by the company are based on profit available for distribution. On 17th May 2024 The Board Of Directors of the Company have proposed final dividend of Rs 3/- per share in respect of the year ended 31st March, 2024 subject to approval at the Annual General Meeting and if approved would result in cash outflow of Rs 2,879.14 lakhs.

13.6 **Shares reserved for issue under Employees Stock option Plan:-** Information relating to employees stock options plan, including details of options issued, exercised and lapsed during the financial year and option outstanding as at the end of the reporting period are set out in note no. 44.

(₹ in Lacs)

14	OTHER EQUITY	As at 31 March 2024	As at 31 March 2023
	Capital Reserves		
	Surplus on re-issue of forfeited shares	13.19	13.19
	Application money received on Preferential Warrants issued to promoters forfeited	33.79	33.79
	Closing Balance	**46.98**	**46.98**
	Capital reserve on change in interest in equity of associates	**404.29**	**491.98**
	Securities Premium		
	Balance at the beginning of the year	39,240.45	39,127.01
	Addition during the year	126.98	148.35
	Share Issue Expenses(net of deferred tax)		
	Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	(34.92)	(34.91)
	Closing Balance	**39,332.51**	**39,240.45**
	Share Based Payment Reserve Account		
	Balance at the beginning of the year	230.53	152.51
	Addition (deletion) during the year (Net of lapses)	109.48	78.02
	Closing Balance	**340.01**	**230.53**
	General Reserve		
	Balance at the beginning of the year	26,134.83	23,634.83
	Add: Transferred from Surplus in Statement of Profit and Loss	2,500.00	2,500.00
	Closing Balance	**28,634.83**	**26,134.83**
	Surplus in statement of Profit and Loss		
	Balance at the beginning of the year	52,774.86	39,904.12
	Add: Additions during the year	25,825.97	17,928.25
	Less: Dividend Paid	(2,878.33)	(2,397.95)
	Less: Transferred to General Reserve	(2,500.00)	(2,500.00)
	Less: Share from associate adjusted	(137.32)	(159.56)
	Closing Balance	**73,085.18**	**52,774.86**
	Other Comprehensive Income (OCI)		
	Re-measurement gains/(loss) of defined benefit plans (net of tax)		
	Balance at the beginning of the year	92.81	77.99
	Add: Addition during the year	(84.52)	14.82
	Foreign Currency Translation Reserve:-		
	Balance at the beginning of the year	306.82	281.03
	Add: Addition during the year	(3.84)	25.79
	Closing Balance	**311.27**	**399.63**
	Shares in reserves in associates	51.70	46.23
	Grand Total	**142,206.77**	**119,365.49**

Nature and Purpose of Reserves:

a) Capital Reserve: Capital Reserve represents surplus on re-issue of forfeited shares and also forfeiture of application money on preferential warrants issued and is not available for distribution as dividend.

b) Securities Premium: Securities Premium is used to record premium on issue of shares. The reserve can be utilised only for limited purpose in accordance with the provisions of Companies Act, 2013.

c) Share Based Payment Reserve Account: Share Based Payment reserve account is used to recognise grant date fair value of options issued to employees under employee stock option plan.

d) General Reserve: The General Reserve is a free reserve which is used from time to time to transfer profits from/ to retained earning for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items including in General Reserve will not be reclassified subsequently to statement of profit or loss.

e) Surplus Statement of Profit and loss: This represents undistributed earnings accumulated by the Group as at Balance sheet date.

f) Foreign Currency Translation Reserve: This reserve represents translation of financial statments of foreign subsidiaries with functional currencies other than Indian rupee and is recognised in other comprehensive income and is presented within equity in foreign currency translation reserve.T**he** cumulative amount is reclassified to statement of profit and loss when net investment is disposed off/liquidated/classified as held for sale.

(₹ in Lacs)

15	BORROWINGS	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Secured - At Amortised Cost				
	(i) Term loans				
	from banks	-	1,155.77	1,095.52	2,205.09
	(ii) Deferred payment liabilities	108.81	-	345.22	-
	Unsecured - At Amortised Cost				
	(i) Term loans from banks in foreign subsidiaries	-	594.35	381.01	-
	Amount disclosed under the head "Borrowings - Current " (note 19)	-	-	(1,821.75)	(2,205.09)
	Total	**108.81**	**1,750.12**	-	-

(₹ in Lacs)

15.1	Term loan comprise of the following:	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	From Bank				
	Foreign Currency Loan##	-	1,155.77	1,095.52	2,205.09
	Term loans related to foreign Subsidiary	-	594.35	-	-

net off of Rs.0.72 Lacs (PY 7.21 Lacs) as finance charge.

15.2 Terms of repayment:

	Particulars	Weighted average Rate of interest (P.A.)	Installments	Outstanding as at 31.03.2024	Annual repayment schedule			
					2024-25	2025-26	2025-26	2026-27
	Foreign Currency Loan ##	5.13%	Quarterly	1,096.24	1,096.24	-	-	-

includes Rs.0.72 Lacs (PY 7.21 Lacs) as prepaid finance charge.

15.3 Details of security:

a) Term Loans from State Bank of India are secured by first charge on entire fixed assets of the (including Plant & Machinery, Office Equipment Furniture & Fixtures and other Fixed Assets) of the Company (Present & future), including equitable mortgage of factory land & buildings, located at Plot no. 104 & 105, Plot no. 115 & 116, Sector 59, HSIIDC Industrial Estate, Faridabad (Haryana), Plot no.113, HUDA Industrial Area, Sector 59, Faridabad (Haryana) and Second Pari passu charge on Stock & Receivables of the Company.

b) Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge on entire fixed assets of the Company including land, building and other fixed assets (including Plant & Machinery, Office Equipment and Furniture & Fixtures and all other Fixed Assets) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC, Sector-59, Faridabad, Plot No. 113, Huda, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar and Plot No. PA-010-019, Light Engineering, SEZ, Jaipur and second pari passu charge on stock and receivables of the Company.

Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge with State Bank of India on entire fixed assets of the Company, including land, building and other fixed assets (including Plant & Machinery) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC Industrial Estate, Sector-59, Faridabad, Plot no. 113, HUDA Industrial Area, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar, Plot no. PA-010-019, Light Engineering, SEZ, Jaipur & also first pari-passu charge with HSBC, India on entire
fixed assets of the Company Including land, building and other fixed assets (including Plant & Machinery) of the Company Present & Future), situated at Plot no. 34, Sector 68, IMT, Faridabad and second pari passu charge with other term lenders i.e. State Bank of India, Citi Bank, HSBC, Mauritius and HSBC, India on stock and receivables of the Company.

c) Deferred payment liabilities represents assets acquired on deferred credit terms.

15.4 a) As on the balance sheet date, there are no defaults in repayment of loans and interest thereon.
b) The borrowings obtained by the Group from banks have been applied for the purpose for which loans were taken.
c) There are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond statutory period except as under:-

Brief description of satisfaction of charge	Location of Registrar	Period	Reason for delay
Charge of Rs. 3581.54 lacs on borrowing from HSBC	Registrar of Companies Delhi & Haryana	FY 2021-22	Pending at HSBC Bank level. The company is following up with HSBC Bank (Mauritius) for charge satisfaction.

d) The company is required to maintain debt covenants and the company has complied with all the debt covenants in both year ended 31st March 2024 and 31st March 2023.

e) The company has not been declared as a wilful defaulter by any bank or financial institution or goverment or any goverment authority.

(₹ in Lacs)

16	OTHER NON-CURRENT FINANCIAL LIABILITIES	As at 31 March 2024	As at 31 March 2023
	Security Deposits from Agents / Others	69.40	65.66
	Deferred interest on deferred payment liability	3.42	-
	Total	**72.82**	**65.66**

(₹ in Lacs)

17	PROVISIONS	Non-current		Current	
		As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Provision for employee benefits				
	Gratuity	191.33	172.39	27.47	17.24
	Leave Encashment	228.80	136.66	26.74	20.97
	Others(benefit obligations of foreign subsidiaries)	178.85	151.18	2.98	-
	Provision for CSR expense	-	-	-	16.99
	Total	**598.98**	**460.23**	**57.19**	**55.20**

18 DEFERRED TAX LIABILITIES

In accordance with IND AS - 12, the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in lacs)

Particulars	As at 31 March 2024						
	Balance as at April 1 2023	**Recognised in profit & loss**	**Recognised in OCI**	**Adjusted in Other Equity**	**Net Deferred Tax**	**Deferred Tax Liability**	**Deferred Tax Assets**
Property, plant and equipment and intangible assets	1,734.47	637.12	-	-	2,371.59	2,371.59	-
Provision for defined benefit plan - P&L	(69.79)	(49.60)	-	-	(119.39)	-	(119.39)
Provision for defined benefit plan - OCI	34.17	-	(28.43)	-	5.74	5.74	-
Provision for Bonus	(34.03)	19.19	-	-	(14.84)	-	(14.84)
Provision for doubtful debts and advances	(54.58)	(27.53)	-	-	(82.11)	-	(82.11)
Exchange difference impact under Sec 43A of income tax act.	(48.27)	26.24	-	-	(22.03)	-	(22.03)
IND AS 116	(2.75)	(2.95)	-	-	(5.70)	-	(5.70)
Share issue expense adjusted against other equity	(69.82)	-	-	34.91	(34.91)	-	(34.91)
Unrealised Gains on fair value measurement of mutual fund	54.06	295.93	-	-	349.99	349.99	-
Deferred Tax (Assets) / Liabilities	**1,543.47**	**898.41**	**(28.43)**	**34.91**	**2,448.34**	**2,727.32**	**(278.98)**

(₹ in lacs)

Particulars	As at 31 March 2023						
	Balance as at April 1 2022	**Recognised in profit & loss**	**Recognised in OCI**	**Adjusted in Other Equity**	**Net Deferred Tax**	**Deferred Tax Liability**	**Deferred Tax Assets**
Property, plant and equipment and intangible assets	1,528.07	206.40	-	-	1,734.47	1,734.47	-
Provision for defined benefit plan - P&L	(75.72)	5.93	-	-	(69.79)	-	(69.79)
Provision for defined benefit plan - OCI	29.19	-	4.98	-	34.17	34.17	-
Provision for Bonus	(1.35)	(32.68)	-	-	(34.03)	-	(34.03)
Provision for doubtful debts and advances	(39.63)	(14.95)	-	-	(54.58)	-	(54.58)
Exchange difference impact under Sec 43A of Income Tax Act.	(45.64)	(2.63)	-	-	(48.27)	-	(48.27)
IND AS 116	(6.93)	4.18	-	-	(2.75)	-	(2.75)
Share issue expense adjusted against other equity	(104.73)		-	34.91	(69.82)	-	(69.82)
Unrealised Gains on fair value measurement of mutual fund	330.08	(276.01)	-	-	54.06	54.06	-
Deferred Tax (Assets) / Liabilities	**1,613.34**	**(109.76)**	**4.98**	**34.91**	**1,543.47**	**1,822.70**	**(279.23)**

18.1 Movement on the deferred tax account is as follows:

(₹ in lacs)

Particulars	**As at 31 March 2024**	**As at 31 March 2023**
Balance at the beginning of the year	1,543.47	1,613.34
(Credit)/ Charge to the statement of profit and loss	898.41	(109.76)
(Credit)/ Charge to other comprehensive income	(28.43)	4.98
Adjusted in Other Equity	34.91	34.91
Balance at the end of the year	**2,448.34**	**1,543.47**

(₹ in Lacs)

19	BORROWINGS - CURRENT	As at 31 March 2024	As at 31 March 2023
	Secured - from banks		
	Cash / Export Credit Loan	15,090.90	10,688.18
	Current maturities of long-term borrowings (Refer note no. 15)	1,821.75	2,205.09
	Total	**16,912.65**	**12,893.27**

19.1 Working Capital limits from State Bank of India, Citi Bank N.A., The Hongkong & Shanghai Banking Corporation Limited and HDFC Bank Limited are secured by way of first pari-passu charge on entire current assets of the Company (present & future), including stocks of raw materials, stock in process, finished goods, stores & spares lying at factories , godowns or elsewhere (including goods in transit) and book debts / receivables and further secured by second pari-passu charge on entire residual fixed assets of the company.
19.2 The company have borrowings from banks on the basis of security of current assets. The company has complied with the requirement of filing of monthly/quarterly returns/ statements of current assets with the bank and these returns are in agreement with the books of accounts for the year ended 31st March 2024 and 31st March 2023

(₹ in Lacs)

20	TRADE PAYABLES	As at 31 March 2024	As at 31 March 2023
	Total outstanding dues of micro enterprises and small enterprises:	1,422.61	1,387.17
	Total outstanding dues of trade payables and acceptances other than above	8,137.15	7,844.31
		9,559.76	**9,231.48**

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

(₹ in Lacs)

	Particulars	As at 31 March 2024	As at 31 March 2023
a	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	- Principal Amount	1,422.61	1,387.17
	- Interest due		
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing Schedule (₹ in Lacs)
Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,422.61	-	-	-	-	1,422.62
(ii) Others	6,141.94	1,309.87	42.29	29.64	43.61	7,567.35
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	7,564.55	1,309.87	42.29	29.64	43.61	8,989.97
Accrued Expenses						569.79
						9,559.76

Ageing Schedule
Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,387.17	-	-	-	-	1,387.17
(ii) Others	4,975.49	2,454.29	71.92	13.50	26.34	7,541.54
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	4.56	-	-	-	4.56
Total	6,362.66	2,458.85	71.92	13.50	26.34	8,933.28
Accrued Expenses						298.20
						9,231.48

Notes 1) The amount of trade payables are unsecured and non interest bearing and are usually on varying trade term.
2) The amounts falling in the category of more than one year are related to pending obligations on the part of suppliers/vendors as per agreed terms and conditions mentioned in purchase order/contract.

(₹ in Lacs)

21	OTHER CURRENT FINANCIAL LIABILITIES	As at 31 March 2024	As at 31 March 2023
	Interest accrued but not due on borrowings	11.88	24.02
	Interest accrued and due on borrowings / Security deposits	0.61	3.26
	Unpaid dividends	41.25	36.92
	Other payables		
	Employees related liabilities	3,289.38	2,513.34
	Liability on account of outstanding forward contracts	6.22	21.95
	Payables for capital goods	1,625.74	953.81
	Other financial liabilities	239.48	105.33
	Total	**5,214.56**	**3,658.63**

The company have transfered Rs. 4.21 lacs (31st March 2023 Rs. 3.87 lacs) out of unclaimed dividend to Investor Education and Protection Fund of Central Government in accordance with the provisions of section 124 of Companies Act. 2013. There are no outstanding dues to be paid to Investor Education and Protection Fund.

(₹ in Lacs)

22	OTHER CURRENT LIABILITIES	As at 31 March 2024	As at 31 March 2023
	Advance from customers	1,003.93	2,081.21
	Other payables		
	Statutory dues	1,828.42	1,195.55
	Others	6.60	7.77
	Total	**2,838.95**	**3,284.56**

(₹ in Lacs)

23	CURRENT TAX LIABILITIES (NET)	As at 31 March 2024	As at 31 March 2023
sion fo	Provision for Tax (Net of prepaid taxes of Rs. 7,337.22 lacs)(Including for foreign subsidiaries Rs. 55.86 lacs (PY Nil)	355.97	83.76
	Total	**355.97**	**83.76**

(₹ in Lacs)

24	REVENUE FROM OPERATIONS	Year ended 31 March2024	Year ended 31 March2023
	Sale of products		
	Manufactured goods	135,654.01	110,032.43
	Traded Goods	915.36	833.39
	Other operating revenues		
	Export and other Incentives	786.46	496.31
	Sale of scrap	223.80	160.91
	Total	**137,579.63**	**111,523.04**

The Disclosures as required by Ind-AS 115 are as under :

(₹ in Lacs)

The Company disaggregates revenue based on nature of products/geography	Year ended 31 March2024	Year ended 31 March2023
The revenue disaggregates is as under :		
Revenue based on Geography		
Sales		
Domestic	40,771.59	34,400.52
Export	88,943.06	71,746.76
Sales related to foreign Subsidiaries	6,854.72	4,718.54
Other operating revenue		
Domestic-Export and other incentives and Scrap	1,010.26	657.22
	137,579.63	**111,523.04**
Revenue based on Nature of Products		
Medical Devices	136,569.37	110,865.82
Export and other incentives	786.46	496.31
Scrap	223.80	160.91
	137,579.63	**111,523.04**

Reconciliation of Revenue	Year ended 31 March2024	Year ended 31 March2023
Gross value of contract price	137,095.83	111,320.13
Less : Variable components i.e.,Rebate & discount	526.46	454.31
Other operating revenue	1,010.26	657.22
Revenue from operations as recognised in financial statement	**137,579.63**	**111,523.04**

Reconciliation of Advance received from Customers	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	2,081.21	1,298.69
Less : Revenue recognised out of balance of advance received from customer at beginning of year	1,958.67	1,199.93
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognised as revenue in next year	881.39	1,982.45
Balance at the close of the year	**1,003.93**	**2,081.21**

The Company have orders in hand as at 31st March 2024 for Rs. 20,628.12 lacs, for which performance obligation amounting to Rs.20,628.12 lacs will be recognized as revenue during the next reporting year.

(₹ in Lacs)

25	OTHER INCOME	Year ended 31 March2024	Year ended 31 March2023
	Lease Rental	32.40	32.40
	Interest Income		
	Interest Income on Fixed and other Deposits	1,149.27	586.44
	Gain/loss on purchase of Bond/Debenture	261.37	-
	Interest Income from Financial Assets Measured at Amortised Cost	34.29	10.96
	Dividend/ Governing Council Share	-	-
	Other non-operating income		
	Rental Income from Investment Property	0.20	1.80
	Government Grants and Subsidies	324.12	325.19
	Income from Mutual Funds	-	935.50
	Miscellaneous Income	299.66	295.56
	Other Gain		
	Provisions / Liabilities no longer required written back (net)	51.36	21.23
	Gain on fixed assets sold/discarded	62.28	10.03
	Gain on Foreign Exchange Fluctuation (net)	1,564.98	1,399.43
	Unrealised gain on valuation of mutual funds measured at fair value through profit or loss	2,094.88	-
	Total	**5,874.81**	**3,618.54**

(₹ in Lacs)

26	COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED	Year ended 31 March2024	Year ended 31 March2023
	Raw Material Consumed		
	Inventory at the beginning of the year	9,673.62	8,364.47
	Add: Purchases during the year	38,801.36	35,324.88
	Less: Inventory at the end of the period	10,926.31	9,673.62
	Cost of raw material consumed (A)	**37,548.67**	**34,015.73**
	Packing Material Consumed		
	Inventory at the beginning of the year	1,287.26	853.46
	Add: Purchases during the year	9,057.43	8,849.22
	Less: Inventory at the end of the period	1,414.91	1,287.26
	Cost of packing material consumed (B)	**8,929.78**	**8,415.42**
	Total (A+B)	**46,478.45**	**42,431.15**

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc.

(₹ in Lacs)

27	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended 31 March 2024	Year ended 31 March 2023	(Increase) / Decrease
	Inventories at the end of period			
	Finished Goods and Stock in Trade	3,055.66	5,305.17	2,249.51
	Work in progress	4,525.76	3,356.41	(1,169.35)
		7,581.42	**8,661.58**	**1,080.16**
	Inventories at the beginning of year	**Year ended 31 March 2023**	**Year ended 31 March 2022**	**(Increase) / Decrease**
	Finished Goods and Stock in Trade	5,305.17	3,735.05	(1,570.12)
	Work in progress	3,356.41	2,561.59	(794.82)
		8,661.58	**6,296.64**	**(2,364.94)**

(₹ in Lacs)

28	EMPLOYEES BENEFITS EXPENSES	Year ended 31 March2024	Year ended 31 March2023
	Salaries, wages and bonus	22,612.75	18,676.64
	Contribution to Provident Fund and others	1,479.23	1,230.18
	Share based payment to employees	211.44	192.74
	Staff Welfare Expenses	287.74	175.02
	Total	**24,591.17**	**20,274.58**

(₹ in Lacs)

29	RESEARCH AND DEVELOPMENT EXPENSES	Year ended 31 March2024	Year ended 31 March2023
	Revenue Expenditure charged to statement of profit and loss		
	Cost of components and Material Consumed (Net)	1,232.85	1,102.85
	Employee benefits expenses	559.76	517.79
	Power and Fuel	38.43	38.78
	Travelling & Conveyance	19.58	23.32
	Other Misc Expenses	22.29	48.02
	Legal & Professional Charges	19.72	45.28
	R&D expenditure relating to Foreign subsidiary	3.39	4.21
	Total amount spent on Research and Development	**1,896.02**	**1,780.25**

(₹ in Lacs)

30	FINANCE COST	Year ended 31 March2024	Year ended 31 March2023
	Interest expense		
	Interest on loans	976.11	558.96
	Interest on Income Tax	14.47	5.34
	Exchange difference to the extent considered as an adjustment to interest costs	36.68	261.19
	Interest on Lease Liabilities	42.48	28.82
	Others		
	Other amortised borrowing costs	60.35	29.55
	Total	**1,130.09**	**883.86**

(₹ in Lacs)

31	DEPRECIATION AND AMORTISATION EXPENSES	Year ended 31 March2024	Year ended 31 March2023
	Depreciation of tangible assets	5,895.37	5,296.74
	Amortisation of intangible assets	349.11	291.94
	Depreciation of investment properties	1.59	4.31
	Amortisation of Right of Use	146.57	123.69
	Total	**6,392.65**	**5,716.68**

(₹ in Lacs)

32	OTHER EXPENSES	Year ended 31 March2024	Year ended 31 March2023
	Consumption of stores and spare parts	2,712.82	2,147.70
	Power and Fuel	4,428.93	3,858.53
	Job Work Charges	9,244.78	7,962.86
	Other Manufacturing Expenses	213.27	234.07
	Repairs to Building	130.97	88.91
	Repairs to Machinery	153.44	160.97
	Repairs to Others	123.75	66.79
	Insurance (Net)	430.71	322.95
	Short term lease	222.65	192.96
	Rates, Taxes & Fee	141.02	77.57
	Travelling & Conveyance	2,327.83	1,717.97
	Legal & Professional Fees	1,560.96	1,337.13
	Auditors' Remuneration	19.48	19.46
	Commission and Sitting Fees to Non-Executive Directors	145.75	140.50
	Donations	224.99	187.32
	Bank Charges	226.12	201.88
	Advertisement	13.16	11.34
	Commission on sales	706.88	692.09
	Freight & Forwarding (Net)	1,199.42	741.22
	Business Promotion	325.89	273.80
	Exhibition Expenses	391.19	332.73
	Rebate, Discounts & Claims	88.82	47.52
	Provision for Doubt ful debts / Advances (net)	112.62	59.39
	Bad debts / Misc. Balances written of	118.27	14.22
	CSR Expenditure	573.91	315.34
	Communication expense	84.77	77.79
	Unrealised loss on valuation of mutual funds measured at fair value through profit or loss	-	400.69
	Listing fees	8.62	12.37
	Premium on purchase of Bond/Debenture	116.06	-
	Other Miscellaneous Expenses	962.44	646.15
	Total	**27,009.52**	**22,342.22**

(₹ in Lacs)

	Payment to Auditors	Year ended 31 March2024	Year ended 31 March2023
	Audit Fee	14.69	14.69
	Limited Review of Results	3.00	3.00
	In other capacity		
	(a) For certification work	0.39	0.52
	(b) For Others	0.32	0.49
	Reimbursement of expenses	1.08	0.76
	Total	**19.48**	**19.46**

(₹ in Lacs)

33	TAX EXPENSES	Year ended 31 March2024	Year ended 31 March2023
	Tax expenses comprises of:		
	Current Tax (Including Current Tax of Rs.283.89 lacs for foreign subsidiaries(PY Rs. 42.65 lacs)	7,693.19	5,912.91
	Earlier year tax adjustment (net)	9.34	17.74
	Deferred tax	898.41	(109.76)
	Total	**8,600.94**	**5,820.89**

	Reconciliation of tax expenses and accounting profit multiplied by Indian tax rate	Year ended 31 March2024	Year ended 31 March2023
	Profit before tax and share of profit from associates	34,174.23	23,556.47
	Applicable tax rate	25.17%	25.17%
	Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	8,601.65	5,929.16
	Tax adjustment on account of profit of subsidiary company on consolidation	111.52	74.42
	Adjustment of expenses disallowed under income tax	(350.48)	(6.02)
	Adjustment of expenses allowable under income tax	(63.91)	(103.94)
	Other allowable deduction	(605.59)	17.54
	Current Tax (Normal Rate)	**7,693.19**	**5,911.16**
	Additional Current Tax due to Special Rate	-	1.74
	Current Tax (A)	**7,693.19**	**5,912.91**
	Incremental Deferred tax Liability on timing Differences (Net)	898.41	(109.76)
	Deferred Tax (B)	**898.41**	**(109.76)**
	Tax expenses for earlier year (net)	**9.34**	**17.74**
	Tax expenses recognised in the statement of profit and loss	**8,600.94**	**5,820.89**
	Effective tax rate	25.17%	24.71%

POLY MEDICURE LIMITED

Notes to Consolidated Financial Statements for the year ended 31 March, 2024

CORPORATE AND GENERAL INFORMATION

Poly Medicure Limited (''the Company'') is domiciled and incorporated in India and its equity shares are listed at Bombay Stock Exchange(BSE) and National Stock Exchange (NSE). The registered office of the company is situated at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, India.

The Group is a manufacturer/producer of Medical Devices.
The consolidated financial statements of the company for the year ended 31st March 2024 were approved and authorized for issue by the Board of directors in their meeting held on 17th May 2024

STATEMENT OF COMPLIANCE

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act 2013, Indian Accounting Standards and complies with other requirements of the law.

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended. The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA").

Accounting Policies have been consistently applied except where a newly adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relates to Poly Medicure Limited ('the Company') and its subsidiary companies (the company and subsidiaries referred to as "Group") and associates. The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

ii) Where the cost of the investment is higher/lower than the share of equity in the subsidiary/ associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule. The said Goodwill is not amortized, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for in the consolidated statement of profit and loss.

iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.

iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

v) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

vi) Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

vii) Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

viii) Investment in Associates has been accounted under the equity method as per Ind AS 28 -Investments in Associates and Joint Ventures.

ix) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on March 31, 2024	Period of consolidation
Subsidiary			
Poly Medicure (Laiyang) Company Limited, China - (Audited)	China	100%	Apr'23 to Mar'24
Polymed BV, Netherlands - Management certified-Unaudited (Consolidated)	Netherlands	100%	Apr'23 to Mar'24
Plan 1 Health India Pvt Ltd. - (Audited)	India	99.99%	Apr'23 to Mar'24
Associates			
Ultra For Medical Products Company (Ultra Med), Egypt - Management Certified	Egypt	23%	Jan'23 to Dec'23

Classification of Assets and Liabilities into Current and Non- Current

The Group presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realized within twelve months after the reporting period; or

d) 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 treated as current when :

a) it is expected to be settled in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

MATERIAL ACCOUNTING POLICIES

a Basis of Measurement

The Financial Statements of the group are consistently prepared and presented under historical cost convention on an accrued basis in accordance with IND AS except for certain Financial Assets and Financial Liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (`INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b Property, plant and equipment

(i) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

(ii) Depreciation

Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013 except in respect of certain categories of assets where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful life and residual values are reviewed at the end of each reporting period with the effect of any change in estimate accounted for on a prospective basis.

The estimated useful lives are as mentioned below: -

Type of Assets	Useful life as per Schedule II of the Companies Act 2013	Useful Life taken
Lease hold Land	lease period	lease period
Building	30	30
Plant and Equipment	15	15-25
Furniture and Fixture	10	10
Office Equipment	5	5
Computer Equipment	3	3
Vehicle	8	8

The company believes that the technically evaluated useful lives of Automated Plant and Equipment different from Schedule-II of companies Act 2013 best represents the Period over which assets are expected to be used.

(iii) Component Accounting

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(iv) Stores and Spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalized as Property, plant and equipment and until that in capital work in progress.

(v) Lease Hold Assets are amortized over the period of lease.

(vi) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective property plant and equipment on completion of construction/ erection.

(vii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

(viii) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ix) Capital work in progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

c Intangible assets:

(i) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP software as 10 year and other softwares as 3 years.

(ii) Software: Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

(iii) Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.
Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

d Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss in the period of derecognized.

Though the Group measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value of investment property is based on the valuation by a registered valuer as defined in Rule 2 of Companies (registered valuer and Valuation) Rules, 2017.

e Research and development cost:

Research Cost:

Revenue expenditure on research is expensed under the respective heads of account in the period in which it is incurred and is grouped as "Research and development expenses".

Development Cost:

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per Ind AS 38 is demonstrated, else charged to statement of profit and loss.

f Inventories:

Raw materials, Packing materials, Stores and Spares are valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Stock in process is valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity and depreciation.

Stock in Trade is valued at lower of cost and net realizable value

Scrap is valued at estimated realizable value.

g Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the Group becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

h Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

(i) <u>Investment in equity shares:</u>
Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Statement of profit and loss.

(ii) <u>Investment in associates, joint venture and subsidiaries:</u>
The Company's investment in subsidiaries and associates, joint venture are at carried at cost except where impairment loss recognized.

(iii) <u>Trade receivables:</u>
Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less credit loss/impairment allowances/ provision for doubtful debts.

(iv) <u>Loans & other financial assets:</u>
Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

i Impairment of Financial assets:

In accordance with Ind AS 109, the Group uses expected credit loss (ECL) model for evaluating, measurement and recognition of impairment loss.

j Financial liabilities:

(i) **Classification:**
The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement:**
All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement:**
All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) **Loans and borrowings:**
Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) **De-recognition 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 de-recognition 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.

(vi) **Derivative financial instruments:**
The Group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

k Impairment of non-financial assets:

At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

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

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

l Foreign exchange transactions:

(i) Functional and presentation Currency:

The functional and reporting currency of company is INR.

(ii) Transaction and Balances:

Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

m Revenue recognition:

The Group derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the group recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the group expects to receive in exchange for their products or services. The group disaggregates the revenue based on nature of products/Geography.

• **Export incentive**:

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

• **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve

• **Interest income:**

For all Financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

• Rental income:

Rental income on investment properties and on operating lease are accounted for on accrual basis.

n Government Grant

• Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.

• Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

• Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

• In respect of Property, Plant and Equipment purchased under Export Promotion Capital Goods (EPCG) scheme of Government of India, exemption of custom duty under the scheme is treated as, Government Grant and is recognized in Statement of Profit and Loss on fulfillment of associated export obligations.

o Employees Benefits:

i) Short term employee Benefit:

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

ii) Defined Contribution Plan:

Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

iii) Defined Benefit Plan:

The Leave Encashment (Unfunded) and Gratuity (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognized in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The group recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

• Service costs comprising current service costs, gains and losses on curtailments and non-routine Settlements.

• Net interest income or expense.

iv) Long term Employees Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

v) Termination benefits:

Termination benefits are recognized as an expense in the period in which they are incurred.
The group shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and
(b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

p Share based payments:

Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to Share based Payments Reserve. The dilutive effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

q Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognized as expense in the period in which they are incurred.

r Leases:

<u>Group as a Lessee:</u>

In accordance with IND AS 116, the group recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of 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 there carrying amounts may not be recoverable. Impairment loss, if any, is recognize in statement of profit and loss.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised- in-substance fixed lease payments, the group recognizes amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the group recognizes any remaining amount of the remeasurement in statement of profit and loss.

The group has elected not to apply the requirements of IND AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on straight line basis over lease term.

<u>Group as a Lessor:</u>

At an inception date, leases are classified as financial lease or operating lease. Leases where the group does not transfer substantially all risk and reward incidental to the ownership of the asset are classified as operating lease. Lease rental under operating lease are recognised as income in profit and loss account on straight line basis.

s Taxes on income:

<u>(i) Current Tax:</u>

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

<u>(ii) Deferred tax:</u>

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

t Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General:

The group recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the group will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized but disclosed in financial statement when an inflow of economic benefits is probable.
Provisions, Contingent liabilities, Contingent assets and Commitments are reviewed at each balance sheet date.

(ii) Other Litigation claims:

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

(iii) Onerous contracts:

Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

u Financial statement classification:

Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the group classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

v Fair value measurement:

The group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability.

Or

• In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

• Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

• Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

•Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

w Significant Accounting Judgments, Estimates and Assumptions:

The preparation of the group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i <u>Income taxes:</u>

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The group reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated financial statements.

ii <u>Fair value measurement of financial instruments:</u>

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iii <u>Defined benefit plans:</u>

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv <u>Lease:</u>

The group evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. In excising whether the group is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease or to exercise the option to terminate the lease. The group revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

v <u>Depreciation/Amortization and useful life of Property, Plant and Equipment:</u>

The group has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act. 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

vi <u>Impairment of Financial & Non-Financial Assets:</u>

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The group uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

vii <u>Provisions:</u>

The Company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.

viii <u>Contingencies:</u>

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the group as it is not possible to predict the outcome of pending matters with accuracy.

ix **Impairment of Goodwill:** Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than the carrying amount, the impairment loss is accounted. For impairment loss, goodwill is allocated to CGU which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purpose. The recoverable amount of CGU is determined based on higher of value in use and fair value less cost to sell and value in use is present value of future cash flows expected to be derived from CGU.

Key assumption in the cash flow projection are prepared based on current economic conditions and comprises estimated long term growth rate, estimated operating margin.

x Capital:

<u>Debt and equity instruments:</u>

Ordinary equity shares are classified as equity. Debt instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

y Other Miscellaneous Expenses

Public Issue Expenditure/Share issue expenses on private placement basis/FCCB's issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

34 Fair value measurement

i Financial instruments: Accounting classification and fair value measurements

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Accounting Standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Particulars	31-Mar-24						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	712.87	-	-	712.87	-	-	-
In Liquid Mutual Funds	13,954.10	13,954.10	-	-	-	13,954.10	-
In Bond	2,044.15			2,044.15			
Trade receivables	26,993.88	-	-	26,993.88	-	-	-
Cash & cash equivalents	1,205.31	-	-	1,205.31	-	-	-
Other bank balances	13,480.52	-	-	13,480.52	-	-	-
Loans	23.00	-	-	23.00	-	-	-
Other financial assets	2,614.66	-	-	2,614.66	-	-	
Total financial assets	**61,028.49**	**13,954.10**	**-**	**47,074.39**	**-**	**13,954.10**	**-**
Financial liabilities							
Borrowings	17,021.46	-	-	17,021.46	-	-	-
Trade payables	9,559.76	-	-	9,559.76	-	-	-
Lease Liabilities	393.77	-	-	393.77			
Other financial liabilities	5,287.38	6.22	-	5,281.16	-	6.22	-
Total financial liabilities	**32,262.37**	**6.22**	**-**	**32,256.15**	**-**	**6.22**	**-**

(₹ in Lacs)

Particulars	31-Mar-23						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	764.20	-	-	764.20	-	-	-
In Liquid Mutual Funds	11,859.22	11,859.22	-	-	-	11,859.22	-
In Bond	543.13			543.13			
Trade receivables	23,543.20	-	-	23,543.20	-	-	-
Cash & cash equivalents	706.24	-	-	706.24	-	-	-
Other bank balances	17,057.08	-	-	17,057.08	-	-	-
Loans	29.77	-	-	29.77	-	-	-
Other financial assets	1,870.47	-	-	1,870.47	-	-	
Total financial assets	**56,373.31**	**11,859.22**	**-**	**44,514.09**	**-**	**11,859.22**	**-**
Financial liabilities							
Borrowings	14,643.39	-	-	14,643.39	-	-	-
Trade payables	9,231.48	-	-	9,231.48	-	-	-
Lease Liabilities	258.29	-	-	258.29			
Other financial liabilities	3,724.29	21.95	-	3,702.34	-	21.95	-
Total financial liabilities	**27,857.45**	**21.95**	**-**	**27,835.50**	**-**	**21.95**	**-**

The carrying amount of bank balances, Trade Receivable, Trade Payable, other financial assets / liabilities, loans, cash and cash equivalents, borrowings are considered to be the same as their fair value due to their short term nature.

The levels have been classified based on the followings:

Level 1: It hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Techniques used to determine fair value
Valuation Techniques used to determine fair value include

- Open ended mutual funds and certain bonds and debentures at NAV's/rates declared and/or quoted.
- Close ended mutual funds at NAV's declared by AMFI.
- For other bonds and debentures values with references to prevailing yields to maturity matching tenures, quoted on sites of credible organization such as FIMMDA (Fixed Income Money Market and Derivative Association of India).
- Derivative Instruments at values determined by counter parties/Banks using market observable data.
- Certificate of deposits, being short term maturity papers, amortized cost is assumed to be the fair value.

35 CONTINGENT LIABILITIES AND COMMITMENTS

a Contingent liabilities not provided for:

(₹ in Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
1) Compensation for enhanced cost of Land pending with District & Session Court Faridabad (Amount paid ₹ 2.33 lacs, Previous year ₹ 2.33 lacs)	9.34	9.34
2) Show cause notice issued by Principal Commissioner of Customs for which suitable response filed.	849.03	849.03
3) Show cause notice issued by Joint Commissioner CGST (F.Y 2017-19 and 2020-2022) for which suitable reply filed.	4237.83	-
4) Demand by Assistant Commissioner of CGST along with penalty in respect of transitional input tax credit for which appeal filed with Joint Commissioner of CGST(Gurugram).	32.34	82.20
5) Income tax demand for AY 2017-18 under section 270 A of Income Tax Act 1961 and also for A.Y. 2018-19 u/s 143(3) and 154 of Income Tax Act 1961 for which the company have filed appeal before CIT(Appeal).	152.50	152.50
6) Demand from National Pharmaceutical Pricing Authority	66.88	66.88

The Company has suitablly replied to show cause notices and is also representing before Appellate Authority in respect of income tax demand. The management of the Company believes that its position will likely to be upheld in the appellate process. The Company does not expect any liability against these matters in accordance with the principle of Ind AS 12 "Income Tax" read with Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets" and hence no provision is required to be made in respect of above in the books of account of the Company.

b Obligations and commitments outstanding:

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Unexpired letters of credit ₹ 2,272.49 lacs (Previous year ₹2,173.08 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers ₹ 1,542.74 lacs (Previous year ₹ 1,612.05 lacs), (Net of margins)	3,815.23	3,785.13
Bills discounted but not matured	-	134.14
Custom duty against import under EPCG Scheme	2,161.90	1,828.18
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	13,833.07	11,319.48

36 Financial Risk Management

The Group activities expose it to price risk, credit risk, liquidity risk and market risk.
This note explains the source of risk which the group is exposed to and how it manages the risk and its impact on the financial statement. These risks are managed by the senior management of the group supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the group.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash & cash equivalent, Financial instruments, Financial assets & Trade Receivable	Credit Rating and ageing analysis	Diversification of counter Parties, setting of trade receivable, review of outstanding / overdues
Liquidity Risk	Other Liabilities	Maturity Analysis	Maintenance of Sufficient cash and cash Equivalent, Fixed Deposit & other marketable securities
Market Risk - Foreign exchange	Highly probable forecast transactions	Sensitivity analysis	Forward Foreign Exchange Contracts

The Board of Directors of the group provides guiding principles for overall risk management, as well as policies covering specific areas i.e. foreign exchange risk, credit risk & Investment of Surplus liquidity.

The group's risk management is carried out by finance department, accordingly, this department identifies, evaluates and hedges financial risk.

A) Price Risk

The main Raw materials for manufacturing of Medical devices are various types of Plastic Granules i.e. PP, LDPE, HDPE, PC, PA, SAN, ABS and K. Resin etc. The prices of Raw materials are mainly dependent on the price of Crude Oil. The Raw materials are being imported by the group and procured indigenously also. In case of imported Raw materials, the adverse forex movements are covered by the natural hedge. In case of the drastic price rise of Raw materials during the year, the group makes appropriate changes in the prices of Finished Products, after due discussions with the customers. The prices of Finished Goods are generally reviewed every year and appropriate changes in prices are made to offset the increase in cost.

B) Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortized cost and fair value through profit or loss and trade receivables

Credit Risk Management

The Group has invested in fixed deposits and liquid mutual funds and have invested only with those funds plan having good credit rating / track record. The group reviews the creditworthiness of these counterparties on an ongoing basis. Another credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customer to whom credit is extended in normal course of business. The group estimates the expected credit loss on the basis of past data and experience. The group also takes proper ECGC cover based on risk based classification of trade receivables.

The Geographical concentration of trade receivable (net of allowance) is as under:

(₹ in Lacs)

Particulars	As at	
	31-Mar-24	**31-Mar-23**
India	7,050.35	6,111.72
Europe	8,398.00	6,335.10
USA	376.56	287.78
Others	11,168.97	10,808.60
	26,993.88	23,543.20

Review of outstanding trade receivables and financial assets is carried out by the management each quarter. The group has a practice to provide for provision for doubtful debts on the basis of duly board approved policy on provision for bad & doubtful debts.

Reconciliation of loss allowance provisions:

(₹ in lacs)

Particulars	Deposits	Trade receivable	Advances
Loss Allowance as on 1 April 2022	6.68	37.90	116.36
Change In loss allowance	3.44	149.95	(97.50)
Loss Allowance as on 31 March 2023	10.12	187.85	18.86
Change In loss allowance	1.30	111.32	-
Loss Allowance as on 31 March 2024	**11.42**	**299.17**	**18.86**

C) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rate. The group's main interest rate risk arises from long term borrowings with variable rates (LIBOR plus) which exposes the group to cash flow interest rate risk.

i) Interest rate risk exposure - The exposure of the group's borrowing to interest rate changes at the end of reporting period is as follows:

(₹ in lacs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Variable rate borrowing	17,021.46	14,643.39
Fixed rate borrowing	-	-
Total	**17,021.46**	**14,643.39**

The analysis by maturities is provided in note D "Maturities of Financed liabilities" below.

ii) Sensitivity analysis: For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole year:-

(₹ in lacs)

Particulars	Impact on profit before tax for the year ended	
	31-Mar-24	31-Mar-23
Interest rate- increase by 50 basis point	85.11	73.22
Interest rate- decrease by 50 basis point	(85.11)	(73.22)

D) Liquidity Risk

The group's principle source of liquidity are cash & cash equivalent and cash flows that are generated from operations. The group believes that its working capital is sufficient to meet its current requirement. Additionally, the group has sizeable surplus funds in liquid mutual fund and also in fixed deposit ensuring safety of capital and availability of liquidity as and when required hence, the group do not perceive any liquidity risk.

(₹ in lacs)

Particulars	As at	
	31-Mar-24	31-Mar-23
The group has working capital funds which Includes		
Cash and cash equivalent	1,205.31	706.24
Current investments in liquid mutual funds & in bonds	13,954.10	12,402.35
Bank balances	13,480.52	17,057.08
Trade receivable	26,993.88	23,543.20
Total	**55,633.81**	**53,708.87**

Besides above, the company had access to the following undrawn facilities at the end of reporting period:

(₹ in lacs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Fixed		
Cash credit and other facilities	9,906.26	10,436.76
Variable		
Other facilities	-	-

Contractual maturities of significant financial liabilities are as under :

Maturities of financial liabilities (₹ in lacs)

Particulars	**Less than and equal to one year**	**More than one year**	**Total**
As at 31 March 2024			
Trade payable	9,559.76	-	9,559.76
Other Financial liabilities	22,312.28	390.33	22,702.61
Total	**31,872.04**	**390.33**	**32,262.37**
As at 31 March 2023			
Trade payable	9,231.48	-	9,231.48
Other Financial liabilities	16,675.26	1,950.71	18,625.97
Total	**25,906.74**	**1,950.71**	**27,857.45**

E) Market Risk

Foreign Currency Risk

The group operates significantly in international markets through imports and exports and therefore exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD/Euro/GBP/JPY. The risk is measured through sensitivity analysis by natural hedging due to imports and exports. In order to minimize any adverse effect on the financial performance of the group, financial instrument such as foreign exchange forward contracts are used exclusively to mitigate currency risk.

(i) The company uses foreign exchange forward contracts to mitigate exposure in foreign currency risk. The foreign exchange forward contract outstanding at reporting date are as under: -

Particulars	**Type**	**Currency**	**As at**			
			31-Mar-24		**31-Mar-23**	
Forward Contracts			**FC**	**INR**	**FC**	**INR**
	Sell	USD:INR	7.50	625.29	25.00	2,054.00
		EURO:INR	-	-	-	-
		GBP:INR	-	-	-	-
	Buy	EURO:INR	-	-	-	-
		JPY:INR	2,392.11	1,317.95	-	-

(ii) Particulars of Unhedged Foreign Currency Exposure as at reporting date (Net exposure to Foreign Currency Risk)

Particulars	**Currency**	**As at**			
		31-Mar-24		**31-Mar-23**	
		FC	**INR**	**FC**	**INR**
Receivable / (Payable)	USD:INR	119.75	9,983.95	75.18	6,176.72
	EURO:INR	41.13	3,700.01	5.40	481.20
	USD:INR	-	-	-	-
	EURO:INR	-	-	-	-
	GBP:INR	7.71	810.97	6.41	649.67
	CAD:INR	-	-	-	-
	LE.:INR	63.92	112.35	36.37	97.26
	SEK:INR	-	-	-	-
	JPY:INR	(2,324.99)	(1,280.98)	(513.80)	(318.09)
	AUD:INR	-	-	-	-
	CHF:INR	(0.04)	(3.90)	0.20	17.93

(iii) Maturity of outstanding foreign exchange forward contracts

The details in respect of maturity of outstanding forward exchange forward contract are as given: -

(₹ in lacs)

Particulars	Type	Currency	As at	
			31-Mar-24	31-Mar-23
Not later than 3 months	Sell	USD:INR	625.29	1,027.00
		EURO:INR	-	-
		GBP:INR	-	-
	Buy	EURO:INR	-	-
		JPY:USD	1,317.95	-
Later than 3 months and not later than 6 months	Sell	USD:INR	-	616.20
		EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	-
Later than 6 month & not later than one year	Sell	USD:INR	-	410.80
		EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	-

(iv) The mark to market gain or loss on foreign currency are as under: -

(₹ in lacs)

Particulars	For the year ended	
	31-Mar-24	31-Mar-23
Mark to market loss / (Gain) accounted for (Net)	(15.72)	62.17

37 CAPITAL MANAGEMENT

a) Risk Management - The group is cash surplus and has no capital other than equity. The Cash surplus are currently invested in Liquid mutual funds and also in fixed deposit with banks. Safety of capital is of prime importance to ensure availability of capital for group's business requirement. Investment objective is to provide safety and adequate return on surplus funds. The group's adjusted net debt to equity ratio at the end of reporting period is as follows:

(₹ in lacs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Gross borrowings	17,021.46	14,643.39
Less: cash and cash equivalents	1,205.31	706.24
Adjusted net debt	15,816.15	13,937.15
Total Equity	147,005.35	124,162.72
Adjusted net debt to equity	10.76%	11.22%

The group's total owned funds of ₹ 1,47,005.35 Lacs with ₹ 15,816.15 Lacs as net debts is considered adequate by the management to meet its business interest and any capital risk it may face in the future.

b) Loan Covenants

Under the terms of borrowing facilities, the group is required to comply with certain financing covenants and the group has complied with those covenants through out the reporting period.

c) Dividend

(₹ in lacs)

Particulars	As at	
	31-Mar-24	31-Mar-23
Dividend recognized in the financial statements		
Final dividend paid in financial year 31st March 24 pertaining to financial year ended 31st March 23	(2,878.33)	(2,397.95)
Dividend not recognized in the financial statements		
In addition to the above dividend, since year end, the Board of directors have recommended the payment of final dividend of ₹ 3/- per equity share (PY ₹ 3/- per equity share)		

This dividend is subject to the approval of shareholders of the company in ensuing Annual General Meeting and upon approval would result in cash outgo of approx. ₹ 2,879.14 Lacs

38 The group has adopted Ind AS 116 effective annual reporting period beginning April 1, 2019 and applied the Standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to opening balance of retained earnings as on April 1, 2019.

The lease payments including interest have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognized in balance sheet at the date of initial application. On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the Group is as follows:

Particulars	As at 31-Mar-24	As at 31-Mar-23
Balance at the beginning of the year	247.38	115.20
Addition during the year	270.29	371.07
Depreciation for the year	146.57	123.69
Adjustment on account of Modification in lease term	-	115.20
Closing balance at the end of the year	371.10	247.38

The Following is break up of current and non-current lease liabilities as at 31st March 2024

Particulars	31-Mar-24	31-Mar-23
Current lease	185.07	123.36
Non-Current lease liabilities	208.70	134.93
	393.77	**258.29**

The following is movement in lease liabilities during the year ended 31 March 2024

	31-Mar-24	31-Mar-23
Balance at the beginning of the year	258.29	143.39
Addition during the year	270.30	371.10
Finance cost accrued during the year	42.48	28.82
Modification in lease term	-	-
Deletions	-	143.39
Payment of lease liabilities (including interest)	177.29	141.60
Balance at the end of the year	**393.77**	**258.29**

Depreciation on right of use asset is Rs 146.57 lacs and Interest on lease liability for year ended 31st March 2023 is Rs 42.48 lacs
Lease Contracts entered by the group majorly pertains to building taken on lease to conduct the business activities in ordinary course.

The Table below provides details regarding the contractual maturities of lease charges as at 31 March 2024 on an undiscounted basis:

Particulars	Short term lease charges payable	Long term lease Charges payable	31-Mar-24	31-Mar-23
Less than one year	-	213.00	213.00	141.6
Up to five year	-	221.34	221.34	141.6
More than five year	-	-	-	-

The group do not foresee liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.
Rental expense recorded for short term lease amounted to Rs. 222.65 lacs (PY 192.96) and grouped as short term lease expense in Note No.32 " other expense"

39 RELATED PARTY DISCLOSURES:

Related party disclosures as required by Ind AS - 24 "Related Party Disclosures" are as under:

A List of related parties and relationships

a Associate

1 Ultra For Medical Products (UMIC), Egypt

b Key Management Personnel & Relative

1 Mr. Himanshu Baid (Managing Director)
2 Mr. Rishi Baid (Joint Managing Director)
3 Mr. Naresh Vijayvergiya (CFO)
4 Mr. Ravi Prakash (Dy. Company Secretary)
5 Mr. Avinash Chandra (Company Secretary)
6 Mr. Devendra Raj Mehta (Independent Director)
7 Mr. Prakash Chand Surana (Independent Director)
8 Mr. Shailendra Raj Mehta (Independent Director)
9 Dr. Sandeep Bhargava (Independent Director)
10 Mr. Alessandro Balboni (Director)
11 Mr. Amit Khosla (Independent Director)
12 Mrs. Sonal Mattoo (Independent Director)
13 Mr. Ambrish Mithal (Independent Director)
14 Mr. J. K. Baid (Director- relative of Managing Director & Joint Managing Director)
15 Mr. Vishal Baid (President- relative of Managing Director & Joint Managing Director)
16 Mrs. Mukulika Baid (Director- relative of Managing Director & Joint Managing Director)
17 Mr. Dhruv Baid (Manager- relative of Managing Director & Joint Managing Director)
18 Mr. Arham Baid (Manager- relative of Managing Director & Joint Managing Director)
19 Mr. Aaryaman Baid (Manager- relative of Managing Director & Joint Managing Director)

C Enterprises over which key management personnel and their relatives exercise significant influence

1 Vitromed Healthcare
2 Jai Polypan Pvt. Ltd.
3 Stilocraft
4 Polycure Martech Ltd.
5 Jai Chand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

(₹ In lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Sales of Goods	**869.25**	**859.05**			**2,137.05**	**1,587.80**
Ultra for Medical Products, Egypt	869.25	859.05				
Vitromed Healthcare	-	-			2,137.05	1,587.80
Purchases of Goods					**29.92**	**30.36**
Vitromed Healthcare	-	-			29.92	30.36
Job work					**7,653.35**	**6,693.36**
Vitromed Health Care	-	-			7,653.35	6,693.36
Rent received					**0.20**	**0.20**
Virtomed Healthcare	-	-			0.20	0.20
Rent paid					**1.70**	**1.70**
Jai Polypan Pvt. Ltd.	-	-			1.70	1.70
CSR Expenses	**208.42**	**123.00**				
Jai Chand Lal Hulasi Devi Baid Charitable Trust	208.42	123.00				
Directors / Key Managerial Personnel's' Remuneration including commission			**3,526.04**	**2,672.02**		
Mr. Himanshu Baid			1,717.81	1,300.63		
Mr. Rishi Baid			1,668.18	1,247.28		
Mr. Naresh Vijayvargiya			112.09	98.98		
Mr. Avinash Chandra			18.84	16.74		
Mr. Ravi Prakash			9.12	8.39		
Defined benefit obligations*			**36.59**	**(0.73)**		
Mr. Himanshu Baid			18.21	(1.74)		
Mr. Rishi Baid			15.59	(0.84)		
Mr. Naresh Vijayvergiya			1.88	1.58		
Mr. Avinash Chandra			0.52	(0.01)		
Mr. Ravi Prakash			0.39	0.28		
Salary and perquisites			**183.90**	**171.48**		
Mr. Vishal Baid			183.90	171.48		
Salary and perquisites			**286.24**	**258.83**		
Mr. Dhruv Baid			98.30	87.99		
Mr. Arham Baid			93.97	85.42		
Mr. Aaryaman Baid			93.97	85.42		
Commission and Sitting fees			**131.25**	**128.00**		
Mr. J. K. Baid			14.25	14.25		
Mrs. Mukulika Baid			14.25	14.25		
Mr. Devendra Raj Mehta			16.25	16.00		
Mr. Prakash Chand Surana			12.00	14.00		
Mr. Shailendra Raj Mehta			15.00	15.50		
Dr. Sandeep Bhargava			14.50	14.50		
Mr. Amit Khosla			16.00	15.75		
Mrs. Sonal Mattoo			14.50	14.75		
Mr. Ambrish Mithal			14.50	9.00		
Mr. Alessandro Balboni			**299.04**	**239.25**		
Management Fees			284.54	225.75		
Director Sitting Fees			2.50	1.50		
Commission			12.00	12.00		

Outstanding balances at the year end

(₹ In lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Dividend / Share Governing Council	**112.35**	**97.26**				
Ultra for Medical Devices	112.35	97.26				
Directors' Remuneration / Salary payable			**1,447.08**	**909.24**		
Mr. Himanshu Baid			706.27	439.43		
Mr. Rishi Baid			707.49	439.75		
Mr. Vishal Baid			8.68	11.21		
Mr. Dhruv Baid			11.58	5.46		
Mr. Arham Baid			4.53	4.01		
Mr. Aaryamann Baid			4.53	4.01		
Mr. Naresh Vijayvargiya			2.77	4.67		
Mr. Avinash Chandra			0.59	0.22		
Mr. Ravi Prakash			0.64	0.48		
Commission Payable			**97.20**	**93.60**		
Mr. J. K. Baid			10.80	10.80		
Mrs. Mukulika Baid			10.80	10.80		
Mr. Devendra Raj Mehta			10.80	10.80		
Mr. Prakash Chand Surana			10.80	10.80		
Mr. Shailendra Raj Mehta			10.80	10.80		
Dr. Sandeep Bhargava			10.80	10.80		
Mr. Amit Khosla			10.80	10.80		
Mrs. Sonal Mattoo			10.80	10.80		
Mr. Ambrish Mithal			10.80	7.20		
Management Fee & Other Payable			**31.42**	**25.04**		
Mr. Alessandro Balboni			31.42	25.04		
Trade Receivable	**697.30**	**647.23**				
Ultra for Medical Products, Egypt	697.30	647.23				

40 <u>EARNINGS PER SHARE (EPS) OF ₹ 5/- EACH:</u>

Particulars	Year ended	
	31-Mar-24	31-Mar-23
Net profit after tax available for equity share holders (₹ In lacs)	25,825.97	17,928.25
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	95,946,790	95,916,495
Basic Earnings per Share (in ₹)	26.92	18.69
Diluted Earnings per Share		
Weighted Average no. shares outstanding during the year	95,946,790	95,916,495
Effect of dilutive issue of stock options	74,000	104,450
Weighted Average no. shares outstanding for diluted EPS	96,020,790	96,020,945
Diluted Earnings per Share (in ₹)	26.90	18.67

41 EMPLOYEE BENEFIT:

As per Ind AS - 19 "Employee Benefits", the disclosures are as under:

I Defined Contribution Plan - Provident Fund

The company makes contribution towards Provident Fund to Regional fund commissioner. The contribution payable by the company are at the rates specified in the rules of the scheme.

During the period, the company has recognized the following amount in statement of profit and loss

(₹ In lacs)

Particulars	Year ended	
	31-Mar-24	31-Mar-23
Employers' contribution to provident fund * #	924.39	755.38

* included in "contribution to provident fund and others" under employee benefit expenses (refer note no. 28)

excluding contribution to provident fund transferred to Research and Development Expenses ₹ 18.01 lacs (PY ₹ 12.64 lacs).

II Defined Benefit Plan

The company has formed a employees gratuity trust which is administrated by Life Insurance Corporation of India (LIC). The company makes contribution towards funding the defined benefit plan pertaining to gratuity to LIC. The Leave Encashment liability is not contributed to any fund and is unfunded. The present value of the defined benefit obligation and related current cost are measured using projected unit credit method with actuarial valuation being carried out at balance sheet date. The amount recognized are as under:

a) Gratuity (Funded)

(i) Present Value of Defined benefit Obligation

(₹ In lacs)

Particulars	Year ended	
	31-Mar-24	31-Mar-23
Obligations at year beginning	429.31	397.65
Service Cost - Current	90.76	65.63
Service Cost - Past	-	-
Interest expenses	31.60	28.71
Actuarial (gain) / Loss on PBO	116.42	(22.43)
Benefit payments	(28.81)	(40.24)
Addition due to transfer of employee	-	-
Obligations at year end	**639.28**	**429.31**

(ii) Change in plan assets (₹ In lacs)

Particulars	Year ended	
	31-Mar-24	31-Mar-23
Fair value of plan assets at the beginning of the year	**239.68**	**262.59**
Actual return on plan assets	21.12	16.54
Less- FMC Charges	-	(0.21)
Employer contribution	188.50	1.00
Benefits paid	(28.81)	(40.24)
Fair value of plan assets at the end of the year	**420.49**	**239.68**

(iii) Assets and Liabilities recognized in the Balance Sheet (₹ In lacs)

Particulars	Year ended	Year ended
	31-Mar-24	31-Mar-23
Present Value of the defined benefit obligations	639.29	429.31
Fair value of the plan assets	420.49	239.68
Amount recognized as Liability	**218.80**	**189.63**

(iv) Defined benefit obligations cost for the year: (₹ In lacs)

Particulars	Year ended	
	31-Mar-24	31-Mar-23
Service Cost - Current	90.76	65.63
Service Cost - Past	-	-
Interest Cost	13.96	9.75
Expected return on plan assets	-	-
Actuarial (gain) loss	-	-
Net defined benefit obligations cost	**104.72**	**75.38**

(v) Amount recognized in Other Comprehensive Income (OCI)

(₹ In lacs)

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	(116.42)	22.43
Actuarial gain /(loss) for the year on Asset	3.47	(2.63)
Unrecognized actuarial gain/(loss) for the year	**(112.95)**	**19.80**

(vi) Investment details of Plan Assets

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
The details of investments of plan assets are as follows:		
Funds managed by Insurer	100%	100%
Total	**100%**	**100%**

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vii) Actuarial assumptions:

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
Discount Rate per annum	7.36%	7.36%
Future salary increases	4.00%	4.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(viii) Demographic Assumptions:

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard.

Particulars	Year ended 31-Mar-24	Year ended 31-Mar-23
i) Retirement Age (Years)	60.00	60.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii) Attrition at Ages	WithdrawalRate (%)	
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

(ix) Amount recognized in current year and previous four years:

(₹ In lacs)

	Year ended 31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-20
Defined benefit obligations	639.29	429.31	397.65	382.28	333.23
Plan assets	(420.49)	(239.68)	(262.59)	(281.06)	(161.91)
Deficit /(Surplus)	**218.80**	**189.63**	**135.05**	**101.22**	**171.32**

(x) Expected Contribution to the Fund in the next year

(₹ In lacs)

	Year ended 31-Mar-24	31-Mar-23
Service Cost	119.47	85.01
Net Interest Cost	15.82	13.96
Expected contribution for next annual reporting period	**135.29**	**98.97**

(xi) Sensitivity Analysis

The sensitivity of defined benefit obligations to changes in the weighted principal assumptions is :

(₹ In lacs)

	Change in Assumption		**Increase in Assumption**			**Decrease in Assumption**		
	31-Mar-24	**31-Mar-23**	**Impact**	**31-Mar-24**	**31-Mar-23**	**Impact**	**31-Mar-24**	**31-Mar-23**
Discou	0.50%	0.50%	Decrease by	(34.93)	(24.54)	Increase by	38.18	26.87
Future	0.50%	0.50%	Increase by	36.94	26.27	Decrease by	(34.03)	(24.20)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the 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 balance sheet.

(xii) Maturity Profile of Defined Benefit Obligation (₹ In lacs)

Sr.	**Year**	Amount
a	0 to 1 Year	27.47
b	1 to 2 Year	21.26
c	2 to 3 Year	12.91
d	3 to 4 Year	34.20
e	4 to 5 Year	29.59
f	5 to 6 Year	36.67
g	6 Year onwards	478.98

(xiii) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

A) **Salary Increases:** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) **Investment Risk:** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) **Mortality & disability:** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) **Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

b) Leave Encashment (Unfunded)

The Leave Encashment liability of ₹ 255.54 lacs form part of long term provision ₹ 228.80 Lacs (PY ₹ 136.66 Lacs) and short term provision ₹ 26.74 Lacs (PY ₹ 20.97 Lacs) and is unfunded and does not require disclosures as mentioned in para 158 of Ind AS 19.

42 SEGMENT INFORMATION:

Description of segment and principal activity.

The Group is primarily in the business of manufacture and sale of medical devices. Operating segments are reported in the manner consistent with internal reporting to Managing director of the group. The Group has regular reviews procedures in place and Managing director reviews the operations of the Group as a whole, Hence there are no reportable segments as per Ind AS 108 Operating segment.

Information about Geographical areas

The following information discloses revenue from customers based on geographical areas.

i) Revenue on product group wise (Ind AS 108, Para 32)

(₹ In lacs)

Particulars	**Year ended**	
	31-Mar-24	**31-Mar-23**
Medical Devices	136,569.37	110,865.82
	136,569.37	**110,865.82**

ii) Revenue as per geographical area (Ind AS 108, Para 33 (a))

(₹ In lacs)

Particulars	Year ended	
	31-Mar-24	31-Mar-23
With in India	40,771.59	34,400.52
Outside India (Including Revenue of foreign subsidiaries)	95,797.78	76,465.30
	136,569.37	**110,865.82**

iii) None of the non-current assets of standalone company (other than financial instruments, investment in associates) are located outside India. The non-current assets of foreign subsidiaries (other than financial instruments, goodwill and investment) located outside India are as under:

(₹ In lacs)

Country where assets are located	Year ended	
	31-Mar-24	31-Mar-23
China	399.60	420.31
Netherlands	0.01	0.22
Italy	840.36	455.61
	1,239.97	**876.14**

iv) None of the customers of the Group individually account for 10% or more sale.

43 <u>CORPORATE SOCIAL RESPONSIBILITY (CSR)</u>

The details of expenditure incurred on CSR are as under:

(₹ In lacs)

Sr. No.	Particulars	Year ended	
		31-Mar-24	31-Mar-23
1	The Gross amount required to be spent by the company during the year as per Section 135 of Companies Act 2013 read with Schedule VII	393.25	315.34
2	Amount spent during the year on :		
	i Construction / acquisition of any assets	-	-
	ii On purposes other than (i) above	573.91	298.35
	Total Amount Spent	**573.91**	**298.35**
	Add: Excess Spent from previous year utilised during the current year	-	-
	Less Excess spent during the year to be carried forward to next year	180.66	-
	Total	**393.25**	**298.35**
3	Unspent amount in CSR transferred to separate bank account.	-	16.99
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	-	
	Promoting education, Promotion of Healthcare, Food relief activity, Social welfare		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	Contribution to JAI CHAND LAL HULASI DEVI BAID CHARITABLE TRUST in relation to CSR expenditure	208.42	123.00

Details of ongoing CSR projects under Section 135(6) of the companies Act, 2013:

Year	Opening Balance	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	In separate CSR Unspent A/c		From company	CSR Unspent account	With the	In separate CSR Unspent A/c
2022-23	-	-	-	-	-	16.99
2023-24	16.99	-	-	16.99	-	-

Details of CSR expenditure under section 135(5) of the Act in respect of unspent amount other than ongoing projects:

Year	Opening Balance unspent	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the	Amount spent during	Closing Balance unspent
2022-23	-	-	-	-	-
2023-24	-	-	-	-	-

Details of excess CSR expenditure under section 135(5) of the Act

Year	Opening balance of excess amount spent	Amount required to be spent during the year	Amount Spent during the year	Closing balance of ecxess amount spent to be carried forward to next financial year as per section 135 of the companies Act 2013.
2021-22	-	-	-	-
2022-23	-	-	-	-
2023-24	-	393.25	573.91	180.66

44 The company has formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the share holders in the annual general meeting held on 29th Sept 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 6th November 2020 has granted 63100 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:

On completion of 24 months from the date of grant of option: 50% vests.

On completion of 36 months from the date of grant of option: 50% vests.

The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the share holders in the annual general meeting held on 29th September 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 04th August 2022 has granted 79,900 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:

On completion of 24 months from the date of grant of option: 50% vests.

On completion of 36 months from the date of grant of option: 50% vests.

a Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	**Number**	**Financial year of vesting**	**Exercise price**	**Fair value**
(Year of Grant)				
2020-21	63100	2022-23 2023-24	100	374

b Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	**Number**	**Financial year**	**Exercise price**	**Fair value**
(Year of Grant)				
2022-23	79900	2024-25 2025-26	100	666

c Movement of share options during the year

Particulars	**31-Mar-24**		**31-Mar-23**	
	Number of share options	**Exercise Price**	**Number of share options**	**Exercise Price**
Balance at the beginning of the year	104,450	100	75,500	50 & 100
Granted during the year (ESOP-2020)	-	-	79,900	100
Forfeited during the year	-	-	-	-
Exercised during the year (ESOS 2016, 2020)	27,075	100	44,000	50 & 100
Expired / Lapsed during the year	3,375	-	6,950	-
Balance Options to be exercised at the end of the year	74,000	100	104,450	100

d Compensation expenses arising on account of share based payments

(₹ In lacs)

Particulars	Year ended	
	31-Mar-24	31-Mar-23
Share based payment expenses to employees	211.44	192.74
Total	**211.44**	**192.74**

e Fair value on grant date

The fair value on grant date is determined using Black Scholes Model which takes into account exercise price, terms of option, share price at grant date and expected price volatility of the underline shares, expected dividend yield and risk free interest rate for the term of option.

The model inputs for options granted	ESOS 2020	ESOS 2020
a Exercise price	100	100
b Grant date	29th Sep 2020	04th Aug 2022
c Vesting year	2022-23 2023-24	2024-25 2025-26
d Share price at grant date	463	755
e Expected price volatility of the company share	20% to 25%	20% to 25%
f Expected dividend yield	0.43%	0.33%
g Risk free interest rate	6.00%	7.00%

The expected price volatility is based on the historic volatility.

45 # **ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013:**

(₹ In lacs)

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount
Holding Companies share	95.32%	145,824.83	97.15%	25,172.34
Subsidiary Companies				
Poly Medicure (Laiyang) Co. Ltd, China	0.57%	870.52	0.60%	155.88
Polymed BV, Netherlands, (Consolidated)	3.70%	5,661.47	1.27%	330.24
Plan 1 Health India Pvt Ltd.	0.00%	(1.00)	0.00%	(0.66)
Associate Company				
Ultra for Medical Products, Egypt	0.41%	624.20	0.98%	252.68
Subtotal	**100.00%**	**152,980.02**	**100.00%**	**25,910.47**
Adjustments arising out of consolidation		(5,974.66)		(84.47)
Non-controlling interest		-		-
Total		**147,005.35**		**25,825.97**

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 is Annexed.

46 During the year ended 31st March 2019, the company had invested a sum of Rs. 3,417.79 lacs in Poly Medicure BV, Netherlands, where by Poly Medicure BV, Netherlands became wholly owned subsidiary company of the company. Poly Medicure BV Netherlands invested Rs.3,348.36 lacs in Plan 1 Health Italy, where by Plan1 Health became step subsidiary of the company. The consolidated financial statement of Poly Medicure BV have been consolidated in the consolidated financial statements. Goodwill amounting to Rs.2,858.11 Lacs have been created on consolidation. Goodwill of Rs 2,858.11 Lacs has been (CGU) allocated to Plan 1 Health Italy business only. The estimated value in use of this CGU is based on future cash flows using a 20 % weighted annual growth rate for forecast periods of 5 years and discount rate of 9 % .An analysis of the sensitivity of the computation to a change in key parameters (*i.e.* operating margin discount rate and long term average growth rate) based on reasonable assumption did not identify any probable scenario in which the recoverable amount of the CGU would decrease its carrying amount, accordingly, no impairment in value of goodwill on consolidation have been made.

As per Dutch GAAP (applicable to Polymedicure BV Netherlands) goodwill is measured at cost less accumulated amortization and is amortized over useful life of 20 years whereas as per Ind AS, Goodwill is tested for impairment and not amortized. Suitable adjustment has been made in consolidated financial statements in this regard to follow uniform accounting policies applicable under Ind AS.

Other suitable adjustments to follow uniform accounting policies applicable under Ind AS has also been made in consolidated financial statement, wherever accounting policies followed/adopted by subsidiary companies are different.

47 Events after the reporting date

Dividends declared by the company are based on the profits available for distribution. On 17th May 2024, the Board of directors have proposed a final dividend of Rs.3/- per share in respect of the year ended March 31 2024 subject to approval of shareholders at the Annual General Meeting. The proposal is subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow approximately Rs 2,879.14 Lacs.

48 No funds have been advanced/loaned/invested (from borrowed fund or from share premium or from any other sources/kind of fund) by the company to any other person(s) or entity(ies), including foreign entities(intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other peron or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

49 The Indian parliament has approved the Code of Social Security, 2020 which would impact the contribution by the company toward providend fund and gratuity. The Ministry of Labour and Employment has relesed draft rules for the Code on Social Security, 2020 on November 13, 2020. The company will asses the impact and its evaluation once the subject rules are notified. The conmpany will give appropriate impact in its financial statement in the period in which, the code become effective and the related rules to determine the financial impact are published.

50 Additional regulatory information required by Schedule-III of Companies Act 2013

1) Relationship with struck off Companies: The Company do not have any relationship with Companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

2) Details of Benami Property: No proceedings have been initiated or are pending against the Company for holding any Benami property under Benami Transaction (Prohibition) Act 1988 and the Rules made thereunder.

3) Compliance with numbers of layer of Companies: The Company has complied with the number of layers prescribed under Companies Act 2013.

4) Compliance with approved Scheme of Arrangement: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

5) Undisclosed Income: There is no income surrendered or disclosed as income during current or previous year in the tax assessment under the Income Tax Act 1961 that has not been recorded in books of accounts.

6) Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

51 Previous year figures have been regrouped or reclassified to confirm current year classification.

As per our consolidated audit report of even date annexed
For M C BHANDARI & Co. (Reg no.303002E)
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN:00014008

Rishi Baid
Joint Managing Director
DIN:00048585

Place: New Delhi
Date : 17th May 2024

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POLY MEDICURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Poly Medicure Limited ("the Holding Company") its foreign subsidiaries and subsidiary company incorporated in India (the Company and its subsidiaries together referred to as "the Group") its associate as per list annexed, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows including its associate for the year ended on that date.

Basis for Opinion

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

KeyAuditMatters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the Key Audit Matter was addressed
Goodwill The Group has recognised goodwill on consolidation amounting to ₹ 2,858.11 lacs. The group conducts annual impairment testing of goodwill using discounted cash flow method. Significant judgements are used to estimate the recoverable amount of goodwill. The determination of recoverable amount involves use of several key assumptions including estimate of future sales volume, price, operating margin and discount rate and is, hence, considered as a key audit matter. The Group has assessed that no impairment in the value of goodwill is necessitated. (Refer Note 46)	We have assessed business plan and future cash flows of Step subsidiary company to evaluate management position on non-impairment in value of goodwill on consolidation. Our audit procedures included following: Evaluated the design and tested operating effectiveness of management control in assessing carrying amount of goodwill. Obtained computation of recoverable amount and tested reasonableness of key assumptions Obtained & Evaluated management sensitivity analysis to ascertain impact of changes in key assumptions for determining downside impact on recoverable amount.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of the audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard, as for the year ended March 31, 2023 the other information has not yet been prepared and not yet approved by Board of Directors.

Management's Responsibility & those charged with governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding company.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls. There is only one subsidiary company incorporated in India and two subsidiary companies are incorporated out of India.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statement which have been audited by other auditors situated outside India, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of holding company and subsidiary company incorporated in India included in financial statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of ₹ 1,788.39 lacs as at 31st March 2023 and total revenue of ₹ 1,387.84 lacs for the year then ended on that date and financial statements of one foreign associate in which the share of profit of the Group is

₹ 192.67 lacs. The financial statements of one foreign subsidiary namely Poly Medicure (Laiyang) Co. Ltd., China have been audited by other auditors outside India whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors and the procedures performed by us as stated in para above "Other Matters".

The financial statements of one associate namely Ultra for Medical Products (UMIC), Egypt, have been furnished to us by management of that company and is unaudited and management certified and our opinion is based solely on the basis of unaudited/ management certified financial statements for the year ended 31st December 2022 and the procedures performed by us as stated in para above " Other Matters"

The Financial Statement of one foreign subsidiary (as Consolidated) namely Poly Medicure BV Netherlands in which financial statement of Step Subsidiary Plan 1 Health and Poly Health Medical INC. US are consolidated and whose consolidated financial statement/information reflect total assets of ₹ 7,518.63 Lacs as at 31st March' 2023, and total consolidated revenue of ₹ 4,272.43 Lacs for the year ended on that date as considered in the Consolidated financial statements. These consolidated financial statement/financial information have not been audited as based on article 2.396 Section 6 of Dutch Civil Code, the said foreign subsidiary company is exempt from the obligation to have the annual accounts (including consolidated accounts) audited by the auditor, and are, therefore, management certified and have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosure included in respect of the Subsidiary so far as it relates to the aforesaid subsidiary is based solely on the basis of management certified consolidated financial statements as adjusted suitably to give effect to adopt uniform accounting policies.

In respect of subsidiaries/ associate located outside India whose financial result and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditor/ management certified. The holding company's management has converted the financial results of such subsidiaries/associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the holding company's management. Our opinion in so far as it relates to the balances and affair of such subsidiaries/ associate located outside India is based on the report of other auditor/ management certified and the conversion adjustment prepared by the management of the holding company and audited by us.

Our Opinion on Consolidated financial statements and our report on other legal and regulatory requirements is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statement/financial information as certified.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

   e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2023 taken on record by the Board of Directors of the holding Company, and of subsidiary company incorporated in India, none of the directors of the holding Company and its subsidiary company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy and the operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements of the Holding company and its subsidiary company incorporated in India, refer to our separate report in annexure 1 to this report.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements as also other financial information of subsidiaries, associates as noted in "other Matter" paragraph.

      i. The consolidated financial statements discloses impact of pending litigations on the consolidated financial position of the Group.

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses. The Company did not have any long-term derivative contract.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and subsidiary company incorporated in India.

iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("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 or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, 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 (a) and (b) above, contain any material misstatement.

v) As stated in Note 2.12.3 to the consolidated financial statements

(a). The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b). The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for financial year ending March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company incorporated in India included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: **097466**
UDIN: 23097466BGWKXK5449

Place: New Delhi
Date: 9th May 2023

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting of Poly Medicure Limited ("the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and of subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI'). 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting 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 ICAI.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: **097466**
UDIN: 23097466BGWKXK5449
Place: New Delhi
Date: 9th May 2023

Annexure I: List of entities consolidated as at 31 March 2023

1. Poly Medicure (Laiyang) Co. Ltd.- China - Wholly owned Subsidiary
2. Poly Medicure BV - Netherlands (Consolidated) – Wholly owned Subsidiary
3. Ultra for Medical Products Co. (UMIC) – Egypt – Associate
4. Plan 1 Health India Pvt. Ltd. Subsidiary

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Consolidated Balance Sheet as at 31 March 2023 (₹ in lacs)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	58,732.09	43,868.21
(b) Capital work-in-progress		7,258.35	3,713.56
(c) Right of Use	2	247.38	115.20
(d) Investment Properties	3	90.89	386.88
(e) Goodwill on consolidation		2,858.11	2,858.11
(f) Intangible assets	2	1,597.34	1,581.42
(g) Intangible assets under development		557.50	626.00
(h) Financial Assets			
(i) Investment in associates	4	764.20	976.88
(iii) Other financial assets	7	1,133.04	2,347.40
(i) Other non-current assets	8	3,781.41	2,866.15
Total non-current assets		**77,020.31**	**59,339.81**
2 Current assets			
(a) Inventories	9	20,865.48	16,836.43
(b) Financial assets			
(i) Investments	5	11,859.22	33,659.72
(ii) Trade receivables	10	23,543.20	20,662.89
(iii) Cash and cash equivalents	11	706.24	775.74
(iv) Bank balances other than (iii) above	12	17,600.21	767.85
(v) Loans	6	29.77	34.16
(vi) Other financial assets	7	737.43	377.50
(c) Other current assets	8	5,359.06	5,229.37
Total current assets		**80,700.61**	**78,343.66**
TOTAL ASSETS		**1,57,720.92**	**1,37,683.47**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	4,797.23	4,795.02
(b) Other equity	14	1,19,365.49	1,03,953.12
Equity attributable to shareholders of the company		**1,24,162.72**	**1,08,748.14**
Non-controlling interest		-	-
Total equity		**1,24,162.72**	**1,08,748.14**

LIABILITIES				
1	**Non-current liabilities**	**Note No.**	**As at 31 March 2023**	**As at 31 March 2022**
	(a) Financial liabilities			
	(i) Borrowings	15	1,750.12	3,812.72
	(ii) Lease Liabilities		134.93	37.96
	(iii) Other financial liabilities	16	65.66	52.35
	(b) Provisions	17	460.23	398.22
	(c) Government Grants		273.52	352.92
	(d) Deferred tax liabilities (Net)	18	1,543.47	1,613.34
	Total non-current liabilities		**4,227.93**	**6,267.51**
2	**Current liabilities**			
	(a) Financial liabilities			
	(i) Borrowings	19	12,893.27	8,714.73
	(ii) Lease Liabilities		123.36	105.43
	(iii) Trade payables	20		
	a) total outstanding dues of micro enterprises and small enterprises		1,606.19	1,568.68
	b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,625.29	7,335.21
	(iv)Other financial liabilities	21	3,658.63	2,601.87
	(b) Other current liabilities	22	3,284.56	2,307.12
	(c) Provisions	17	55.20	34.79
	(d) Current tax liabilities (net)	23	83.76	-
	Total current liabilities		**29,330.26**	**22,667.83**
TOTAL EQUITY AND LIABILITIES			**1,57,720.92**	**1,37,683.47**
Significant accounting policies		a-ab		
The accompanying notes are integral part of the Consolidated financial statements.		1 - 53		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh
Vijayvargiya CFO

Avinash Chandra
Company Secretary
(A32270)

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Consolidated Statement of Profit and Loss for the year ended 31 March 2023 (₹ in lacs)

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
INCOME			
Revenue from operations	24	1,11,523.04	92,306.26
Other income	25	3,618.54	3,790.25
Total Income		**1,15,141.58**	**96,096.51**
EXPENSES			
Cost of materials consumed	26	42,431.15	35,237.25
Purchases of Stock-in-Trade		521.31	1,065.61
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(2,364.94)	(1,495.41)
Employee benefits expense	28	20,274.58	16,361.99
Research and development expenses	29	1,780.25	1,877.11
Finance cost	30	883.86	425.48
Depreciation and amortization expense	31	5,716.68	5,395.22
Other expenses	32	22,342.22	17,949.50
Total Expenses		**91,585.11**	**76,816.75**
Profit before tax, and share of net profit from associates		**23,556.47**	**19,279.76**
Share of profit from associates		192.67	244.73
Profit before tax		**23,749.14**	**19,524.49**
Tax expenses:			
(1) Current tax		5,912.91	4,632.27
(2) Deferred tax		(109.76)	265.99
(3) Tax adjustment for earlier years (net)		17.74	(24.37)
Total tax expenses	33	**5,820.89**	**4,873.89**
Profit after tax		**17,928.25**	**14,650.60**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent period:-			
Re-measurement gains/(losses) of defined benefit plan		19.80	31.69
Tax impacts on above		(4.98)	(7.98)
Items that will be reclassified to profit or loss in subsequent period:-			
Exchange differences on translation of financial statements of foreign subsidiaries		25.79	(31.28)
Tax impacts on above		-	-
Other comprehensive income for the year (net of tax)		**40.61**	**(7.57)**
Total comprehensive income for the year		**17,968.86**	**14,643.03**
Profit for the year attributable to:			
Equity holders of the parent		17,928.25	14,650.60
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		17,968.86	14,643.03
Non-controlling interests		-	-

(₹ in lacs)

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
Earnings per equity share: (Face value ₹ 5 each) in rupees	40		
Basic		18.69	15.28
Diluted		18.67	15.27
Weighted average number of equity shares used in computing earnings per equity share			
Basic		9,59,16,495	9,58,88,694
Diluted		9,60,20,945	9,59,64,194
Significant accounting policies	a-ab		
The accompanying notes are integral part of the Consolidated financial statements.	1 - 53		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary
(A32270)

Poly Medicure Limited
CIN: L40300DL1995PLC066923
Consolidated Statement of Cash Flow for the year ended 31st March 2023 (₹ in Lacs)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax and exceptional items	**23,749.14**	**19,524.49**
	Adjusted for:		
	Depreciation and amortisation	5,716.68	5,395.22
	Share in Income of Associates	(192.67)	(244.73)
	Interest expense	883.86	425.48
	Interest income	(586.44)	(198.60)
	Loss/(profit) on sale of fixed assets, net	(10.03)	(53.05)
	Debts/advances written off	14.22	66.06
	Provision for doubtful debts and advances	59.39	3.08
	Credit balances no longer required, written back	(21.23)	(36.89)
	Deferred employee compensation expenses (net)	192.74	93.10
	Unrealised foreign exchange (gain) /loss	(104.26)	(287.94)
	Other Comprehensive Income	45.59	31.69
	Ind AS and Other adjustments	117.95	(1,285.65)
	Operating profit before working capital changes	**29,864.94**	**23,432.26**
	Movement in working capital		
	Decrease/(increase) in inventories	(4,029.05)	(4,188.23)
	Decrease/ (increase) in sundry debtors	(2,879.68)	(5,073.56)
	Decrease/(Increase) in financial assets	(13.51)	64.31
	Decrease/(Increase) in other assets	(103.17)	(866.81)
	Increase/ (decrease) in trade payables	376.92	2,470.15
	Increase/ (decrease) in other financial liabilities	593.00	118.09
	Increase/ (decrease) in other liabilities	977.44	1,074.60
	Increase/ (decrease) in provisions	82.42	62.01
	Cash generated from operations	**24,869.31**	**17,092.82**
	Direct taxes paid (net of refunds)	(5,786.69)	(4,745.60)
	Net cash from operating activities	**19,082.62**	**12,347.22**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances)	(23,927.48)	(15,557.77)
	(Purchase)/Sale of Investments (net)	21,399.81	1,801.56
	Proceeds from / (Investment in) Fixed Deposits (net)	(15,623.43)	4,652.76
	Proceeds from sale of fixed assets	14.77	151.40
	Dividend Income	76.44	31.89
	Interest income	158.31	387.00
	Net cash used for investing activities	**(17,901.59)**	**(8,533.16)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from (Repayment) of borrowings / deferred payment liabilities (net)	2,098.99	(628.16)
	Proceeds from Share Allotments	35.13	9.89
	Repayment of Lease Liabilities (including interest)	(141.60)	(114.00)
	Dividend Paid(including unclaimed dividend transferred)	(2,397.30)	(2,391.56)
	Interest / Finance charges paid	(845.75)	(409.96)
	Net cash from (used for) financing activities	**(1,250.53)**	**(3,533.79)**
	Net increase in cash and cash equivalents (A+B+C)	(69.50)	280.28
	Cash and cash equivalents at the beginning of the year	775.74	495.46
	Cash and cash equivalents at the end of the year	**706.24**	**775.74**

(₹ in Lacs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with Banks in current account	676.88	741.88
Cheques, drafts on hand	-	-
Cash on hand (including foreign currency notes)	29.36	33.86
Fixed deposits with banks, having original maturity of three months or less	-	-
Cash and cash equivalents at the end of the year	**706.24**	**775.74**

(in Lacs)

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES	As at	
	31 March 2023	31 March 2022
Cash and cash equivalents at the end of the year as per above	**706.24**	**775.74**
Add: Balance with banks in dividend / unclaimed dividend accounts	36.92	36.27
Add: Fixed deposits with banks, having maturity period for less than twelve months	17,563.29	731.58
Add: Fixed deposits with banks (lien marked)	540.97	818.16
Add: Fixed deposits with banks, having maturity period for more than twelve months	132.89	1,064.63
Cash and bank balances as per balance sheet (refer note 7, 11 and 12)	**18,980.31**	**3,426.38**

DISCLOSURE AS REQUIRED BY IND AS 7
Reconciliation of liabilities arising from financing activities

March 31, 2023	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	8,714.73	4,180.65	(2.11)	12,893.27
Long term secured borrowing	3,812.72	(2,081.65)	19.05	1,750.12
Total liabilities from financing activities	**12,527.45**	**2,098.99**	**16.95**	**14,643.39**

March 31, 2022	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	7,469.45	1,348.26	(102.98)	8,714.73
Long term secured borrowing	5,944.08	(1,976.42)	(154.94)	3,812.72
Total liabilities from financing activities	**13,413.53**	**(628.16)**	**(257.92)**	**12,527.45**

Notes

This is the Cash Flow Statement referred to in our report of even date.

The above Consolidated cash Flow statement should be read in conjunction with the accompanying notes

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh
Vijayvargiya CFO

Avinash Chandra
Company Secretary
(A32270)

Consolidated Statement of Changes in Equity for the year ended 31st March 2023

A. Equity share capital

(₹ in Lacs)

Balance at the 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
4,795.02	-	4,795.02	2.20	4,797.23

Balance at the 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
4,794.03	-	4,794.03	0.99	4,795.02

B. Other equity

(₹ in Lacs)

Particulars	Reserves and surplus							Item of Other comprehensive income		Total
	Capital Re-serve	Capital reserve on change in interest in equity of associates	Securities Premium	Share Based Payment Reserve Account	General reserve	Retained Earnings	Share in reserve in associ-ates	Foreign Currency translation reserve	Re-measure-ment of defined benefit	
Balance as at 1 April 2021	**46.98**	**534.75**	**39,133.79**	**78.63**	**21,134.83**	**30,416.53**	**50.92**	**312.31**	**54.28**	**91,763.02**
Profit for the year	-	-	-	-	-	14,650.60	-	-	-	14,650.60
Securities Premium received during the year (net of share issue expenses adjusted)	-	-	28.12	-	-	-	-	-	-	28.12
Adjustment of deferred tax amount on share issue expensesadjustedfromsecuritiespremiumaccount	-	-	(34.91)	-	-	-	-	-	-	(34.91)
Addition during the year (net of taxes)	-	-	-	-	-	-	-	-	23.71	23.71
Transfer from retained earnings to General reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-
Addition (deletion) during the year (Net of lapses)	-	-	-	73.88	-	-	-	-	-	73.88
Final Dividend adjusted	-	-	-	-	-	(2,397.01)	-	-	-	(2,397.01)
Share from associate adjusted	-	-	-	-	-	(266.00)	-	-	-	(266.00)
Addition during the year	-	133.85	-	-	-	-	9.13	(31.28)	-	111.70
Balance as at 31 March 2022	**46.98**	**668.60**	**39,127.00**	**152.51**	**23,634.83**	**39,904.12**	**60.05**	**281.03**	**77.99**	**1,03,953.12**
Balance as at 1 April 2022	**46.98**	**668.60**	**39,127.00**	**152.51**	**23,634.83**	**39,904.12**	**60.05**	**281.03**	**77.99**	**1,03,953.12**
Profit for the year	-	-	-	-	-	17,928.25	-	-	-	17,928.25
Securities Premium received during the year (net of share issue expenses adjusted)	-	-	148.35	-	-	-	-	-	-	148.35
Adjustment of deferred tax amount on share issue expensesadjustedfromsecuritiespremiumaccount	-	-	(34.91)	-	-	-	-	-	-	(34.91)
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	14.82	14.82
Transfer from retained earnings to General reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-
Addition (deletion) during the year (Net of lapses)	-	-	-	78.02	-	-	-	-	-	78.02
Final Dividend adjusted	-	-	-	-	-	(2,397.95)	-	-	-	(2,397.95)
Share from associate adjusted	-	-	-	-	-	(159.56)	-	-	-	(159.56)
Addition/(deletion) during the year	-	(176.62)	-	-	-	-	(13.82)	25.79	-	(164.65)
Balance as at 31 March 2023	**46.98**	**491.98**	**39,240.44**	**230.53**	**26,134.83**	**52,774.86**	**46.23**	**306.82**	**92.81**	**1,19,365.49**

Note:
Nature and purposes of reserves forming part of other equity are fully described in Note No. 14.

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Particulars	Freehold Land	Lease-hold Land	Building	Plant & Equipment	Furniture & Fixtures	Office Equip-ment	Vehicles	Total Tangible	Software	Patent & Trade Marks	Total In-tangible	Net Assets
Gross Carrying Value as at 01.04.2021	**4,107.61**	**862.18**	**8,491.66**	**48,545.38**	**625.32**	**1,092.92**	**974.88**	**64,699.95**	**886.96**	**1,994.37**	**2,881.33**	**67,581.28**
Translation Adjustment	-	-	17.65	56.60	(1.99)	0.05	(0.17)	72.15	(1.33)	(0.35)	(1.68)	70.47
Additions during the year	2,663.36	-	1,346.39	6,992.10	93.67	171.24	268.68	11,535.45	20.24	194.04	214.28	11,749.73
Deductions/Adjustments	-	-	-	587.40	-	9.32	18.29	615.01	-	-	-	615.01
Gross Carrying Value as at 31.03.2022	**6,770.97**	**862.18**	**9,855.70**	**55,006.68**	**717.00**	**1,254.90**	**1,225.11**	**75,692.54**	**905.86**	**2,188.07**	**3,093.93**	**78,786.48**
Accumulated Depreciation as at 01.04.2021	**-**	**78.34**	**1,623.16**	**23,835.17**	**416.59**	**822.65**	**513.34**	**27,289.24**	**487.10**	**757.99**	**1,245.09**	**28,534.34**
Translation Adjustment	-	-	8.81	30.16	(1.82)	(0.02)	(0.03)	37.10	(0.22)	(0.18)	(0.41)	36.69
Depreciation for the year	-	9.28	302.92	4,433.33	42.51	126.88	118.19	5,033.11	92.09	175.74	267.84	5,300.95
Deductions/Adjustments	-	-	-	512.01	-	9.13	13.96	535.10	-	-	-	535.10
Accumulated Depreciation as at 31.03.2022	**-**	**87.62**	**1,934.89**	**27,786.65**	**457.28**	**940.37**	**617.54**	**31,824.35**	**578.96**	**933.54**	**1,512.52**	**33,336.86**
Carrying Value as at 31.03.2022	**6,770.97**	**774.56**	**7,920.81**	**27,220.02**	**259.73**	**314.52**	**607.57**	**43,868.21**	**326.90**	**1,254.52**	**1,581.42**	**45,449.63**
Gross Carrying Value as at 01.04.2022	**6,770.97**	**862.18**	**9,855.70**	**55,006.68**	**717.00**	**1,254.90**	**1,225.11**	**75,692.54**	**905.86**	**2,188.07**	**3,093.93**	**78,786.47**
Translation Adjustment	-	-	0.48	45.85	5.59	7.62	0.47	60.01	3.78	4.85	8.62	68.63
Additions during the year	2,310.35	-	6,871.11	10,412.71	124.41	146.18	318.27	20,183.03	105.96	196.25	302.21	20,485.23
Deductions/Adjustments	-	-	-	355.59	23.86	68.98	115.61	564.04	-	-	-	564.04
Gross Carrying Value as at 31.03.2023	**9,081.32**	**862.18**	**16,727.29**	**65,109.65**	**823.15**	**1,339.71**	**1,428.23**	**95,371.53**	**1,015.60**	**2,389.16**	**3,404.76**	**98,776.29**
Accumulated Depreciation as at 01.04.2022	**-**	**87.62**	**1,934.89**	**27,786.65**	**457.28**	**940.37**	**617.54**	**31,824.35**	**578.96**	**933.54**	**1,512.52**	**33,336.86**
Translation Adjustment	-	-	0.26	33.09	5.24	6.93	0.19	45.71	1.87	1.08	2.95	48.66
Depreciation for the year	-	9.28	345.62	4,605.04	50.12	131.83	154.85	5,296.74	95.03	196.91	291.94	5,588.68
Deductions/Adjustments	-	-	-	320.64	23.74	68.51	114.46	527.35	-	-	-	527.35
Accumulated Depreciation as at 31.03.2023	**-**	**96.90**	**2,280.77**	**32,104.15**	**488.90**	**1,010.63**	**658.11**	**36,639.45**	**675.87**	**1,131.53**	**1,807.41**	**38,446.86**
Carrying Value as at 31.03.2023	**9,081.32**	**765.28**	**14,446.52**	**33,005.50**	**334.25**	**329.08**	**770.13**	**58,732.09**	**339.73**	**1,257.63**	**1,597.34**	**60,329.43**

Notes:

2.1 The title deeds of immovable properties are held in the name of the Company.

2.2 Borrowing cost of ₹ Nil lacs (previous year ₹ Nil lacs) have been included in additions to Fixed Assets.

2.3 The estimated amortisation in intangible assets for the period subsequent to 31st March 2023 is as follows:

(₹ in lacs)

Year Ending March 31	Amortisation Expense
2024	263.52
2025	239.51
2026	225.99
Thereafter	868.32

2.4 Right of Use Asset

(in lacs)

Balance as at 1st April 2022	115.20
Addition	371.07
Deletion	115.20
Depreciation for the year	123.69
Closing balance as at 31st March 2023	247.38

2.5 Capital work-in-progress- Ageing Schedule

Ageing for capital work-in-progress as at March 31, 2023 is as follows:

(₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	6,936.58	226.94	87.51	7.32	7,258.35

Ageing for capital work-in-progress as at March 31, 2022 is as follows:

(₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	3581.42	111.66	12.56	7.92	3,713.56

Intangible assets under development - Ageing schedule

Ageing for intangible asset under development as at March 31, 2023 is as follows:

(₹ in lacs)

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangibleassetunder developnment	122.45	116.36	138.10	180.59	557.50

Ageing for intangible asset under development as at March 31, 2022 is as follows:

(₹ in lacs)

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangibleassetunder developnment	204.85	144.94	44.11	232.1	626.00

Notes:-

1) Intangible assets under development mainly represent expenditure incurred on Patents and trademarks pending for granting in favour of the company.
2) There are no projects under intangible assets under development where the completion is over due or has exceeded its cost compared to its original plan.

2.6 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.

Notes on Consolidated Financial Statement for the Year ended 31 March, 2023

(₹ in Lacs)

3	INVESTMENT PROPERTIES	As at 31 March 2023	As at 31 March 2022
	Gross balance at beginning	413.17	487.69
	Additions during the year	-	-
	Disposals / Deductions	314.26	74.52
	Depreciation for the year	4.31	7.87
	Accumulated Depreciation	(8.02)	(26.29)
	Net balance at the end of reporting year	**90.89**	**386.88**
	Fair Value (Refer note 2 below)	**97.82**	**470.38**
	Amount recognised in Statement of Profit & Loss for Investment Properties	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Rental Income	**1.80**	**5.27**

The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.

Note 1: The investment properties consist of residential properties in India and have been categorized as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note 2: The Fair value of investment properties as at 31st March 2023 & as at 31st March 2022 are based on the valuation by a Registered valuer as defined in Rule 2 of Companies (Registered valuer and Valuation) Rules, 2017.

Note 3: The conveyance deed of one (PY four) Investment properties valued at Rs 31.44 Lacs (PY Rs.265.88 Lacs) are yet to be executed in favor of the company.

(₹ in Lacs)

4	INVESTMENT IN ASSOCIATES	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(valued at cost unless stated otherwise)				
	Unquoted equity instruments - fully paid				
	Investment in associates				
	195,500 (previous Year 172,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	764.20	976.88	-	-
	Total	**764.20**	**976.88**		
	Aggregate amount of Unquoted Investment	764.20	976.88	-	-
	Aggregate provision for diminution in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at Equity method (net of provision)	764.20	976.88	-	-
	Financial assets measured at fair value through profit and loss	-	-	-	-

(₹ in Lacs)

5	OTHER INVESTMENT	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Investment measured at fair value through profit and loss				
	Unquoted				
	In Liquid Mutual Funds				
	IDFC Balanced Adv Fund (G)	-	-	-	103.23
	SBI MultiAssetAlloca (G)	-	-	-	263.19
	Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative	-	-	-	298.44
	Parag Parikh LF (G)	-	-	-	529.05
	Axis Strategic Bond Fund-Regular Growth	-	-	-	881.11
	Axis StrategicBond (G)	-	-	4,257.10	3,191.69
	HDFC Medium Term Debt Fund-Regular Plan-Growth	-	-	205.68	1,351.25
	HDFC MTerm Debt-RP (G)	-	-	-	6,378.31
	ICICI Prud CrRisk (G)	-	-	-	33.75
	ICICI Prudential-Equity & Commodities Mutual Funds	-	-	39.78	37.53
	IDFC Corporate Bond (G)	-	-	-	283.94
	Kotak Asset AllocRP (G)	-	-	2,164.11	4,049.71
	Kotak Corporat BndRP (G)	-	-	500.53	-
	Motilal Oswal Asset Allocation Passive Fund of Fund - Aggressive - Regular Plan	-	-	-	1,484.58
	Motilal oswal asset allocation passive fund of funds	-	-	-	157.88
	Motilal oswal ultra short term fund direct growth	-	-	-	104.99
	NIPPON INDIA Liquid (G)	-	-	-	300.08
	NIPPON INDIA Corporate Bond Fund(G)	-	-	2,475.93	4,768.90
	SBI Magnum Medium Duration Fund Regular Growth	-	-	-	381.16
	Parag Parikh Flexi Cap Fund - Regular Plan - Growth	-	-	2,014.30	1,484.63
	ICICI Prud CrRisk (G)	-	-	-	1,520.83
	"SBI MagMediDur (G) "	-	-	-	2,945.88
	SBI MultiAssetAlloca (G)	-	-	-	1,146.09
	Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative - Regular Plan	-	-	-	503.53
	IDFC Balanced Adv Fund (G)	-	-	-	874.98
	True Beacon AIF Scheme 1 (Category III)	-	-	-	484.49
	Invesco India Banking & PSU Debt Fund - Direct Plan Growth Gl	-	-	-	100.47
	DSP Savings (G)	-	-	201.80	-
	Total	**-**	**-**	**11,859.22**	**33,659.72**
	Aggregate amount of Unquoted Investment	-	-	11,859.22	33,659.72
	Aggregate provision for diminution in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at amortised cost (net of provision)	-	-	-	-
	Financial assets measured at fair value through profit and loss	-	-	11,859.22	33,659.72

5.1 Investments made by the company other than those with a maturity of less than one year, are intended to be held for long term.

5.2 In absence of the active market and non-availability of quotes on recognised stock exchange, investment in fixed maturity plan and liquid mutual funds are disclosed as unquoted and fair value is assessed based on NAV of respective funds.

(₹ in Lacs)

6	LOANS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Considered good- Unsecured:				
	Loans and advances to employees	-	-	29.77	34.16
	Total	**-**	**-**	**29.77**	**34.16**

(₹ in Lacs)

7	OTHER FINANCIAL ASSETS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(Unsecured, considered good, unless stated otherwise)				
	Security Deposits				
	Considered good	435.61	426.41	141.64	146.79
	Considered doubtful	-	-	10.12	6.68
	Less: Provision for doubtful deposits	-	-	(10.12)	(6.68)
	Interest accrued on bank deposits / Loan and Advances	23.57	38.20	461.20	18.44
	Dividend / Governing council share from associates	-	-	97.26	118.35
	Gain on outstanding forward contracts reveivable	-	-	-	40.22
	Other receivable #	-	-	37.33	53.70
	Non-current bank balances (refer note 12)	673.86	1,882.79	-	-
	Total	**1,133.04**	**2,347.40**	**737.43**	**377.50**

Includes ₹ 2.33 lacs (₹ 2.33 lacs) paid under protest for enhanced cost of land, contested in Hon'ble Punjab and Haryana High Court.

(₹ in Lacs)

7.1	Movement in the provision for doubtful deposits	As at 31 March 2023	As at 31 March 2022
	Balance at the beginning of the year	6.68	6.68
	Movement in the amount of provision (Net)	3.44	-
	Balalnce at the end of the year	**10.12**	**6.68**

(₹ in Lacs)

8	OTHER ASSETS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(Unsecured, considered good, unless stated otherwise)				
	Capital Advances				
	Considered Good	3,700.67	2,718.09	-	-
	Considered Doubtful	18.86	116.36	-	-
	Less: Provision for doubtful advances	(18.86)	(116.36)	-	-
	Other loans and advances				
	Advance for goods / services				
	Considered Good	-	-	887.62	1,008.74
	Balance with revenue authorities	-	-	2,651.51	2,306.80

Advance tax/ tax deducted at source (net of provision)	20.55	80.75	20.75	-
Prepaid Expenses	60.19	67.31	868.52	399.75
GST, Excise Duty, Service tax and VAT refundable	-	-	819.88	901.03
Export benefits receivable	-	-	110.77	613.05
Total	**3,781.41**	**2,866.15**	**5,359.06**	**5,229.37**

8.1	Movement in provison for doubtful advances	As at 31 March 2023	As at 31 March 2022
	Balance at the beginning of the year	116.36	116.36
	Movement in amount of provision (Net)	(97.50)	-
	Balance at the end of the year	**18.86**	**116.36**

(₹ in lacs)

9	INVENTORIES	As at 31 March 2023	As at 31 March 2022
	(Valued at lower of cost and net realisable value)		
	Raw Materials including packing materials	10,960.88	9,217.93
	Goods-in transit	631.02	636.42
	Work-in-progress	3,356.41	2,561.59
	Finished Goods	5,128.26	3,266.38
	Stock-in-trade	176.90	468.66
	Stores and spares	612.01	685.45
	Total	**20,865.48**	**16,836.43**

9.1 Inventories are hypothecated with bankers against working capital limits (Refer Note No. 19.2)

(₹ in lacs)

10	TRADE RECEIVABLES	As at 31 March 2023	As at 31 March 2022
	Considered good- Unsecured	23,543.20	20,662.89
	Considered Doubtful	187.85	37.90
	Less: Provision for Doubtful Debts	(187.85)	(37.90)
	Total	**23,543.20**	**20,662.89**
	Particulars	**As at 31 March 2023**	**As at 31 March 2022**
	Trade receivable includes:		
	Due from Ultra For Medical Products (UMIC), being associate company	647.23	419.48
	Movement in the provision for doubtful debts	**As at 31 March 2023**	**As at 31 March 2022**
	Balance at the beginning of the year	37.90	43.68
	Addition/(Deletion)	149.95	(5.78)
	Balance at the end of the year	**187.85**	**37.90**

The concentration of credit risk is limited due to large and unrelated customer base.

Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2023 is as follows:

(₹ in lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	13,830.13	8,454.19	573.97	325.71	269.97	62.19	23,516.16
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	1.09	11.91	174.85	187.85

(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	4.48	-	-	-	6.69	11.17
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							23,731.05
Less: Allowance for doubtful trade receivables							(187.85)
Trade receivables							**23,543.20**

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2022 is as follows: (₹ in lacs)

Particulars	**Outstanding for following periods from due date of payment**						
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	9,045.06	9,949.11	1,534.37	65.67	20.79	26.14	20,641.14
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	3.93	4.16	29.81	37.90
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	5.89	5.89
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
							20,700.79
Less: Allowance for doubtful trade receivables							(37.90)
Trade receivables							**20,662.89**

(₹ in lacs)

11 CASH AND CASH EQUIVALENTS	**As at 31 March 2023**	**As at 31 March 2022**
Balances with Banks		
In current accounts	676.88	741.88
Cash on hand (including foreign currency notes)	29.36	33.86
Total	**706.24**	**775.74**

There are no repratriation restrictions with regard to cash & cash equivalents as at the end of reporting year and prior year.

(₹ in lacs)

12	OTHER BANK BALANCES	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Unclaimed dividend accounts	-	-	36.92	36.27
	Held as margin money	540.97	818.16	-	-
	Deposits with more than 3 months but less than 12 months maturity period	-	-	17,563.29	731.58
	Deposits with more than 12 months maturity period	132.89	1,064.63	-	-
	Amount disclosed under the head “other Non Current Financial Assets” (Refer note 7)	(673.86)	(1,882.79)	-	-
	Total	**-**	**-**	**17,600.21**	**767.85**

13	EQUITY SHARE CAPITAL	As at 31 March 2023		As at 31 March 2022	
		No. of Shares	in Lacs	No. of Shares	in Lacs
	Authorized share Capital				
	Equity Shares of ₹ 5 each	12,00,00,000	6,000.00	12,00,00,000	6,000.00
	Issued, subscribed & paid up shares				
	Equity Shares of ₹ 5 each fully paid up	9,59,44,342	4,797.22	9,59,00,342	4,795.02
	Total	**9,59,44,342**	**4,797.22**	**9,59,00,342**	**4,795.02**

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	in Lacs	No. of Shares	in Lacs
At the beginning of the year	9,59,00,342	4,795.02	9,58,80,567	4,794.03
Add: Issued during the year by way of ESOP	44,000	2.20	19,775	0.99
Outstanding at the end of year	**9,59,44,342**	**4,797.22**	**9,59,00,342**	**4,795.02**

13.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 (₹ 5). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Details of shareholders’ holding more than 5% shares in the company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of 5 each (Previous Year 5 each)				
M/s Ezekiel Global Business Solutions LLP	1,23,61,320	12.88%	1,23,61,320	12.89%
Mr. Rishi Baid	98,93,048	10.31%	98,93,048	10.32%
M/s Zetta Matrix Consulting LLP	83,22,160	8.67%	83,22,160	8.68%
Mr. Himanshu Baid	79,07,624	8.24%	79,07,624	8.25%

The aforesaid disclosure is based upon percentages computed separately for each class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.4 Detail of Shares held by promoters at the end of the year

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

S. No	Promoter name	As at March 31, 2023		As at March 31, 2022		% change during the year
		No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	98,93,048	10.31%	98,93,048	10.32%	0.00%
2	Himanshu Baid	79,07,624	8.24%	79,07,624	8.25%	0.00%
3	Himanshu Baid HUF	38,39,200	4.00%	38,39,200	4.00%	0.00%
4	Vcb Trading LLP	35,41,144	3.69%	35,41,144	3.69%	0.00%
5	Jai Polypan Pvt. Ltd.	33,52,000	3.49%	33,52,000	3.50%	0.00%
6	Smt.Mukulika Baid	30,62,400	3.19%	30,62,400	3.19%	0.00%
7	Rishi Baid HUF	27,80,000	2.90%	27,80,000	2.90%	0.00%
8	Jugal Kishore Baid	22,79,376	2.38%	22,79,376	2.38%	0.00%
9	Vishal Baid	16,81,360	1.75%	16,81,360	1.75%	0.00%
10	Shaily Baid	11,88,000	1.24%	11,88,000	1.24%	0.00%
11	Shireen Baid	11,21,600	1.17%	11,21,600	1.17%	0.00%
12	Neha Baid	10,24,000	1.07%	10,24,000	1.07%	0.00%
13	Dhruv Baid	3,60,000	0.38%	3,60,000	0.38%	0.00%
14	Arham Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
15	Aaryaman Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
16	Madhu Kothari	1,71,200	0.18%	1,71,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Zetta Matrix Consulting LLP	83,22,160	8.67%	-	0.00%	100.00%
20	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**5,11,50,712**	**53.31%**	**4,28,28,552**	**44.66%**	**19.43%**

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

S. No	Promoter name	As at March 31, 2022		As at March 31, 2021		% change during the year
		No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	98,93,048	10.32%	99,93,048	10.42%	-1.00%
2	Himanshu Baid	79,07,624	8.25%	79,07,624	8.25%	0.00%
3	Himanshu Baid HUF	38,39,200	4.00%	38,39,200	4.00%	0.00%
4	Vcb Trading LLP	35,41,144	3.69%	36,41,144	3.80%	-2.75%
5	Jai Polypan Pvt. Ltd.	33,52,000	3.50%	33,52,000	3.50%	0.00%
6	Smt.Mukulika Baid	30,62,400	3.19%	30,62,400	3.19%	0.00%
7	Rishi Baid HUF	27,80,000	2.90%	27,80,000	2.90%	0.00%
8	Jugal Kishore Baid	22,79,376	2.38%	22,79,376	2.38%	0.00%
9	Vishal Baid	16,81,360	1.75%	16,81,360	1.75%	0.00%
10	Shaily Baid	11,88,000	1.24%	11,88,000	1.24%	0.00%
11	Shireen Baid	11,21,600	1.17%	11,21,600	1.17%	0.00%
12	Neha Baid	10,24,000	1.07%	10,24,000	1.07%	0.00%

13	Dhruv Baid	3,60,000	0.38%	3,60,000	0.38%	0.00%
14	Arham Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
15	Aaryaman Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
16	Madhu Kothari	1,71,200	0.18%	1,71,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**4,28,28,552**	**44.66%**	**4,30,28,552**	**44.88%**	**-0.46%**

13.5 Dividend paid during the year ended 31st March, 2023 represents amount of Rs. 2,397.95 lakhs towards final dividend for the year ended 31st March, 2022. Dividend declared by the company are based on profit available for distribution. On 09th May 2023 The Board Of Directors of the Company have proposed final dividend of Rs 3.00 per share in respect of the year ended 31st March, 2023 subject to approval at the Annual General Meeting and if approved would result in cash outflow of Rs 2,878.33 lakhs.

13.6 **Shares reserved for issue under Employees Stock option Plan:-** Information relating to employees stock options plan, including details of options issued, excercised and lapsed during the financial year and option outstanding as at the end of the reporting period are set out in note no. 44.

14 OTHER EQUITY	**As at 31 March 2023**	**As at 31 March 2022**
Capital Reserves		
Surplus on re-issue of forfeited shares	13.19	13.19
Application money received on Preferential Warrants issued to promoters forfeited	33.79	33.79
Closing Balance	**46.98**	**46.98**
Capital reserve on change in interest in equity of associates	**491.98**	**668.60**
Securities Premium		
Balance at the beginning of the year	39,127.01	39,133.79
Addition during the year	148.35	28.12
Share Issue Expenses(net of deferred tax)		
Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	(34.91)	(34.91)
Closing Balance	**39,240.45**	**39,127.01**
Share Based Payment Reserve Account		
Balance at the beginning of the year	152.51	78.63
Addition (deletion) during the year (Net of lapses)	78.02	73.88
Closing Balance	230.53	152.51
General Reserve		
Balance at the beginning of the year	23,634.83	21,134.83
Add: Transferred from Surplus in Statement of Profit and Loss	2,500.00	2,500.00
Closing Balance	**26,134.83**	**23,634.83**
Surplus in statement of Profit and Loss		
Balance at the beginning of the year	39,904.12	30,416.53
Add: Additions during the year	17,928.25	14,650.60
Less: Dividend Paid	(2,397.95)	(2,397.01)
Less: Transferred to General Reserve	(2,500.00)	(2,500.00)
Less: Share from associate adjusted	(159.56)	(266.00)
Closing Balance	**52,774.86**	**39,904.12**
Other Comprehensive Income (OCI)		
Re-measurement gains/(loss) of defined benefit plans (net of tax)		
Balance at the beginning of the year	77.99	54.28
Add: Addition during the year	14.82	23.71

Foreign Currency Translation Reserve:-		
Balance at the beginning of the year	281.03	312.31
Add: Addition during the year	25.79	(31.28)
Closing Balance	**399.63**	**359.02**
Shares in reserves in associates	**46.23**	**60.05**
Grand Total	**1,19,365.49**	**1,03,953.12**

Nature and Purpose of Reserves:

a) Capital Reserve: Capital Reserve represents surplus on re-issue of forfeited shares and also forfeiture of application money on preferential warrants issued and is not available for distribution as dividend.

b) Securities Premium: Securities Premium is used to record premium on issue of shares. The reserve can be utilised only for limited purpose in accordance with the provisions of Companies Act, 2013.

c) Share Based Payment Reserve Account: Share Based Payment reserve account is used to recognise grant date fair value of options issued to employees under employee stock option plan.

d) General Reserve: The General Reserve is a free reserve which is used from time to time to transfer profits from/ to retained earning for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General Reserve will not be reclassified subsequently to statement of profit or loss.

e) Surplus in Statement of Profit and loss: This represents undistributed earnings accumulated by the Company as at Balance sheet date.

f) Foreign Currency Translation Reserve: This reserve represents exchange differences arising from translation of financial statments of foreign subsidiaries with functional currencies other than Indian rupee is recognised in other comprehensive income and is presented within equity in foreign currency translation reserve. The cummulative amount is reclassified to statement of profit and loss when net investment is disposed off/liquidated/ classified as held for sale.

(₹ in lacs)

		Non-current		Current	
15	**BORROWINGS**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
	Secured - At Amortized Cost				
	(i) Term loans				
	from banks	1,155.77	3,056.34	2,205.09	2,733.71
	(ii) Deferred payment liabilities	-	-	-	108.95
	Unsecured - At Amortised Cost				
	(i) Term loans from banks in foreign subsidiaries	594.35	756.38	-	-
	Amount disclosed under the head “Borrowings - Current ” (note 19)	-	-	(2,205.09)	(2,842.66)
	Total	**1,750.12**	**3,812.72**	**-**	**-**

		Non-current		Current	
15.1	**Term loan comprises the following:**	**As at 31 March 2023**	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
	From Bank				
	Foreign Currency Loan##	1,155.77	3,056.34	2,205.09	2,733.71
	Term loans related to foreign Subsidiary	594.35	756.38	-	-

net off of Rs.7.21 Lacs (PY 22.05 Lacs) as finance charge.

15.2 Terms of repayment:

Particular	Weighted average Rate of interest (P.A.)	Install-ment	Outstanding as at 31.03.2022	Annual repayment schedule			
				2022-23	2023-24	2024-25	2025-26
Foreign Currency Loan ##	3.28%	Quarterly	3,368.07	2,211.59	1,156.48	-	-

includes Rs.7.21 Lacs (PY 22.05 Lacs) as prepaid finance charge.

15.3 Details of security:

a Term Loans from State Bank of India are secured by first charge on entire fixed assets of the (including Plant & Machinery, Office Equipment Furniture & Fixtures and other Fixed Assets) of the Company (Present & future), including equitable mortgage of factory land & buildings, located at Plot no. 104 & 105, Plot no. 115 & 116, Sector 59, HSIIDC Industrial Estate, Faridabad (Haryana), Plot no.113, HUDA Industrial Area, Sector 59, Faridabad (Haryana) and Second Pari passu charge on Stock & Receivables of the Company.

b b) Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge on entire fixed assets of the Company including land, building and other fixed assets (including Plant & Machinery, Office Equipment and Furniture & Fixtures and all other Fixed Assets) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC, Sector-59, Faridabad, Plot No. 113, Huda, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar and Plot No. PA-010-019, Light Engineering, SEZ, Jaipur and second pari passu charge on stock and receivables of the Company.

Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge with State Bank of India on entire fixed assets of the Company, including land, building and other fixed assets (including Plant & Machinery) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC Industrial Estate, Sector-59, Faridabad, Plot no. 113, HUDA Industrial Area, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar, Plot no. PA-010-019, Light Engineering, SEZ, Jaipur & also first pari-passu charge with HSBC, India on entire fixed assets of the Company Including land, building and other fixed assets (including Plant & Machinery) of the Company Present & Future), situated at Plot no. 34, Sector 68, IMT, Faridabad and second pari passu charge with other term lenders i.e. State Bank of India, Citi Bank, HSBC, Mauritius and HSBC, India on stock and receivables of the Company.

c) Deferred payment liabilities represents assets acquired on deferred credit terms.

15.4 a) As on the balance sheet date, there are no defaults in repayment of loans and interest thereon.
b) The borrowings obtained by the Group from banks have been applied for the purpose for which loans were taken.
c) There are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond statutory period.
d) The Group is required to maintain debt covenants and the Group has complied with all the debt covenants in both year ended 31st March 2023 and 31st March 2022.
e) The Group has not been declared as a wilful defaulter by any bank or financial institution or goverment or any goverment authority.

(₹ in lacs)

16	OTHER NON-CURRENT FINANCIAL LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Security Deposit from Agent/ Others	65.66	52.35
	Total	**65.66**	**52.35**

(₹ in lacs)

17	PROVISIONS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Provision for employee benefits				
	Gratuity	172.39	119.00	17.24	16.05
	Leave Encashment	136.66	167.05	20.97	18.74
	Others(defined benefit obligations of foreign subsidiaries)	151.18	112.17	-	-
	CSR (Refer note no.43)	-	-	16.99	-
	Total	**460.23**	**398.22**	**55.20**	**34.79**

18 DEFERRED TAX LIABILITIES

In accordance with IND AS - 12, the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in lacs)

Particulars	As at 31 March 2023						
	Balance as at April 1 2022	Recognised in profit & loss	Recognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,528.07	206.40	-	-	1,734.47	1,734.47	-
Provision for defined benefit plan - P&L	(75.72)	5.93	-	-	(69.79)	-	(69.79)
Provision for defined benefit plan - OCI	29.19	-	4.98	-	34.17	34.17	-
Provision for Bonus	(1.35)	(32.68)	-	-	(34.03)	-	(34.03)
Provision for doubtful debts and advances	(39.63)	(14.95)	-	-	(54.58)	-	(54.58)
Exchange difference impact under Sec 43A of income tax act.	(45.64)	(2.63)	-	-	(48.27)	-	(48.27)
IND AS 116	(6.93)	4.18	-	-	(2.75)	-	(2.75)
Share issue expense adjusted against other equity	(104.73)	-	-	34.91	(69.82)	-	(69.82)
Unrealised Gains	330.08	(276.01)	-	-	54.06	54.06	-
Deferred Tax (Assets) / Liabilities	**1,613.34**	**(109.76)**	**4.98**	**34.91**	**1,543.47**	**1,822.70**	**(279.23)**

(₹ in lacs)

Particulars	As at 31 March 2022						
	Balance as at April 1 2021	Recognised in profit & loss	Recognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,562.55	(34.48)			1,528.07	1,528.07	
Provision for defined benefit plan - P&L	(46.26)	(29.46)			(75.72)		(75.72)
Provision for defined benefit plan - OCI	21.21	-	7.98		29.19	29.19	
Provision for Bonus	(11.61)	10.26			(1.35)		(1.35)
Provision for doubtful debts and advances	(40.58)	0.95			(39.63)		(39.63)
Exchange difference impact under Sec 43A of Income Tax Act.	(101.53)	55.89			(45.64)		(45.64)
IND AS 116	(28.13)	21.20			(6.93)	-	(6.93)
Share issue expense adjusted against other equity	(139.64)			34.91	(104.73)	-	(104.73)
Unrealised Gains	88.44	241.64			330.08	330.08	-
Deferred Tax (Assets) / Liabilities	**1,304.45**	**266.00**	**7.98**	**34.91**	**1,613.34**	**1,887.33**	**(274.00)**

18.1 Movement on the deferred tax account is as follows:

(₹ in lacs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,613.34	1,304.45
(Credit)/ Charge to the statement of profit and loss	(109.76)	265.99
(Credit)/ Charge to other comprehensive income	4.98	7.98
Adjusted in Other Equity	34.91	34.91
Balance at the end of the year	**1,543.47**	**1,613.34**

(₹ in Lacs)

		As at 31 March 2023	As at 31 March 2022
19	**BORROWINGS - CURRENT**		
	Secured - from banks		
	Cash / Export Credit Loan	10,688.18	5,872.07
	Current maturities of long-term borrowings (Refer note no. 15)	2,205.09	2,842.66
	Total	**12,893.27**	**8,714.73**

19.1 19.1 Working Capital limits from State Bank of India, Citi Bank N.A., The Hongkong & Shanghai Banking Corporation Limited and HDFC Bank Limited are secured by way of first pari-passu charge on entire current assets of the Company (present & future), including stocks of raw materials, stock in process, finished goods, stores & spares lying at factories, godowns or elsewhere (including goods in transit) and book debts / receivables and further secured by second pari-passu charge on entire residual fixed assets of the company.

19.2 19.2 The company has borrowings from banks on the basis of security of current assets. The company has complied with the requirement of filing of monthly/quarterly returns/ statements of current assets with the bank and these returns are in agreement with the books of accounts for the year ended 31st March 2023 and 31st March 2022

(₹ in Lacs)

		As at 31 March 2023	As at 31 March 2022
20	**TRADE PAYABLES**		
	Total outstanding dues of micro enterprises and small enterprises	1,606.19	1,568.68
	Total outstanding dues of trade payables and acceptances other than above	7,625.29	7,335.21
	Total	**9,231.48**	**8,903.89**

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

(₹ in Lacs)

	Particulars	As at 31 March 2023	As at 31 March 2022
a	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	- Principal Amount	1,606.19	1,568.68
	- Interest due		
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2023 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,606.19	-	-	-	-	1,606.20
(ii) Others	4,756.47	2,454.29	71.92	13.50	26.34	7,322.52
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	4.56	-	-	-	4.56
Total	**6,362.66**	**2,458.85**	**71.92**	**13.50**	**26.34**	**8,933.28**
Accrued Expenses						298.20
						9,231.48

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2022 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,568.68	-	-	-	-	1,568.68
(ii) Others	5,187.82	1,668.60	84.11	4.66	49.42	6,994.60
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	6,756.50	1,668.60	84.11	4.66	49.42	8,563.29
Accrued Expenses						340.60
						8,903.89

Notes: 1) The amount of trade payables are unsecured and non interest bearing and are usually on varying trade term.
2) The amounts falling in the category of more than one year are related to pending obligations on the part of suppliers/vendors as per agreed terms and conditions mentioned in purchase order/contract.

(₹ in Lacs)

21	OTHER CURRENT FINANCIAL LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Interest accrued but not due on borrowings	24.02	10.34
	Interest accrued and due on borrowings / Security deposits	3.26	7.65
	Unpaid dividends	36.92	36.27
	Other payables		
	Employees related liabilities	2,513.34	1,990.07
	Liability on account of outstanding forward contracts	21.95	-
	Payables for capital goods	953.81	486.68
	Others	105.33	70.86
	Total	**3,658.63**	**2,601.87**

Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from due date. The company have transferred Rs. 3.87 lacs (31st March 2022 Rs. 0.82 lacs) out of unclaimed dividend to Investor Education and Protection Fund of Central Goverement in accordance with the provisions of section 124 of Companies Act. 2013. There are no outstanding dues to be paid to Investor Education and Protection Fund.

(₹ in Lacs)

22	OTHER CURRENT LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Advance from customers	2,081.21	1,298.69
	Other payables	-	-
	Statutory dues	1,195.55	965.63
	Others	7.77	42.80
	Total	**3,284.56**	**2,307.12**

23	CURRENT TAX LIABILITIES (NET)	As at 31 March 2023	As at 31 March 2022
	Provision for Tax (Net of prepaid taxes of Rs. 5,786.50 lacs)	83.76	-
	Total	**83.76**	**-**

(₹ in Lacs)

24	REVENUE FROM OPERATIONS	Year ended 31 March 2023	Year ended 31 March 2022
	Sale of products		
	Manufactured goods	1,10,032.43	90,805.43
	Traded Goods	833.39	883.36
	Other operating revenues		
	Export Incentives	496.31	420.26
	Sale of scrap	160.91	145.61
	Other operating revenue of foreign subsidiary	**-**	**51.60**
	Total	**1,11,523.04**	**92,306.26**

The Disclosures as required by Ind-AS 115 are as under :

The Company disaggregates revenue based on nature of products/geography as under :	Year ended 31 March 2023	Year ended 31 March 2022
The revenue disaggregates is as under :		
Revenue based on Geography		
Sales		
Domestic	34,400.52	30,346.37
Export	71,746.76	57,012.94
Sales related to foreign Subsidiaries	4,718.54	4,329.48
Other operating revenue		
Domestic-Export incentives and Scrap	**657.22**	**565.87**
Other operating revenue of foreign subsidiary	-	51.60
	1,11,523.04	**92,306.26**
Revenue based on Nature of Products		
Medical Devices	1,10,865.82	91,688.79
Export incentives	496.31	420.26
Scrap	160.91	145.61
other operating revenue	-	51.60
	1,11,523.04	**92,306.26**

Reconciliation of Revenue	Year ended 31 March 2023	Year ended 31 March 2022
Gross value of contract price	1,11,320.13	92,116.67
Less : Variable components i.e.,Rebate & discount	454.31	427.88
Other operating revenue	657.22	617.47
Revenue from operations as recognised in financial statement	**1,11,523.04**	**92,306.26**

Reconciliation of Advance received from Customers	As At 31 March 2023	As At 31 March 2022
Balance at the beginning of the year	1,298.69	449.71
Less : Revenue recognised out of balance of advance received from customer at beginning of year	1,199.93	428.72
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognised as revenue in next year	1,982.45	1,277.70
Balance at the close of the year	**2,081.21**	**1,298.69**

The Company have orders in hand as at 31st March 2023 for Rs. 17,201.14 lacs, for which performance obligation amounting to Rs. 17,201.14 lacs will be recognized as revenue during the next reporting year.

(₹ in Lacs)

25	OTHER INCOME	Year ended 31 March 2023	Year ended 31 March 2022
	Lease Rental	32.40	10.58
	Interest Income		
	Interest Income on Fixed and other Deposits	586.44	198.60
	Interest Income from Financial Assets Measured at Amortised Cost	10.96	30.53
	Other non-operating income		
	Rental Income from Investment Property	1.80	5.27
	Government Grants and Subsidies	325.19	196.53
	Income from Mutual Funds	935.50	718.34
	Miscellaneous Income	295.56	349.33
	Other Gain		
	Provisions / Liabilities no longer required written back (net)	21.23	36.89
	Gain on fixed assets sold/discarded	10.03	53.05
	Gain on Foreign Exchange Fluctuation (net)	1,399.43	1,231.10
	Unrealised gain on valuation of mutual funds measured at fair value through profit or loss	-	960.03
	Total	**3,618.54**	**3,790.25**

(₹ in Lacs)

26	COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED	Year ended 31 March 2023	Year ended 31 March 2022
	Raw Material Consumed		
	Inventory at the beginning of the year	8,364.47	5,936.05
	Add: Purchases during the year	35,324.88	31,017.98
	Less: Inventory at the end of the period	9,673.62	8,364.47
	Cost of raw material consumed (A)	**34,015.73**	**28,589.56**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Packing Material Consumed		
Inventory at the beginning of the year	853.46	840.77
Add: Purchases during the year	8,849.22	6,660.38
Less: Inventory at the end of the period	1,287.26	853.46
Cost of packing material consumed (B)	**8,415.42**	**6,647.69**
Total (A+B)	**42,431.15**	**35,237.25**

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc.

(₹ in Lacs)

27	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended 31 March 2023	Year ended 31 March 2022	(Increase)/ Decrease
	Inventories at the end of period			
	Finished Goods and Stock in Trade	5,305.17	3,735.05	(1,570.12)
	Work in progress	3,356.41	2,561.59	(794.82)
		8,661.58	**6,296.64**	**(2,364.94)**
		Year ended 31 March 2022	**Year ended 31 March 2021**	**(Increase)/ Decrease**
	Inventories at the beginning of year			
	Finished Goods and Stock in Trade	3,735.05	2,459.23	(1,275.82)
	Work in progress	2,561.59	2,342.00	(219.59)
		6,296.64	**4,801.23**	**(1,495.41)**

(₹ in Lacs)

28	EMPLOYEE BENEFITS EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Salaries, wages and bonus	18,676.64	15,132.26
	Contribution to Provident Fund and others	1,230.18	1,049.66
	Share based payment to employees	192.74	93.10
	Staff Welfare Expenses	175.02	86.97
	Total	**20,274.58**	**16,361.99**

(₹ in Lacs)

29	RESEARCH AND DEVELOPMENT EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Revenue Expenditure charged to statement of profit and loss		
	Cost of components and Material Consumed (Net)	1,102.85	1,232.04
	Employee benefits expenses	517.79	462.73
	Power and Fuel	38.78	37.00
	Travelling & Conveyance	23.32	23.43
	Other Misc Expenses	48.02	32.51
	Legal & Professional Charges	45.28	86.95
	R&D expenditure relating to Foreign subsidiary	4.21	2.45

	Total amount spent on Research and Development	**1,780.25**	**1,877.11**

(₹ in Lacs)

30	**FINANCE COST**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Interest expense		
	Interest on loans	558.96	312.09
	Interest on Income Tax	5.34	-
	Exchange difference to the extent considered as an adjustment to interest costs	261.19	42.68
	Interest on Lease Liabilities	28.82	17.61
	Others		
	Other amortised borrowing costs	29.55	53.10
	Total	**883.86**	**425.48**

(₹ in Lacs)

31	**DEPRECIATION AND AMORTISATION EXPENSES**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Depreciation of tangible assets	5,296.74	5,033.11
	Amortisation of intangible assets	291.94	267.84
	Depreciation of investment properties	4.31	7.87
	Amortisation of Right of Use	123.69	86.40
	Total	**5,716.68**	**5,395.22**

(₹ in Lacs)

32	**OTHER EXPENSES**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Consumption of stores and spare parts	2,147.70	1,749.55
	Power and Fuel	3,858.53	2,983.67
	Job Work Charges	7,962.86	6,604.43
	Other Manufacturing Expenses	234.07	161.12
	Repairs to Building	88.91	76.66
	Repairs to Machinery	160.97	109.90
	Repairs to Others	66.79	67.44
	Insurance (Net)	322.95	303.78
	Short term lease	192.96	223.57
	Rates, Taxes & Fee	77.57	189.21
	Travelling & Conveyance	1,717.97	1,017.49
	Legal & Professional Fees	1,337.13	1,330.72
	Auditors' Remuneration	19.46	20.08
	Commission and Sitting Fees to Non-Executive Directors	140.50	93.75
	Donations	187.32	164.21
	Bank Charges	201.88	190.87
	Advertisement	11.34	2.68
	Commission on sales	692.09	571.56
	Freight & Forwarding (Net)	741.22	620.52
	Business Promotion	273.80	126.23
	Exhibition Expenses	332.73	186.67
	Rebate, Discounts & Claims	47.52	60.31
	Provision for Doubt ful debts / Advances (net)	59.39	3.08
	Bad debts / Misc. Balances written off	14.22	66.06
	CSR Expenditure	315.34	264.94
	Communication expense	77.79	61.72

Unrealised loss on valuation of mutual funds measured at fair value through profit or loss	400.69	-
Listing fees	12.37	11.72
Other Miscellaneous Expenses	646.15	687.56
Total	**22,342.22**	**17,949.50**

Payment to Auditors	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Audit Fee	14.69	14.67
Limited Review of Results	3.00	3.00
In other capacity		
(a) For certification work	0.52	0.96
(b) For Others	0.49	0.75
Reimbursement of expenses	0.76	0.71
Total	**19.46**	**20.08**

(₹ in Lacs)

33	**TAX EXPENSES**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Tax expenses comprises of:		
	Current tax	5,912.91	4,632.27
	Earlier year tax adjustment (net)	17.74	(24.37)
	Deferred tax	(109.76)	265.99
	Total	**5,820.89**	**4,873.89**

Reconciliation of tax expenses and accounting profit multiplied by Indian tax rate	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Profit before tax and share of profit from associates	23,556.47	19,279.76
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	5,929.16	4,852.72
Tax adjustment on account of profit of subsidiary company on consolidation	74.42	52.35
Adjustment of expenses disallowed under income tax	(6.02)	78.24
Adjustment of expenses allowable under income tax	(103.94)	(35.48)
Other allowable deduction	17.54	(315.57)
Current Tax (Normal Rate)	5,911.16	4,632.27
Additional Current Tax due to Special Rate	1.74	-
Current Tax (A)	5,912.91	4,632.27
Incremental Deferred tax Liability on timing Differences (Net)	(109.76)	265.99
Deferred Tax (B)	(109.76)	265.99
Tax expenses for earlier year (net)	17.74	(24.37)
Tax expenses recognised in the statement of profit and loss	5,820.89	4,873.89
Effective tax rate	24.71%	25.28%

Notes to Consolidated Financial Statements for the year ended 31 March, 2023

CORPORATE AND GENERAL INFORMATION

Poly Medicure Limited ("the Company") is domiciled and incorporated in India and its equity shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the company is situated at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, India.

The Group is a manufacturer/producer of Medical Devices.

The consolidated financial statements of the company for the year ended 31st March 2023 were approved and authorized for issue by the Board of directors in their meeting held on 09th May 2023

STATEMENT OF COMPLIANCE

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act 2013, Indian Accounting Standards and complies with other requirements of the law.

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended. The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA").

Accounting Policies have been consistently applied except where a newly adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relates to Poly Medicure Limited ('the Company') and its subsidiary companies (the company and subsidiaries referred to as "Group") and associates. The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

ii) Where the cost of the investment is higher/lower than the share of equity in the subsidiary/ associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule. The said Goodwill is not amortized, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for in the consolidated statement of profit and loss.

iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.

iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

v) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

vi) Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

vii) Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

viii) Investment in Associates has been accounted under the equity method as per Ind AS 28 -Investments in Associates and Joint Ventures.

ix) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on March 31, 2023	Period of consolidation
Subsidiary			
Poly Medicure (Laiyang) Company Limited, China - (Audited)	China	100%	Apr'22 to Mar'23
Polymed BV, Netherlands - Management certified- Unaudited (Consolidated)	Netherlands	100%	Apr'22 to Mar'23
Plan 1 Health India Pvt Ltd. - (Audited)	India	99.99%	Apr'22 to Mar'23
Associates			
Ultra For Medical Products Company (Ultra Med), Egypt - Management Certified	Egypt	23%	Jan'22 to Dec'22

Classification of Assets and Liabilities into Current and Non- Current

The Group presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realized within twelve months after the reporting period; or

d) 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 treated as current when :
a) it is expected to be settled in normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

SIGNIFICANT ACCOUNTING POLICIES

a Basis of Measurement

The Financial Statements of the group are consistently prepared and presented under historical cost convention on an accrued basis in accordance with IND AS except for certain Financial Assets and Financial Liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (`INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b Property, plant and equipment

(i) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

(ii) Depreciation

Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013.

(iii) Component Accounting

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(iv) Stores and Spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalized as Property, plant and equipment and until that in capital work in progress.

(v) Lease Hold Assets are amortized over the period of lease.

(vi) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective property plant and equipment on completion of construction/ erection.

(vii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

(viii) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ix) Capital work in progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

c Intangible assets:

(i) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP software as 10 year and other softwares as 3 years.

(ii) Software: Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

(iii) Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

d Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss in the period of derecognized.

Though the Group measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value of investment property is based on the valuation by a registered valuer as defined in Rule 2 of Companies (registered valuer and Valuation) Rules, 2017.

e Research and development cost:

Research Cost:

Revenue expenditure on research is expensed under the respective heads of account in the period in which it is incurred and is grouped as "Research and development expenses".

Development Cost:

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per Ind AS 38 is demonstrated, else charged to statement of profit and loss.

f Inventories:

Raw materials, Packing materials, Stores and Spares are valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Stock in process is valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity and depreciation.

Stock in Trade is valued at lower of cost and net realizable value

Scrap is valued at estimated realizable value.

g Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the Group becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

h Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

(i) Investment in equity shares:

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Statement of profit and loss.

(ii) Investment in associates, joint venture and subsidiaries:

The Company's investment in subsidiaries and associates, joint venture are at carried at cost except where impairment loss recognized.

(iii) Trade receivables:

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less credit loss/ impairment allowances/ provision for doubtful debts.

(iv) Cash and cash equivalents:

- Cash and cash equivalents are financial assets. Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase and are carried at cost.

- Other Bank Balances:
Unclaimed / Unpaid dividend amount balance, deposit with bank as margin money for guarantees issued by bank, deposit kept as security deposit with statutory authorities are accounted as bank balance other than cash and cash equivalents.

- Cash Flow Statement:
Cash Flows are reported using indirect method whereby profit for the year is adjusted for the effects of transaction of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of Group are segregated.

(v) Loans & other financial assets:
Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

i Impairment of Financial assets:
In accordance with Ind AS 109, the Group uses expected credit loss (ECL) model for evaluating, measurement and recognition of impairment loss.

j Financial liabilities:

(i) **Classification:**
The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement:**
All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement:**
All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) **Loans and borrowings:**
Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) **De-recognition 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 de-recognition 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.

(vi) **Derivative financial instruments:**
The Group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

k Impairment of non-financial assets:
At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

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

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

l Foreign exchange transactions:

(i) Functional and presentation Currency:
The functional and reporting currency of company is INR.

(ii) Transaction and Balances:
Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

m Revenue recognition:

The Group derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the group recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the group expects to receive in exchange for their products or services. The group disaggregates the revenue based on nature of products/Geography.

- **Export incentive:**

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

- **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

- **Interest income:**

For all Financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

- **Rental income:**

Rental income on investment properties and on operating lease are accounted for on accrual basis.

n Government Grant

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.

- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

- In respect of Property, Plant and Equipment purchased under Export Promotion Capital Goods (EPCG) scheme of Government of India, exemption of custom duty under the scheme is treated as, Government Grant and is recognized in Statement of Profit and Loss on fulfillment of associated export obligations.

o Employees Benefits:

i) Short term employee Benefit:

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

ii) Defined Contribution Plan:

Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

iii) Defined Benefit Plan:

The Leave Encashment (Unfunded) and Gratuity (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognized in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The group recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, gains and losses on curtailments and non-routine Settlements.
- Net interest income or expense.

iv) Long term Employees Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

v) Termination benefits:

Termination benefits are recognized as an expense in the period in which they are incurred.

The group shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and
(b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

p Share based payments:

Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to Share based Payments Reserve. The dilutive effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

q Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognized as expense in the period in which they are incurred.

r Leases:

Group as a Lessee:

In accordance with IND AS 116, the group recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of 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 there carrying amounts may not be recoverable. Impairment loss, if any, is recognize in statement of profit and loss.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments, the group recognizes amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the group recognizes any remaining amount of the remeasurement in statement of profit and loss.

The group has elected not to apply the requirements of IND AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on straight line basis over lease term.

Group as a Lessor:

At an inception date, leases are classified as financial lease or operating lease. Leases where the group does not transfer substantially all risk and reward incidental to the ownership of the asset are classified as operating lease. Lease rental under operating lease are recognised as income in profit and loss account on straight line basis.

s Taxes on income:

(i) Current Tax:

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax:

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

t Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General:

The group recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the group will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:

- A present obligation arising from past events, when no reliable estimate is possible:

- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

  Contingent assets are not recognized but disclosed in financial statement when an inflow of economic benefits is probable.

  Provisions, Contingent liabilities, Contingent assets and Commitments are reviewed at each balance sheet date.

(ii) Other Litigation claims:
Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

(iii) Onerous contracts:
Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

u Exceptional Items:
On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

v Earnings per share:
Basic Earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

w Segment reporting:
The operating segment of the group is medical devices and the same have been evaluated on management approach as defined in Ind AS-108 "Operating Segment". The group accordingly reports its financials under one segment namely "Medical Devices".

x Financial statement classification:
Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the group classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

y Fair value measurement:
The group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

z Significant Accounting Judgments, Estimates and Assumptions:
The preparation of the group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i Income taxes:
Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The group reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated financial statements.

ii Fair value measurement of financial instruments:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iii Defined benefit plans:
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv Lease:
The group evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. In excising whether the group is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease or to exercise the option to terminate the lease. The group revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

v Depreciation/Amortization and useful life of Property, Plant and Equipment:
The group has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act. 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

vi Impairment of Financial & Non-Financial Assets:
The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The group uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

vii Provisions:
The Company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.

viii Contingencies:
Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the group as it is not possible to predict the outcome of pending matters with accuracy.

ix **Impairment of Goodwill**: Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than the carrying amount, the impairment loss is accounted. For impairment loss, goodwill is allocated to CGU which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purpose. The recoverable amount of CGU is determined based on higher of value in use and fair value less cost to sell and value in use is present value of future cash flows expected to be derived from CGU.

Key assumption in the cash flow projection are prepared based on current economic conditions and comprises estimated long term growth rate, estimated operating margin.

aa Capital:
Debt and equity instruments:
Ordinary equity shares are classified as equity. Debt instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

ab Other Miscellaneous Expenses
Public Issue Expenditure/Share issue expenses on private placement basis/FCCB's issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

34 Fair value measurement

i Financial instruments: Accounting classification and fair value measurements
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Accounting Standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Particulars	31-Mar-23						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	764.20	-	-	764.20	-	-	-
In Liquid Mutual Funds	11,859.22	11,859.22	-	-	-	11,859.22	-
Trade receivables	23,543.20	-	-	23,543.20	-	-	-
Cash & cash equivalents	706.24	-	-	706.24	-	-	-
Other bank balances	17,600.21	-	-	17,600.21	-	-	-
Loans	29.77	-	-	29.77	-	-	-
Other financial assets	1,870.47	-	-	1,870.47	-	-	
Total financial assets	**56,373.31**	**11,859.22**	**-**	**44,514.09**	**-**	**11,859.22**	**-**
Financial liabilities							
Borrowings	14,643.39	-	-	14,643.39	-	-	-
Trade payables	9,231.48	-	-	9,231.48	-	-	-
Lease Liabilities	258.29	-	-	258.29			
Other financial liabilities	3,724.29	21.95	-	3,702.34	-	21.95	-
Total financial liabilities	**27,857.45**	**21.95**	**-**	**27,835.50**	**-**	**21.95**	**-**

(₹ in Lacs)

Particulars	31-Mar-22						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	976.88	-	-	976.88	-	-	-
In Liquid Mutual Funds	33,659.72	33,659.72	-	-	-	33,659.72	-
Trade receivables	20,662.89	-	-	20,662.89	-	-	-
Cash & cash equivalents	775.74	-	-	775.74	-	-	-
Other bank balances	767.85	-	-	767.85	-	-	-
Loans	34.16	-	-	34.16	-	-	-
Other financial assets	2,724.90	40.22	-	2,684.68	-	40.22	
Total financial assets	**59,602.14**	**33,699.94**	**-**	**25,902.20**	**-**	**33,699.94**	**-**
Financial liabilities							
Borrowings	12,527.45	-	-	12,527.45	-	-	-
Trade payables	8,903.89	-	-	8,903.89	-	-	-
Lease Liabilities	143.39	-	-	143.39			
Other financial liabilities	2,654.22	-	-	2,654.22	-	-	-
Total financial liabilities	**24,228.95**	**-**	**-**	**24,228.95**	**-**	**-**	**-**

The carrying amount of bank balances, Trade Receivable, Trade Payable, other financial assets/liabilities, loans, cash and cash equivalents, borrowings are considered to be the same as their fair value due to their short term nature.

The levels have been classified based on the followings:

Level 1: It hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Techniques used to determine fair value

Valuation Techniques used to determine fair value include
- Open ended mutual funds and certain bonds and debentures at NAV's/rates declared and/or quoted.
- Close ended mutual funds at NAV's declared by AMFI.
- For other bonds and debentures values with references to prevailing yields to maturity matching tenures, quoted on sites of credible organization such as FIMMDA (Fixed Income Money Market and Derivative Association of India).
- Derivative Instruments at values determined by counter parties/Banks using market observable data.
- Derivative Instruments at values determined by counter parties/Banks using market observable data.

35 CONTINGENT LIABILITIES AND COMMITMENTS

a. Contingent liabilities not provided for: (₹ in Lacs)

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Compensation for enhanced cost of Land pending with District & Session Court Faridabad (Amount paid ₹ 2.33 lacs, Previous year ₹ 2.33 lacs)	9.34	9.34
Show cause notice issued by Principal Commissioner of Customs for which suitable response filed.	849.03	424.52
Show cause notice issued by Assistant Commissioner of CGST for which suitable response filed.	82.20	
Income tax demand for AY 2017-18 under section 270 A of Income Tax Act 1961 and also for A.Y. 2018-19 u/s 143(3) and 154 of Income Tax Act 1961 for which the company have filed appeal before CIT(Appeal).	152.5	93.80
Demand from National Pharmaceutical Pricing Authority (Net)	66.88	66.88

The Company has suitably replied to show cause notices and is also representing before Appellate Authority in respect of income tax demand. The management of the Company believes that its position will likely to be upheld in the appellate process. The Company does not expect any liability against these matters in accordance with the principle of Ind AS 12 "Income Tax" read with Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets" and hence no provision is required to be made in respect of above in the books of account of the Company.

b. Obligations and commitments outstanding:

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Unexpired letters of credit ₹ 2,173.08 lacs (Previous year ₹ 2,362.54 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers ₹ 1,612.05 lacs (Previous year ₹ 1,871.80 lacs), (Net of margins)	3,785.13	4234.34
Bills discounted but not matured	134.14	789.8
Custom duty against import under EPCG Scheme	1828.18	1305.45
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	11319.48	11339.78

36 Financial Risk Management

The Group activities expose it to price risk, credit risk, liquidity risk and market risk.

This note explains the source of risk which the group is exposed to and how it manages the risk and its impact on the financial statement. These risks are managed by the senior management of the group supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the group.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash & cash equivalent, Financial instruments, Financial assets & Trade Receivable	Credit Rating and ageing analysis	Diversification of counter Parties, setting of trade receivable, review of outstanding / overdues
Liquidity Risk	Other Liabilities	Maturity Analysis	Maintenance of Sufficient cash and cash Equivalent, Fixed Deposit & other marketable securities
Market Risk - Foreign exchange	Highly probable forecast transactions	Sensitivity analysis	Forward Foreign Exchange Contracts

The Board of Directors of the group provides guiding principles for overall risk management, as well as policies covering specific areas i.e. foreign exchange risk, credit risk & Investment of Surplus liquidity.

The group's risk management is carried out by finance department, accordingly, this department identifies, evaluates and hedges financial risk.

A) Price Risk

The main Raw materials for manufacturing of Medical devices are various types of Plastic Granules i.e. PP, LDPE, HDPE, PC, PA, SAN, ABS and K. Resin etc. The prices of Raw materials are mainly dependent on the price of Crude Oil. The majority of Raw materials are being imported by the group and the few are procured indigenously. In case of imported Raw materials, the adverse forex movements are covered by the natural hedge. In case of the drastic price rise of Raw materials during the year, the group makes appropriate changes in the prices of Finished Products, after due discussions with the customers. The prices of Finished Goods are generally reviewed every year and appropriate changes in prices are made to offset the increase in cost.

B) Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortized cost and fair value through profit or loss and trade receivables

Credit Risk Management

The company has invested in fixed deposits and liquid mutual funds and have invested only with those funds plan having good credit rating / track record. The group reviews the creditworthiness of these counterparties on an ongoing basis. Another credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customer to whom credit is extended in normal course of business. The group estimates the expected credit loss on the basis of past data and experience. The group also takes proper ECGC cover based on risk based classification of trade receivables.

The Geographical concentration of trade receivable (net of allowance) is as under:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
India	6111.72	4,655.85
Europe	6,335.10	5,030.36
USA	287.78	275.18
Others	10,808.60	10,701.50
Total	**23,543.20**	**20,662.89**

Review of outstanding trade receivables and financial assets is carried out by the management each quarter. The group has a practice to provide for provision for doubtful debts on the basis of duly board approved policy on provision for bad & doubtful debts.

Reconciliation of loss allowance provisions:

(₹ in Lacs)

Particulars	Deposits	Trade receivable	Advances
Loss Allowance as on 1 April 2021	6.68	43.68	116.36
Change In loss allowance	-	(5.78)	-
Loss Allowance as on 31 March 2022	6.68	37.90	116.36
Change In loss allowance	3.44	149.95	(97.50)
Loss Allowance as on 31 March 2023	**10.12**	**187.85**	**18.86**

C) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rate. The group's main interest rate risk arises from long term borrowings with variable rates (LIBOR plus) which exposes the group to cash flow interest rate risk.

i) Interest rate risk exposure - The exposure of the group's borrowing to interest rate changes at the end of reporting period is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Variable rate borrowing	14643.39	12,418.50
Fixed rate borrowing	-	108.95
Total	**14,643.39**	**12,527.45**

ii) Sensitivity analysis: For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole year:-

(₹ in Lacs)

Particulars	Impact on profit before tax for the year ended	
	31-Mar-23	31-Mar-22
Interest rate- increase by 50 basis point	73.22	62.09
Interest rate- decrease by 50 basis point	(73.22)	(62.09)

D) Liquidity Risk

The group's principle source of liquidity are cash & cash equivalent and cash flows that are generated from operations. The group believes that its working capital is sufficient to meet its current requirement. Additionally, the group has sizeable surplus funds in liquid mutual fund and also in fixed deposit ensuring safety of capital and availability of liquidity as and when required hence, the group do not perceive any liquidity risk.

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
The group has working capital funds which Includes		
Cash and cash equivalent	706.24	775.74
Current investments in liquid mutual funds	11,859.22	33,659.72
Bank balances	17,600.21	767.85
Trade receivable	23,543.20	20,662.89
Total	**53,708.87**	**55,866.20**

Besides above, the company had access to the following undrawn facilities at the end of reporting period:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Fixed		
Cash credit and other facilities	10436.76	3810.26
Variable		
Other facilities	-	-

Contractual maturities of significant financial liabilities are as under :
Maturities of financial liabilities

(₹ in Lacs)

Particulars	Less than and equal to one year	More than one year	Total
As at 31 March 2023			
Trade payable	9,231.48	-	9,231.48
Other Financial liabilities	16,675.26	1,950.71	18,625.97
Total	**25,906.74**	**1,950.71**	**27,857.45**
As at 31 March 2022			
Trade payable	8,903.89	-	8,903.89
Other Financial liabilities	11,422.03	3,903.03	15,325.06
Total	**20,325.92**	**3,903.03**	**24,228.95**

E) Market Risk

Foreign Currency Risk

The group operates significantly in international markets through imports and exports and therefore exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD/Euro/GBP/JPY. The risk is measured through sensitivity analysis by natural hedging due to imports and exports. In order to minimize any adverse effect on the financial performance of the group, financial instrument such as foreign exchange forward contracts are used exclusively to mitigate currency risk.

(i) The company uses foreign exchange forward contracts to mitigate exposure in foreign currency risk. The foreign exchange forward contract outstanding at reporting date are as under: -

Particulars	Type	Currency	As at			
			31-Mar-23		31-Mar-22	
			FC	INR	FC	INR
Forward Contracts	Sell	USD:INR	25.00	2,054.00	91.00	6,890.79
		EURO:INR	-	-	0.90	75.69
		GBP:INR	-	-	-	-
	Buy	EURO:INR	-	-	-	-
		JPY:INR	-	-	159.00	99.00

(ii) Particulars of Unhedged Foreign Currency Exposure as at reporting date (Net exposure to Foreign Currency Risk)

Particulars	Currency	As at			
		31-Mar-23		31-Mar-22	
		FC	INR	FC	INR
Receivable / (Payable)	USD:INR	75.18	6,176.72	37.22	2,818.24
	EURO:INR	5.40	481.20	(19.74)	(1,658.36)
	USD:INR	-	-	-	-
	EURO:INR	-	-	-	-
	GBP:INR	6.41	649.67	0.82	81.11
	CAD:INR	-	-	-	-
	LE.:INR	36.37	97.26	28.50	118.85
	SEK:INR	-	-	-	-
	JPY:INR	(513.80)	(318.09)	(148.17)	(92.21)
	AUD:INR	-	-	-	-
	SGD:INR	0.20	17.93	-	-

(iii) Maturity of outstanding foreign exchange forward contracts

The details in respect of maturity of outstanding forward exchange forward contract are as given: -

(₹ in Lacs)

Particulars	Type	Currency	As at	
			31-Mar-23	31-Mar-22
Not later than 3 months	Sell	USD:INR	1,027.00	1,211.57
		EURO:INR	-	75.69
		GBP:INR	-	-
	Buy	EURO:INR	-	-
		JPY:USD	-	49.16
Later than 3 months and not later than 6 months	Sell	USD:INR	616.20	1,817.35
		EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	24.89
Later than 6 month & not later than one year	Sell	USD:INR	410.80	3,861.87
		EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	24.89

(iv) The mark to market gain or loss on foreign currency are as under: -

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Mark to market loss / (Gain) accounted for (Net)	62.17	(52.07)

37 CAPITAL MANAGEMENT

a) **Risk Management -** The group is cash surplus and has no capital other than equity. The Cash surplus are currently invested in Liquid mutual funds and also in fixed deposit with banks. Safety of capital is of prime importance to ensure availability of capital for group's business requirement. Investment objective is to provide safety and adequate return on surplus funds. The group's adjusted net debt to equity ratio at the end of reporting period is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Gross borrowings	14,643.39	12,527.45
Less: cash and cash equivalents	706.24	775.74
Adjusted net debt	13,937.15	11,751.71
Total Equity	1,24,162.72	1,08,748.14
Adjusted net debt to equity	11.22%	10.81%

The group's total owned funds of ₹ 1,24,162.72 Lacs with ₹ 13,937.15 Lacs as net debts is considered adequate by the management to meet its business interest and any capital risk it may face in the future.

b) **Loan Covenants**
Under the terms of borrowing facilities, the group is required to comply with certain financing covenants and the group has complied with those covenants through out the reporting period.

c) Dividend

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Dividend recognized in the financial statements		
Final dividend paid in financial year 31st March 23 pertaining to financial year ended 31st March 22	(2,397.95)	(2,397.01)
Dividend not recognized in the financial statements		
In addition to the above dividend, since year end, the Board of directors have recommended the payment of final dividend of ₹ 3 per equity share (PY ₹ 2.5 per equity share)		

This dividend is subject to the approval of shareholders of the company in ensuing Annual General Meeting and upon approval would result in cash outgo of approx. ₹ 2,878.33 Lacs

38 The group has adopted Ind AS 116 effective annual reporting period beginning April 1, 2019 and applied the Standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to opening balance of retained earnings as on April 1, 2019.

The lease payments including interest have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognized in balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the company is as follows:

Particulars	As at 31-Mar-23	As at 31-Mar-22
Balance at the beginning of the year	115.20	216.58
Addition during the year	371.07	-
Depreciation for the year	123.69	86.40
Adjustment on account of modification in lease term	115.20	14.98
Closing balance at the end of the year	**247.38**	**115.20**

The Following is break up of current and non-current lease liabilities as at 31st March 2023

Particulars	As at 31-Mar-23 (Rs.in Lakhs)	As at 31-Mar-22 (Rs.in Lakhs)
Current lease liabilities	123.36	105.43
Non-Current lease liabilities	134.93	37.96
Total	**258.29**	**143.39**
The following is movement in lease liabilities during the year ended 31 March 2023		
Particulars	**Year ended 31-Mar-23**	**Year ended 31-Mar-22**
Balance at the beginning of the year	143.39	328.98
Addition during the year	371.07	-
Finance cost accrued during the year	28.82	17.61
Modification in lease term	-	89.20
Deletions	143.39	-
Payment of lease liabilities (including interest)	141.60	114.00
Balance at the end of the year	**258.29**	**143.39**

Depreciation on right of use asset is Rs 123.69 lacs and Interest on lease liability for year ended 31st March 2023 is Rs 28.82 lacs
Lease Contracts entered by the group majorly pertains to building taken on lease to conduct the business activities in ordinary course.

The Table below provides details regarding the contractual maturities of lease charges as at 31 March 2023 on an undiscounted basis:

Particulars:	Short term lease charges payable	Long term lease Charges payable	As at 31st March 2023 (Rs in Lacs)	As at 31st March 2022 (Rs in Lacs)
Less than one year	-	141.6	141.6	114
Up to five year	-	141.6	141.6	38
More than five year	-	-	-	-

The group do not foresee liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

Rental expense recorded for short term lease amounted to Rs. 192.96 lacs and grouped as short term lease expense in Note No. 32 " other expense"

39 RELATED PARTY DISCLOSURES:

Related party disclosures as required by Ind AS - 24 "Related Party Disclosures" are as under:

A <u>List of related parties and relationships</u>

a Associate

1 Ultra For Medical Products (UMIC), Egypt

b Key Management Personnel & Relative

1 Mr. Himanshu Baid (Managing Director)
2 Mr. Rishi Baid (Joint Managing Director)
3 Mr. Naresh Vijayvergiya (CFO)
4 Mr. Ravi Prakash (Dy. Company Secretary) w.e.f 24th May 2022

5 Mr. Avinash Chandra (Company Secretary)
6 Mr. Devendra Raj Mehta (Independent Director)
7 Mr. Prakash Chand Surana (Independent Director)
8 Mr. Shailendra Raj Mehta (Independent Director)
9 Dr. Sandeep Bhargava (Independent Director)
10 Mr. Alessandro Balboni (Director)
11 Mr. Amit Khosla (Independent Director)
12 Mrs. Sonal Mattoo (Independent Director)
13 Mr. Ambrish Mithal (Independent Director) w.e.f 04th August 2022
14 Mr. J. K. Baid (Director- relative of Managing Director & Joint Managing Director)
15 Mr. Vishal Baid (President- relative of Managing Director & Joint Managing Director)
16 Mrs. Mukulika Baid (Director- relative of Managing Director & Joint Managing Director)
17 Mr. Dhruv Baid (Manager- relative of Managing Director & Joint Managing Director)
18 Mr. Arham Baid (Manager- relative of Managing Director & Joint Managing Director)
19 Mr. Aaryaman Baid (Manager- relative of Managing Director & Joint Managing Director)

c **Enterprises over which key management personnel and their relatives exercise significant influence**
1 Vitromed Healthcare
2 Jai Polypan Pvt. Ltd.
3 Stilocraft
4 Polycure Martech Ltd.
5 Jai Chand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

(₹ In lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Sales of Goods	**859.05**	**756.04**			**1,587.80**	**2,783.62**
Ultra for Medical Products, Egypt	859.05	756.04				
Vitromed Healthcare					1,587.80	2,783.62
Purchases of Goods					**30.36**	**43.66**
Vitromed Healthcare					30.36	43.66
Job work					**6,693.36**	**5,776.34**
Vitromed Health Care					6,693.36	5,776.34
Rent received					**0.20**	**0.20**
Virtomed Healthcare					0.20	0.20
Rent paid					**1.70**	**1.70**
Jai Polypan Pvt. Ltd.					1.70	1.70
CSR Expenses	**123.00**	**125.86**				
Jai Chand Lal Hulasi Devi Baid Charitable Trust	123.00	125.86				
Advance From Associates	**-**	**28.35**				
Ultra for Medical Products, Egypt	-	28.35				
Directors / Key Managerial Personnel's' Remuneration including commission			**2,672.02**	**2,237.64**		
Mr. Himanshu Baid			1,300.63	1,072.08		
Mr. Rishi Baid			1,247.28	1,042.59		
Mr. J. K. Oswal			-	26.77		
Mr. Naresh Vijayvargiya			98.98	82.38		
Mr. Avinash Chandra			16.74	13.82		
Mr. Ravi Prakash			8.39	-		
Defined benefit obligations*			**(0.73)**	**40.92**		
Mr. Himanshu Baid			(1.74)	13.11		

Mr. Rishi Baid			(0.84)	11.58		
Mr. J. K. Oswal			-	13.13		
Mr. Naresh Vijayvergiya			1.58	3.03		
Mr. Avinash Chandra			(0.01)	0.07		
Mr. Ravi Prakash			0.28	-		
Salary and perquisites			**171.48**	**123.11**		
Mr. Vishal Baid			171.48	123.11		
Salary and perquisites			**258.83**	**194.81**		
Mr. Dhruv Baid			87.99	79.46		
Mr. Arham Baid			85.42	59.60		
Mr. Aaryaman Baid			85.42	55.75		
Commission and Sitting fees			**128.00**	**93.75**		
Mr. J. K. Baid			14.25	11.25		
Mrs. Mukulika Baid			14.25	11.25		
Mr. Devendra Raj Mehta			16.00	12.50		
Mr. Prakash Chand Surana			14.00	12.00		
Mr. Shailendra Raj Mehta			15.50	12.25		
Dr. Sandeep Bhargava			14.50	11.50		
Mr. Amit Khosla			15.75	12.00		
Mrs. Sonal Mattoo			14.75	11.00		
Mr. Ambrish Mithal			9.00	-		
Mr. Alessandro Balboni			**239.25**	**150.83**		
Management Fees			225.75	150.83		
Director Sitting Fees			1.50			
Commission			12.00			

* The reduction/reversal in Defined benefit obligation is due to changes in leave encashment entitlements.

Outstanding balances at the year end

(₹ In lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Dividend / Share Governing Council outstanding	97.26	118.35				
Ultra for Medical Devices	97.26	118.35				
Directors' Remuneration / Salary payable			**909.24**	**695.07**		
Mr. Himanshu Baid			439.43	333.86		
Mr. Rishi Baid			439.75	337.98		
Mr. Vishal Baid			11.21	5.01		
Mr. Dhruv Baid			5.46	3.79		
Mr. Arham Baid			4.01	4.51		
Mr. Aaryamann Baid			4.01	4.57		
Mr. Naresh Vijayvargiya			4.67	4.82		
Mr. Avinash Chandra			0.22	0.53		
Mr. Ravi Prakash			0.48	-		
Commission Payable			**93.60**	**64.80**		
Mr. J. K. Baid			10.80	8.10		
Mrs. Mukulika Baid			10.80	8.10		
Mr. Devendra Raj Mehta			10.80	8.10		
Mr. Prakash Chand Surana			10.80	8.10		
Mr. Shailendra Raj Mehta			10.80	8.10		

Dr. Sandeep Bhargava			10.80	8.10		
Mr. Amit Khosla			10.80	8.10		
Mrs. Sonal Mattoo			10.80	8.10		
Mr. Ambrish Mithal			7.20	-		
Management Fee & Other Payable			**25.04**	**23.98**		
Mr. Alessandro Balboni			25.04	23.98		
Trade Receivable	**647.23**	**419.48**				
Ultra for Medical Products, Egypt	647.23	419.48			-	-
Trade Payable / Payable for capital goods/Rent payable					**-**	**0.28**
Jai Polypan Pvt. Ltd.					-	0.28
Advance from customer	**-**	**28.35**				
Ultra for Medical Products, Egypt	-	28.35				

40 EARNINGS PER SHARE (EPS) OF 5/- EACH:

Particulars	Year Ended	
	31-Mar-23	**As at 31-Mar-22**
Net profit after tax available for equity share holders (₹ In lacs)	17,928.25	14,650.60
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	9,59,16,495	9,58,88,694
Basic Earnings per Share (in ₹)	18.69	15.28
Diluted Earnings per Share		
Weighted Average no. shares outstanding during the year	9,59,16,495	9,58,88,694
Effect of dilutive issue of stock options	1,04,450	75,500
Weighted Average no. shares outstanding for diluted EPS	9,60,20,945	9,59,64,194
Diluted Earnings per Share (in ₹)	18.67	15.27

41 EMPLOYEE BENEFIT:
As per Ind AS - 19 "Employee Benefits", the disclosures are as under:

I Defined Contribution Plan - Provident Fund

The company makes contribution towards Provident Fund to Regional fund commissioner. The contribution payable by the company are at the rates specified in the rules of the scheme.

During the period, the company has recognized the following amount in statement of profit and loss

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Employers' contribution to provident fund * #	755.38	649.63

* included in "contribution to provident fund and others" under employee benefit expenses (refer note no. 28)
# excluding contribution to provident fund transferred to Research and Development Expenses ₹ 12.64 lacs (PY ₹ 9.19 lacs).

II Defined Benefit Plan

The company has formed a employees gratuity trust which is administrated by Life Insurance Corporation of India (LIC). The company makes contribution towards funding the defined benefit plan pertaining to gratuity to LIC. The Leave Encashment liability is not contributed to any fund and is unfunded. The present value of the defined benefit obligation and related current cost are measured using projected unit credit method with actuarial valuation being carried out at balance sheet date.
The amount recognized are as under:

a) **Gratuity (Funded)**

(i) **Present Value of Defined benefit Obligation**

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Obligations at year beginning	397.65	382.28
Service Cost - Current	65.63	58.65
Service Cost - Past	-	
Interest expenses	28.71	25.96
Actuarial (gain) / Loss on PBO	(22.43)	(32.60)
Benefit payments	(40.24)	(36.64)
Addition due to transfer of employee	-	-
Obligations at year end	**429.31**	**397.65**

(ii) **Change in plan assets**

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Fair value of plan assets at the beginning of the period	**262.59**	**281.06**
Actual return on plan assets	16.54	19.70
Less- FMC Charges	(0.21)	(1.52)
Employer contribution	1.00	-
Benefits paid	(40.24)	(36.64)
Fair value of plan assets at the end of the period	**239.68**	**262.59**

(iii) **Assets and Liabilities recognized in the Balance Sheet**

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Present Value of the defined benefit obligations	429.31	397.65
Fair value of the plan assets	239.68	262.59
Amount recognized as Liability	**189.63**	**135.05**

(iv) **Defined benefit obligations cost for the year:**

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Service Cost - Current	65.63	58.65
Service Cost - Past	-	-
Interest Cost	9.75	6.87
Expected return on plan assets	-	-
Actuarial (gain) loss	-	-
Net defined benefit obligations cost	**75.38**	**65.52**

(v) Amount recognized in Other Comprehensive Income (OCI)

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	22.43	32.60
Actuarial gain /(loss) for the year on Asset	(2.63)	(0.91)
Unrecognized actuarial gain/(loss) for the year	**19.80**	**31.69**

(vi) Investment details of Plan Assets

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
The details of investments of plan assets are as follows:	-	-
Funds managed by Insurer	100%	100%
Total	**100%**	**100%**

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vii) Actuarial assumptions:

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Discount Rate per annum	7.36%	7.22%
Future salary increases	4.00%	4.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(viii) Demographic Assumptions:

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard.

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
i) Retirement Age (Years)	60.00	60.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii) Attrition at Ages	Withdrawal Rate %	
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

(ix) Amount recognized in current year and previous four years:

(₹ in lacs)

	Year ended				
	31-Mar-23	**31-Mar-22**	**31-Mar-21**	**31-Mar-20**	**31-Mar-19**
Defined benefit obligations	429.31	397.65	382.28	333.23	321.58
Plan assets	(239.68)	(262.59)	(281.06)	(161.91)	(157.55)
Deficit /(Surplus)	**189.63**	**135.05**	**101.22**	**171.32**	**164.03**

(x) Expected Contribution to the Fund in the next year

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Service Cost	85.01	77.16
Net Interest Cost	13.96	9.75
Expected contribution for next annual reporting period	**98.97**	**86.91**

(xi) Sensitivity Analysis

The sensitivity of defined benefit obligations to changes in the weighted principal assumptions is :

	"Change in Assumption"		"Increase in Assumption"			"Decrease in Assumption"		
	31-Mar-23	31-Mar-22	Impact	31-Mar-23	31-Mar-22	Impact	31-Mar-23	31-Mar-22
Discount Rate per annum	0.50%	0.50%	Decrease by	(24.54)	(23.65)	Increase by	26.87	25.94
Future salary increases	0.50%	0.50%	Increase by	26.27	25.32	Decrease by	(24.20)	(23.19)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the 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 balance sheet.

(xii) Maturity Profile of Defined Benefit Obligation

(₹ in lacs)

Sr. No.	Year	Amount
a	0 to 1 Year	17.24
b	1 to 2 Year	6.90
c	2 to 3 Year	13.44
d	3 to 4 Year	8.87
e	4 to 5 Year	18.87
f	5 to 6 Year	23.21
g	6 Year onwards	340.77

(xiii) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

A) Salary Increases: Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk: If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability: Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

b) Leave Encashment (Unfunded)

The Leave Encashment liability of ₹157.63 lacs form part of long term provision ₹136.66 Lacs (PY ₹167.05 Lacs) and short term provision ₹20.97 Lacs (PY ₹ 18.74 Lacs) and is unfunded and does not require disclosures as mentioned in para 158 of Ind AS 19.

42 SEGMENT INFORMATION:

Description of segment and principal activity.

The Group is primarily in the business of manufacture and sale of medical devices. Operating segments are reported in the manner consistent with internal reporting to Managing director of the group. The Group has regular reviews procedures in place and Managing director reviews the operations of the Group as a whole, Hence there are no reportable segments as per Ind AS 108 Operating segment.

Information about Geographical areas

The following information discloses revenue from customers based on geographical areas.

i) Revenue on product group wise (Ind AS 108, Para 32)

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Medical Devices	1,10,865.82	91,688.79
Total	**1,10,865.82**	**91,688.79**

ii) Revenue as per geographical area (Ind AS 108, Para 33 (a))

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
With in India	34,400.52	30,346.37
Outside India (Including Revenue of foreign subsidiaries)	76,465.30	61,342.42
Total	**1,10,865.82**	**91,688.79**

iii) None of the non-current assets of standalone company (other than financial instruments, investment in associates) are located outside India. The non-current assets of foreign subsidiaries (other than financial instruments, goodwill and investment) located outside India are as under:

(₹ in lacs)

Country where assets are located	Year ended	
	31-Mar-23	**31-Mar-22**
China	420.31	461.79
Netherlands	0.22	0.46
Italy	455.61	399.45
Total	**876.14**	**861.70**

iv) None of the customers of the Group individually account for 10% or more sale.

v) The group is manufacture of medical devices and has concluded that owing to nature of products the group manufactures, impact of COVID-19 is not material based on revenue estimates.

43 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details of expenditure incurred on CSR are as under:

(₹ in lacs)

Sr. No.	Particulars	Year ended	
		31-Mar-23	**31-Mar-22**
1	The Gross amount required to be spent by the company during the year as per Section 135 of Companies Act 2013 read with Schedule VII	315.34	263.16
2	Amount of expenditure incurred on:	-	-
	i. Construction / acquisition of any assets	-	-
	ii. On purposes other than (i) above	298.35	264.94
3	Unspent amount in CSR related to on-going project transferred to separate bank account.	16.99	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	-	-

	Promoting education, Promotion of Healthcare, Food relief activity, Social welfare, Covid 19 related assistance/Specific products		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	Contribution to JAI CHAND LAL HULASI DEVI BAID CHARITABLE TRUST in relation to CSR expenditure	123.00	125.86

#The company is contributing in ongoing school project and have created provision of Rs. 16.99 lacs for unspent amount on-ongoing project and is being shown as provision for CSR expense in note no 17 and the company has transferred a sum of Rs. 16.99 lacs in separate bank account as required by section 135(6) of Companies Act 2013.

44 SHARE BASED PAYMENTS:

'The company has formulated "Poly Medicure Employee Stock Option Scheme, 2016 (ESOS 2016)" duly approved by the shareholders in the annual general meeting held on 27th September 2016, in accordance of which the ESOP Committee of Board of Directors of the company held on 04th June 2019 has granted 42950 equity shares to eligible employee on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employment, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

'The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the shareholders in the annual general meeting held on 29th Sept 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 6th November 2020 has granted 63100 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

'The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the shareholders in the annual general meeting held on 29th September 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 04th August 2022 has granted 79,900 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

a Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOS 2016)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value at grant date
(Year of Grant)				
2019-20	42950	2021-22 2022-23	50	147

b Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value
(Year of Grant)				
2020-21	63100	2022-23 2023-24	100	374

c Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value
(Year of Grant)				
2022-23	79900	2024-25 2025-26	100	666

d Movement of share options during the year

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of share options	Exercise Price	Number of share options	Exercise Price
Balance at the beginning of the year	75,500	50 & 100	1,02,800	50 & 100
Granted during the year (ESOP-2020)	79,900	100	-	-
Forfeited during the year	-	-	7,525	-
Exercised during the year (ESOS 2016, 2020)	44,000	50 & 100	19,775	50
Expired / Lapsed during the year	6,950	-	-	-
Balance Options to be exercised at the end of the year	**1,04,450**	**100**	**75,500**	**50 & 100**

e Compensation expenses arising on account of share based payments

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Share based payment expenses to employees	192.74	93.10
Total	**192.74**	**93.10**

f Fair value on grant date

The fair value on grant date is determined using Black Scholes Model which takes into account exercise price, terms of option, share price at grant date and expected price volatility of the underline shares, expected dividend yield and risk free interest rate for the term of option.

The model inputs for options granted	ESOS 2016	ESOS 2020	ESOS 2020
a Exercise price	50	100	100
b Grant date	3rd June 2019	29th Sep 2020	4th Aug 2022
c Vesting year	2021-22 2022-23	2022-23 2023-24	2024-25 2025-26
d Share price at grant date	195	463	755
e Expected price volatility of the company share	20% to 25%	20% to 25%	20% to 25%
f Expected dividend yield	0.86%	0.43%	0.33%
g Risk free interest rate	6.92%	6.00%	7.00%

The expected price volatility is based on the historic volatility.

45 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013:

(₹ In lacs)

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount
Subsidiary Companies				
Poly Medicure (Laiyang) Co. Ltd, China	0.58%	726.00	0.16%	28.19
Polymed BV, Netherlands, (Consolidated)	3.99%	4,956.51	-0.79%	(141.43)
Plan 1 Health India Pvt Ltd.	0.00%	(0.34)	0.00%	(0.30)
Associate Company				
Ultra for Medical Products, Egypt	-	-	1.07%	192.67

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 is Annexed.

46 During the year ended 31st March 2019, the company had invested a sum of Rs. 3,417.79 lacs in Poly Medicure BV, Netherlands, where by Poly Medicure BV, Netherlands became wholly owned subsidiary company of the company. Poly Medicure BV Netherlands invested Rs. 3,348.36 lacs in Plan1 Health Italy, where by Plan1 Health became step subsidiary of the company. The consolidated financial statement of Poly Medicure BV have been consolidated in the consolidated financial statements. Goodwill amounting to Rs. 2,858.11 Lacs have been created on consolidation. Goodwill of Rs. 2,858.11 Lacs has been (CGU) allocated to Plan1 Health Italy business only. The estimated value in use of this CGU is based on future cash flows using a 20% weighted annual growth rate for forecast periods of 5 years and discount rate of 9%. An analysis of the sensitivity of the computation to a change in key parameters (i.e. operating margin discount rate and long term average growth rate) based on reasonable assumption did not identify any probable scenario in which the recoverable amount of the CGU would decrease its carrying amount, accordingly, no impairment in value of goodwill on consolidation have been made.

As per Dutch GAAP (applicable to Polymedicure BV Netherlands) goodwill is measured at cost less accumulated amortization and is amortized over useful life of 20 years whereas as per Ind AS, Goodwill is tested for impairment and not amortized. Suitable adjustment has been made in consolidated financial statements in this regard to follow uniform accounting policies applicable under Ind AS.

Other suitable adjustments to follow uniform accounting policies applicable under Ind AS has also been made in consolidated financial statement, wherever accounting policies followed/adopted by subsidiary companies are different.

47 During the year ended 31st March, 2021, the company had issued 76,33,587 equity shares of Rs 5/- each at premium of Rs. 519/- each (Issue Price per share Rs. 524/- each) amounting to Rs. 40,000 lacs to Qualified Institutional Investors on QIP basis. The proceeds of QIP have been utilized as per details given below: -

S.No	Particulars	Amount (Rs.in Lacs)
1	QIP share issue expenses(including GST of Rs.105.59 lacs)	799.09
2	Repayment/Prepayment of debts and working capital	6,182.80
3	Investment in subsidiary	1,715.84
4	Capital expenditure	31,302.27
	Total	**40,000.00**

The entire proceeds from QIP have been utilised for the purpose for which it was raised and there are no unspent amount as at balance sheet date.

48 Standards issued and amended but not effective

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by isssuing the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from April 1, 2023, as below:

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

IND AS 12 - Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transaction that, on initial recognition, give raise to equal taxable and deductible temporary differences. The company is evaluating the impact, if any, in its financial statements.

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

49 Events after the reporting date
Dividends declared by the company are based on the profits available for distribution. On 09th May 2023, the Board of directors have proposed a final dividend of Rs.3/- per share in respect of the year ended March 31 2023 subject to approval of shareholders at the Annual General Meeting. The proposal is subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately Rs.2,878.33 Lacs.

50 ‘No funds have been advanced/loaned/invested (from borrowed fund or from share premium or from any other sources/kind of fund) by the company to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other peron or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

51 'The Indian parliament has approved the Code of Social Security, 2020 which would impact the contribution by the company toward providend fund and gratuity. The Ministry of Labour and Employment has relesed draft rules for the Code on Social Security, 2020 on November 13, 2020. The company will asses the impact and its evaluation once the subject rules are notified. The conmpany will give appropriate impact in its financial statement in the period in which, the code become effective and the related rules to determine the financial impact are published.

52 Additional regulatory information required by Schedule-III of Companies Act 2013

1) Relationship with struck off Companies: The Company do not have any relationship with Companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

2) Details of Benami Property: No proceedings have been initiated or are pending against the Company for holding any Benami property under Benami Transaction (Prohibition) Act 1988 and the Rules made thereunder.

3) Compliance with numbers of layer of Companies: The Company has complied with the number of layers prescribed under Companies Act 2013.

4) Compliance with approved Scheme of Arrangement: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

5) Undisclosed Income: There is no income surrendered or disclosed as income during current or previous year in the tax assessment under the Income Tax Act 1961 that has not been recorded in books of accounts.

6) Details of Crypto Currency or Virtual Currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

53 Previous year figures have been regrouped or reclassified to confirm current year classification.

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh
Vijayvargiya CFO

Avinash Chandra
Company Secretary
(A32270)

Form AOC - I

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in Lacs)

		1	2	3
Sr. No.	**Name of the subsidiary**	**Poly Medicure (Laiyang) Co. Ltd., China**	**Polymed BV, Netherland, Con-solidated**	**Plan 1 Health India Pvt.Ltd.**
		Audited	**Management Certified**	**Audited**
1	Reporting period for the subsidiary concerned	31st March 2023	31st March 2023	31st March 2023
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	CNY 1 CNY = 11.9585 INR	EURO 1 EURO = 89.05 INR	Rupee
3	Share capital	872.38	1,548.45	1.00
4	Reserves & surplus	(146.38)	3,408.06	(1.34)
5	Total assets	1,788.39	7,518.63	0.25
6	Total Liabilities	1,062.39	2,562.12	0.59
7	Investments	-	-	-
8	Turnover	1,391.10	4,222.10	-
9	Other Income	(3.26)	50.33	-
10	Profit (Loss) before taxation	28.19	(98.78)	(0.30)
11	Provision for taxation	-	42.65	-
12	Profit (Loss) after taxation	28.19	(141.43)	(0.30)
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	100%	99.99%

Part "B": Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Name of Associates	**Ultra For Medical Products Company (UMIC), Egypt**
Latest audited Balance Sheet Date	31st December 2022
Shares of Associate held by the company on the year end	
No.	1,95,500
Amount of Investment in Associates	88.67
Extent of Holding %	23%
Description of how there is significant influence	Holding more than 20% of share capital
Reason why the associate is not consolidated	N.A.
Net worth attributable to Shareholding as per latest audited Balance Sheet	675.53
Profit for the year	
Considered in Consolidation	192.67
Not Considered in Consolidation	693.77

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POLY MEDICURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Poly Medicure Limited ("the Holding Company") its foreign subsidiaries and subsidiary company incorporated in India (the Company and its subsidiaries together referred to as "the Group") its associate as per list annexed, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows including its associate for the year ended on that date.

Basis for Opinion

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

KeyAuditMatters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the Key Audit Matter was addressed
Goodwill The Group has recognised goodwill on consolidation amounting to 2858.11 lacs. The group conducts annual impairment testing of goodwill using discounted cash flow method. Significant judgements are used to estimate the recoverable amount of goodwill. The determination of recoverable amount involves use of several key assumptions including estimate of future sales volume, price, operating margin and discount rate and is, hence, considered as a key audit matter. The Group has assessed that no impairment in the value of goodwill is necessitated. (Refer Note 47)	We have assessed business plan and future cash flows of Step subsidiary company to evaluate management position on non-impairment in value of goodwill on consolidation. Our audit procedures included following: Evaluated the design and tested operating effectiveness of management control in assessing carrying amount of goodwill. Obtained computation of recoverable amount and tested reasonableness of key assumptions Obtained & Evaluated management sensitivity analysis to ascertain impact of changes in key assumptions for determining downside impact on recoverable amount.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of the audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard, as for the year ended March 31, 2022 the other information has not yet been prepared and not yet approved by Board of Directors.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding company.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls. There is only one subsidiary company incorporated in India and two subsidiary companies are incorporated out of India.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statement which have been audited by other auditors situated outside India, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of holding company and subsidiary company incorporated in India included in financial statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of 2116.98 lacs as at 31st March 2022 and total revenue of 1542.50 lacs for the year then ended on that date and financial statements of one foreign associate in which the share of profit of the Group is 244.73 lacs. The financial statements of one foreign subsidiary namely Poly Medicure (Laiyang) Co. Ltd., China and of one associate namely Ultra for Medical Products

(UMIC), Egypt, have been audited by other auditors outside India whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

The Financial Statement of one foreign subsidiary (as Consolidated) namely Poly Medicure BV Netherlands in which financial statement of Step Subsidiary Plan 1 Health and Poly Health Medical INC. US are consolidated and whose consolidated financial statement/information reflect total assets of 5983.36 Lacs as at 31st March'2022, and total consolidated revenue of 3392.22 Lacs for the year ended on that date as considered in the Consolidated financial statements. These consolidated financial statement/financial information have not been audited as based on article 2.396 Section 6 of Dutch Civil Code, the said foreign subsidiary company is exempt from the obligation to have the annual accounts (including consolidated accounts) audited by the auditor, and are, therefore, management certified and have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosure included in respect of the Subsidiary so far as it relates to the aforesaid subsidiary is based solely on the basis of management certified consolidated financial statements.

In respect of subsidiaries/ associate located outside India whose financial result and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditor/ management certified. The holding company's management has converted the financial results of such subsidiaries/associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the holding company's management. Our opinion in so far as it relates to the balances and affair of such subsidiaries/ associate located outside India is based on the report of other auditor/ management certified and the conversion adjustment prepared by the management of the holding company and audited by us.

Our Opinion on Consolidated financial statements and our report on other legal and regulatory requirements is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statement/financial information as certified.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

    c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

    e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2022 taken on record by the Board of Directors of the holding Company, and of subsidiary company incorporated in India, none of the directors of the holding Company and its subsidiary company incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

    f) With respect to the adequacy and the operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statement of the Holding company and its subsidiary company incorporated in India, refer to our separate report in annexure 1 to this report.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements as also other financial information of subsidiaries, associates as noted in "other Matter" paragraph.

        i. The consolidated financial statements discloses impact of pending litigations on the consolidated financial position of the Group.

        ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding Company and subsidiary company incorporated in India.

        iv) (a) The respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiary to or in any other person or entity, including foreign entity ("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 or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act, 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 (a) and (b) above, contain any material misstatement.

v) As stated in Note 13.5 and 50 to the consolidated financial statements

(a). The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b). The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: **097466**
UDIN: 22097466AJMNQR8538

Place: New Delhi
Date: 24th May 2022

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of Poly Medicure Limited ("the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and of subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI'). 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting 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 ICAI.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: **097466**
UDIN: 22097466AJMNQR8538
Place: New Delhi
Date: 24th May 2022

Annexure I: List of entities consolidated as at 31 March 2022

1. Poly Medicure (Laiyang) Co. Ltd.- China - Wholly owned Subsidiary
2. Poly Medicure BV - Netherlands (Consolidated) – Wholly owned Subsidiary
3. Ultra for Medical Products Co. (UMIC) – Egypt – Associate
4. Plan 1 Health India Pvt. Ltd. Subsidiary

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Consolidated Balance Sheet as at 31 March 2022 (₹ in Lacs)

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	43,868.21	37,410.71
(b) Capital work-in-progress		3,713.56	1,474.46
(c) Right of Use	2	115.20	216.58
(d) Investment Properties	3	386.88	452.82
(e) Goodwill on consolidation		2,858.11	2,858.11
(f) Intangible assets	2	1,581.42	1,636.24
(g) Intangible assets under development		626.00	646.51
(h) Financial Assets			
(i) Investment in associates	4	976.88	940.34
(ii) Other Investments	5	-	-
(iii) Other financial assets	7	2,347.40	5,515.51
(h) Other non-current assets	8	2,866.15	810.94
Total non-current assets		**59,339.81**	**51,962.22**
2 Current assets			
(a) Inventories	9	16,836.43	12,648.20
(b) Financial assets			
(i) Investments	5	33,659.72	34,501.25
(ii) Trade receivables	10	20,662.89	15,586.31
(iii) Cash and cash equivalents	11	775.74	495.46
(iv) Bank balances other than (iii) above	12	767.85	2,460.87
(v) Loans	6	34.16	33.30
(vi) Other financial assets	7	377.50	312.61
(c) Other current assets	8	5,229.37	4,372.83
Total current assets		**78,343.66**	**70,410.83**
TOTAL ASSETS		**1,37,683.47**	**1,22,373.05**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	4,795.02	4,794.03
(b) Other equity	14	1,03,953.12	91,763.02
Equity attributable to shareholders of the company		**1,08,748.14**	**96,557.05**
Non-controlling interest		-	-
Total equity		**1,08,748.14**	**96,557.05**

LIABILITIES					
1	Non-current liabilities				
	(a)	Financial liabilities			
		(i) Borrowings	15	3,812.72	6,327.71
		(ii) Lease Liabilities		37.96	196.63
		(iii) Other financial liabilities	16	52.35	87.56
	(b)	Provisions	17	398.22	326.73
	(c)	Government Grants		352.92	433.26
	(d)	Deferred tax liabilities (Net)	18	1,613.34	1,304.45
	Total non-current liabilities			**6,267.51**	**8,676.34**
2	**Current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	19	8,714.73	7,085.82
		(ii) Lease Liabilities		105.43	132.35
		(iii) Trade payables	20		
		a) total outstanding dues of micro enterprises and small enterprises		1,568.68	1,047.72
		b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,335.21	5,404.29
		(iv)Other financial liabilities	21	2,601.87	2,121.47
	(b)	Other current liabilities	22	2,307.12	1,232.52
	(c)	Provisions	17	34.79	44.27
	(d)	Current tax liabilities (net)	23	-	71.22
	Total current liabilities			**22,667.83**	17,139.66
TOTAL EQUITY AND LIABILITIES				**1,37,683.47**	**1,22,373.05**
Significant accounting policies			a-ab		
The accompanying notes are integral part of the Consolidated financial statements.			1 - 51		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

For and on behalf of the Board of Directors

Ravindra Bhandari
Partner
Membership No. 097466

Himanshu Baid
Manginng Director
DIN : 00014008

Rishi Baid
Joint Manginng Director
DIN : 00048585

Place : New Delhi
Date: 24th May 2022

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Consolidated Statement of Profit and Loss for the year ended 31 March 2022 (₹ in Lacs)

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
INCOME			
Revenue from operations	24	92,306.26	78,646.96
Other income	25	3,790.25	1,841.50
Total Income		**96,096.51**	**80,488.46**
EXPENSES			
Cost of materials consumed	26	35,237.25	26,054.12
Purchases of Stock-in-Trade		1,065.61	308.32
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(1,495.41)	(176.74)
Employee benefits expense	28	16,361.99	14,175.70
Research and development expenses	29	1,877.11	1,314.45
Finance cost	30	425.48	851.18
Depreciation and amortization expense	31	5,395.22	4,752.20
Other expenses	32	17,949.50	15,534.90
Total Expenses		**76,816.75**	**62,814.13**
Profit before tax, and share of net profit from associates		**19,279.76**	**17,674.33**
Share of profit from associates		244.73	331.07
Profit before tax		**19,524.49**	**18,005.40**
Tax expenses:			
(1) Current tax		4,632.27	4,441.52
(2) Deferred tax		265.99	(8.34)
(3) Tax adjustment for earlier years (net)		(24.37)	(15.22)
Total tax expenses	33	**4,873.89**	**4,417.96**
Profit after tax		**14,650.60**	**13,587.44**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Acturial gains/(losses) of defined benefit plan		31.69	13.98
Tax impacts on above		(7.98)	(3.52)
Other comprehensive income for the year (net of tax)		**23.71**	**10.46**
Total comprehensive income for the year		**14,674.31**	**13,597.90**
Profit for the year attributable to:			
Equity holders of the parent		14,650.60	13,587.44
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		14,674.31	13,597.90
Non-controlling interests		-	-

Earnings per equity share: (Face value 5 each) in rupees	40		
Basic		15.28	15.25
Diluted		15.27	15.24
Weighted average number of equity shares used in computing earnings per equity share			
Basic		9,58,88,694	8,90,83,537
Diluted		9,59,64,194	8,91,55,423
Significant accounting policies	a-ab		
The accompanying notes are integral part of the Consolidated financial statements.	1 - 51		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 24th May 2022

For and on behalf of the Board of Directors

Himanshu Baid
Manginng Director
DIN : 00014008

Rishi Baid
Joint Manginng Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Poly Medicure Limited
CIN: L40300DL1995PLC066923
Consolidated Statement of Cash Flow for the year ended 31st March 2022 (₹ in Lacs)

	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax and exceptional items	**19,524.49**	**18,005.40**
	Adjusted for:		
	Depreciation and amortisation	5,395.22	4,752.20
	Share in Income of Associates	(244.73)	(331.07)
	Interest expense	425.48	851.18
	Interest income	(198.60)	(309.10)
	Loss/(profit) on sale of fixed assets, net	(53.05)	(0.72)
	Debts/advances written off	66.06	17.99
	Provision for doubtful debts and advances	3.08	29.96
	Credit balances no longer required, written back	(36.89)	(1.67)
	Deferred employee compensation expenses (net)	93.10	64.73
	Unrealised foreign exchange (gain) /loss	(287.94)	10.29
	Other Comprehensive Income	31.69	13.98
	Ind As Adjustment for Unrealised Gain on Mutual Fund	(960.03)	(351.36)
	Ind As Adjustment on Govt. Grant & Subsidy	(196.53)	(109.41)
	Ind As Adjustment for Interest Income on Financial Assets	(30.53)	(28.16)
	Ind As Adjustment on Forward Contracts (Net)	(52.07)	(215.76)
	Ind As Adjustment for Deferred Processing fees	23.54	31.17
	Ind As Adjustment for Interest on Security Deposit against Rent	4.08	3.88
	Other adjustments including minority	(74.11)	20.31
	Operating profit before working capital changes	**23,432.26**	**22,453.84**
	Movement in working capital		
	Decrease/(increase) in inventories	(4,188.23)	(1,438.71)
	Decrease/ (increase) in sundry debtors	(5,073.56)	(3,322.93)
	Decrease/(Increase) in financial assets	64.31	14.61
	Decrease/(Increase) in other assets	(866.81)	(1,041.62)
	Increase/ (decrease) in trade payables	2,470.15	5.95
	Increase/ (decrease) in other financial liabilities	118.09	105.68
	Increase/ (decrease) in other liabilities	1,074.60	(390.07)
	Increase/ (decrease) in provisions	62.01	(51.45)
	Cash generated from operations	**17,092.83**	**16,335.30**
	Direct taxes paid (net of refunds)	(4,745.60)	(4,462.12)
	Net cash from operating activities	**12,347.23**	**11,873.18**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances)	(15,557.77)	(9,513.12)
	(Purchase)/Sale of Investments (net)	1,801.56	(32,334.69)
	Proceeds from / (Investment in) Fixed Deposits (net)	4,652.76	(2,108.16)
	Proceeds from sale of fixed assets	151.40	61.44
	Dividend Income	31.89	59.79
	Interest income	387.00	276.44
	Net cash used for investing activities	**(8,533.16)**	**(43,558.30)**

C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from (Repayment) of borrowings / deferred payment liabilities (net)	(628.16)	(6,645.18)
	Proceeds from Share Allotments	9.89	40,000.00
	Share issue expenses adjusted againts securities premium (net off GST of Rs.105.59 lacs)	-	(693.50)
	Repayment of Lease Liabilities (including interest)	(114.00)	(114.00)
	Dividend and tax thereon Paid	(2,391.56)	-
	Interest / Finance charges paid	(409.96)	(852.47)
	Net cash from (used for) financing activities	**(3,533.79)**	**31,694.85**
	Net increase in cash and cash equivalents (A+B+C)	**280.28**	**9.72**
	Cash and cash equivalents at the beginning of the year	**495.46**	**485.74**
	Cash and cash equivalents at the end of the year	**775.74**	**495.46**
	COMPONENTS OF CASH AND CASH EQUIVALENTS		
	Balances with Banks in current account	741.88	481.60
	Cheques, drafts on hand	-	-
	Cash on hand (including foreign currency notes)	33.86	13.86
	Fixed deposits with banks, having original maturity of three months or less	-	-
	Cash and cash equivalents at the end of the year	**775.74**	**495.46**

(₹ in Lacs)

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES	**As at**	
	31 March 2022	**31 March 2021**
Cash and cash equivalents at the end of the year as per above	**775.74**	**495.46**
Add: Balance with banks in dividend / unclaimed dividend accounts	36.27	30.82
Add: Fixed deposits with banks, having maturity period for less than twelve months	731.58	2,430.05
Add: Fixed deposits with banks (lien marked)	818.16	697.03
Add: Fixed deposits with banks, having maturity period for more than twelve months	1,064.63	4,145.50
Cash and bank balances as per balance sheet (refer note 7, 11 and 12)	**3,426.38**	**7,798.86**

DISCLOSURE AS REQUIRED BY IND AS 7
Reconciliation of liabilities arising from financing activities

March 31, 2022	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	7,469.45	1,348.26	(102.98)	8,714.73
Long term secured borrowing	5,944.08	(1,976.42)	(154.94)	3,812.72
Total liabilities from financing activities	**13,413.53**	**(628.16)**	**(257.92)**	**12,527.45**

March 31, 2021	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	9,172.16	(1,582.88)	(119.83)	7,469.45
Long term secured borrowing	11,057.41	(5,062.30)	(51.03)	5,944.08
Total liabilities from financing activities	**20,229.57**	**(6,645.18)**	**(170.86)**	**13,413.53**

Notes
This is the Cash Flow Statement referred to in our report of even date.
The above Consolidated cash Flow statement should be read in conjunction with the accompanying notes

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 24th May 2022

For and on behalf of the Board of Directors

Himanshu Baid
Manginng Director
DIN : 00014008

Rishi Baid
Joint Manginng Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Consolidated Statement of Changes in Equity for the year ended 31st March 2022

A. Equity share capital

(₹ in Lacs)

Balance at the 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
4,794.03	-	4,794.03	0.99	4,795.02

Balance at the 1 April 2020	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2020	Changes in equity share capital during the year	Balance as at 31 March 2021
4,412.35	-	4,412.35	381.68	4,794.03

B. Other equity

(₹ in Lacs)

Particulars	Reserves and surplus								Other comprehensive income	Total
	Capital Re-serve	Capital reserve on change in interest in equity of associates	Securities Premium	Share Based Payment Reserve Account	Foreign currency fluctuation reserve	General Reserve	Retained Earnings	Share in reserve in associates	Re-measure-ment of defined benefit	
Balance as at 1 April 2020	**46.98**	**409.77**	**69.34**	**13.89**	**311.62**	**18,634.83**	**19,498.98**	**40.81**	**43.82**	**39,070.03**
Profit for the year							13,587.44			13,587.44
Securities Premium received during the year (net of share issue expenses adjusted)			39,064.45							39,064.45
Other comprehensive income (net of taxes)									10.46	10.46
Transfer from retained earnings to General reserve						2,500.00	(2,500.00)			-
Addition (deletion) during the year (Net of lapses)				64.74						64.74
Dividend from associate adjusted							(169.89)			(169.89)
Addition during the year		124.98			0.69			10.11		135.78
Balance as at 31 March 2021	**46.98**	**534.75**	**39,133.79**	**78.63**	**312.31**	**21,134.83**	**30,416.53**	**50.92**	**54.28**	**91,763.02**
Balance as at 1 April 2021	**46.98**	**534.75**	**39,133.79**	**78.63**	**312.31**	**21,134.83**	**30,416.53**	**50.92**	**54.28**	**91,763.02**
Profit for the year							14,650.60			14,650.60
Securities Premium received during the year (net of share issue expenses adjusted)	-		28.12							28.12
Adjustment of deferred tax amount on share issue expenses adjusted from security premium account			(34.91)							(34.91)
Other comprehensive income (net of taxes)									23.71	23.71
Transfer from retained earnings to General reserve						2,500.00	(2,500.00)			-
Addition (deletion) during the year (Net of lapses)				73.88						73.88
Final Dividend / Dividend tax adjusted							(2,397.01)			(2,397.01)
Share from associate adjusted							(266.00)			(266.00)
Addition during the year		133.85			(31.28)		-	9.13		111.70
Balance as at 31 March 2022	**46.98**	**668.60**	**39,127.00**	**152.51**	**281.03**	**23,634.83**	**39,904.12**	**60.05**	**77.99**	**103,953.12**

Note:
General Reserve has been created by transfer out of profit generated by the company and is available for distribution to shareholders.

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Freehold Land	Lease-hold Land	Building	Plant & Equipment	Furniture & Fixtures	Office Equip-ment	Vehicles	Total Tangible	Software	Patent & Trade Marks	Total In-tangible	Net As-sets
Gross Carrying Value as at 01.04.2020	**3,039.24**	**862.18**	**7,087.08**	**40,638.26**	**587.63**	**1,048.03**	**975.87**	**54,238.29**	**926.42**	**1,659.33**	**2,585.75**	**56,824.04**
Translation Adjustment	-	-	11.84	63.76	2.74	5.19	-	83.53	2.45	0.26	2.70	86.23
Additions during the year	1,068.37	-	1,392.74	7,984.25	34.95	87.53	36.47	10,604.31	8.62	334.78	343.40	10,947.71
Deductions/Adjustments	-	-	-	140.89	-	47.83	37.46	226.18	50.52	-	50.52	276.70
Gross Carrying Value as at 31.03.2021	**4,107.61**	**862.18**	**8,491.66**	**48,545.38**	**625.32**	**1,092.92**	**974.88**	**64,699.95**	**886.96**	**1,994.37**	**2,881.33**	**67,581.29**
Accumulated Depreciation as at 01.04.2020	**-**	**69.06**	**1,365.29**	**20,010.57**	**372.97**	**754.01**	**425.31**	**22,997.21**	**444.06**	**601.20**	**1,045.26**	**24,042.47**
Translation Adjustment	-	-	5.12	44.65	2.40	4.35	-	56.53	-	-	-	56.53
Depreciation for the year	-	9.28	252.75	3,874.77	41.22	108.85	114.58	4,401.45	93.09	156.79	249.88	4,651.33
Deductions/Adjustments	-	-	-	94.83	-	44.57	26.55	165.95	50.05	-	50.05	216.00
Accumulated Depreciation as at 31.03.2021	**-**	**78.34**	**1,623.16**	**23,835.17**	**416.59**	**822.65**	**513.34**	**27,289.24**	**487.10**	**757.99**	**1,245.09**	**28,534.34**
Carrying Value as at 31.03.2021	**4,107.61**	**783.84**	**6,868.50**	**24,710.21**	**208.74**	**270.27**	**461.54**	**37,410.71**	**399.86**	**1,236.38**	**1,636.24**	**39,046.95**
Gross Carrying Value as at 01.04.2021	**4,107.61**	**862.18**	**8,491.66**	**48,545.38**	**625.32**	**1,092.92**	**974.88**	**64,699.95**	**886.96**	**1,994.37**	**2,881.33**	**67,581.28**
Translation Adjustment	-	-	17.65	56.60	(1.99)	0.05	(0.17)	72.15	(1.33)	(0.35)	(1.68)	70.47
Additions during the year	2,663.36	-	1,346.39	6,992.10	93.67	171.24	268.68	11,535.45	20.24	194.04	214.28	11,749.73
Deductions/Adjustments	-	-	-	587.40	-	9.32	18.29	615.01	-	-	-	615.01
Gross Carrying Value as at 31.03.2022	**6,770.97**	**862.18**	**9,855.70**	**55,006.68**	**717.00**	**1,254.90**	**1,225.11**	**75,692.53**	**905.86**	**2,188.07**	**3,093.93**	**78,786.47**
Accumulated Depreciation as at 01.04.2021	**-**	**78.34**	**1,623.16**	**23,835.17**	**416.59**	**822.65**	**513.34**	**27,289.24**	**487.10**	**757.99**	**1,245.09**	**28,534.34**
Translation Adjustment	-	-	8.81	30.16	(1.82)	(0.02)	(0.03)	37.10	(0.22)	(0.18)	(0.41)	36.69
Depreciation for the year	-	9.28	302.92	4,433.33	42.51	126.88	118.19	5,033.11	92.09	175.74	267.84	5,300.95
Deductions/Adjustments	-	-	-	512.01	-	9.13	13.96	535.10	-	-	-	535.10
Accumulated Depreciation as at 31.03.2022	**-**	**87.62**	**1,934.89**	**27,786.65**	**457.28**	**940.37**	**617.54**	**31,824.35**	**578.96**	**933.54**	**1,512.52**	**33,336.86**
Carrying Value as at 31.03.2022	**6,770.97**	**774.56**	**7,920.81**	**27,220.02**	**259.73**	**314.52**	**607.57**	**43,868.21**	**326.90**	**1,254.52**	**1,581.42**	**45,449.63**

Notes:

2.1 Borrowing cost of Nil lacs (previous year 4.15 lacs) have been included in additions to Fixed Assets.

2.2 The estimated amortisation in intangible assets for the period subsequent to 31st March 2022 is as follows:

(₹ in Lacs)

Year Ending March 31	Amortisation Expense
2023	252.40
2024	238.00
2025	222.08
Thereafter	868.93

2.3 Right of Use Asset

(₹ in Lacs)

Balance as at 1st April 2021	216.58
Depreciation for the year	86.40
Adjustment on account of modification in lease term	14.98
Closing balance as at 31st March 2022	115.20

Notes on Consolidated Financial Statement for the Year ended 31 March, 2022

(₹ in Lacs)

3	INVESTMENT PROPERTIES	As at 31 March 2022	As at 31 March 2021
	Gross balance at beginning	487.69	372.74
	Additions during the year	-	114.95
	Disposals / Deductions	74.52	-
	Depreciation for the year	7.87	8.05
	Accumulated Depreciation	(26.29)	(34.87)
	Net balance at the end of reporting year	**386.88**	**452.82**
	Fair Value	**470.38**	**426.52**
	Amount recognised in Statement of Profit & Loss for Investment Properties	**Year ended 31 March 2022**	**Year ended 31 March 2021**
	Rental Income	**5.27**	**7.18**

The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.

Note 1: The investment properties consist of residential properties in India and have been categorized as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note 2: The Fair value of investment property as at 31st March 2022 are based on the valuation by a Registered valuer as defined in Rule 2 of Companies (Registered valuer and Valuation) Rules, 2017 and for the year ended 31st March 2021 on the basis of available circle rates of the property of the concerned registration authority.

Note 3: The conveyance deed of four (PY four) Investment properties valued at Rs 265.88.Lacs (PY Rs.270.53 Lacs) are yet to be executed in favor of the company.

(₹ in Lacs)

4	INVESTMENT IN ASSOCIATES	Non-current		Current	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	(valued at cost unless stated otherwise) Unquoted equity instruments - fully paid Investment in associates				

172,500 (previous Year 126,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	976.88	940.34		
Total	**976.88**	**940.34**		
Aggregate amount of Unquoted Investment	976.88	940.34		
Aggregate provision for diminuation in the value of Investment	-	-		
Category wise summary:				
Financial assets measured at Equity method (net of provision)	976.88	940.34		
Financial assets measured at fair value through profit and loss	-	-		

(₹ in Lacs)

5 OTHER INVESTMENT	Non-current		Current	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
Investment measured at fair value through profit and loss				
Unquoted				
In Liquid Mutual Funds				
IDFC Balanced Adv Fund (G)	-	-	103.23	-
SBI MultiAssetAlloca (G)	-	-	263.19	-
Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative	-	-	298.44	-
Parag Parikh LF (G)	-	-	529.05	-
Axis Short Term Fund -Regular Growth	-	-	-	266.36
Axis Strategic Bond Fund-Regular Growth	-	-	881.11	571.03
Axis StrategicBond (G)	-	-	3,191.69	3,021.27
HDFC Medium Term Debt Fund-Regular Plan-Growth	-	-	1,351.25	1,280.21
HDFC MTerm Debt-RP (G)	-	-	6,378.31	4,232.20
HDFC Short Term Debt Fund - Regular Plan -Growth	-	-	-	517.76
HDFC STerm Debt-RP (G)	-	-	-	2,414.70
HDFC UltraShTerm (G)	-	-	-	2,416.32
ICICI Prudential Corporate Bond Fund - Growth	-	-	-	155.59
ICICI Prud CrRisk (G)	-	-	33.75	-
ICICI Prudential Short Term Fund - Growth Option	-	-	-	364.42
ICICI Prudential-Equity & Commodities Mutual Funds	-	-	37.53	33.51
IDFC Corporate Bond (G)	-	-	283.94	4,534.70
IDFC Corporate Bond Fund Regular Plan-Growth	-	-	-	100.95
Kotak Asset AllocRP (G)	-	-	4,049.71	-
Kotak Corporat BndRP (G)	-	-	-	-
Kotak CorporatBndRP (G)	-	-	-	4,910.90
L&T Triple AceBondRP (G)	-	-	-	253.21
L&T Triple AceBondRP (G)	-	-	-	913.78
L&T Ultra Short Term (G)	-	-	-	102.74
Motilal Oswal Asset Allocation Passive Fund of Fund - Aggressive - Regular Plan	-	-	1,484.58	-

Motilal oswal asset allocation passive fund of funds	-	-	157.88	-
Motilal oswal ultra short term fund direct growth	-	-	104.99	-
NIPPON INDIA Liquid (G)	-	-	300.08	-
NIPPON INDIA Corporate Bond Fund(G)	-	-	4,768.90	4,530.68
SBI MagMediDur (G)	-	-	-	2,212.49
SBI Magnum Medium Duration Fund Regular Growth	-	-	381.16	363.42
SBI MagUltShoRegCash (G)	-	-	-	805.04
Parag Parikh Flexi Cap Fund - Regular Plan - Growth	-	-	1,484.63	-
ICICI Prud CrRisk (G)	-	-	1,520.83	-
SBI MagMediDur (G)	-	-	2,945.88	-
SBI MultiAssetAlloca (G)	-	-	1,146.09	-
Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative - Regular Plan	-	-	503.53	-
IDFC Balanced Adv Fund (G)	-	-	874.98	-
True Beacon AIF Scheme 1 (Category III)	-	-	484.49	-
Invesco India Banking & PSU Debt Fund - Direct Plan Growth Gl	-	-	100.47	-
SBI Short Term Debt Fund Regular Plan-Growth	-	-	-	499.98
Franklin India Savings Fund Retail Option	-	-	-	-
Total	-	-	33,659.72	34,501.25
Aggregate amount of Unquoted Investment	-	-	33,659.72	34,501.25
Aggregate provision for diminution in the value of Investment	-	-	-	-
Category wise summary:				
Financial assets measured at amortised cost (net of provision)	-	-	-	-
Financial assets measured at fair value through profit and loss	-	-	33,659.72	34,501.25

5.1 Investments made by the company other than those with a maturity of less than one year, are intended to be held for long term.

5.2 In absence of the active market and non-availability of quotes on recognised stock exchange, investment in fixed maturity plan and liquid mutual funds are disclosed as unquoted and fair value is assessed based on NAV of respective funds.

(₹ in Lacs)

6 LOANS	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Considered good- Unsecured:				
Loans and advances to employees	-	-	34.16	33.30
Others	-	-	-	-
Total	**-**	**-**	**34.16**	**33.30**

(₹ in Lacs)

7 OTHER FINANCIAL ASSETS	Non-current		Current	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
(Unsecured, considered good, unless stated otherwise)				
Security Deposits				
Considered good	426.41	489.30	146.79	73.32
Considered doubtful	-	-	6.68	6.68

Less: Provision for doubtful deposits	-	-	(6.68)	(6.68)
Interest accrued on bank deposits / Advances	38.20	183.68	18.44	61.36
Dividend / Governing council share from associates	-	-	118.35	65.07
Gain on outstanding forward contracts reveivable	-	-	40.22	-
Other receivable #	-	-	53.70	112.86
Non-current bank balances (refer note 12)	1,882.79	4,842.53	-	-
Total	**2,347.40**	**5,515.51**	**377.50**	**312.61**

Includes 2.33 lacs (2.33 lacs) paid under protest for enhanced cost of land, contested in Hon'ble Punjab and Haryana High Court.

(₹ in Lacs)

7.1	Movement in the provision for doubtful deposits	As at 31 March 2022	As at 31 March 2021
	Balance at the beginning of the year	6.68	8.68
	Movement in the amount of provision (Net)	-	(2.00)
	Balalnce at the end of the year	6.68	6.68

(₹ in Lacs)

8	OTHER ASSETS	Non-current		Current	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	(Unsecured, considered good, unless stated otherwise)				
	Capital Advances				
	Considered Good	2,718.09	769.30	-	-
	Considered Doubtful	116.36	116.36	-	-
	Less: Provision for doubtful advances	(116.36)	(116.36)	-	-
	Other loans and advances				
	Advance for goods / services				
	Considered Good	-	-	1,008.74	752.47
	Balance with revenue authorities	-	-	2,306.80	1,658.19
	Advance tax/ tax deducted at source (net of provision)	80.75	14.27	-	-
	Prepaid Expenses	67.31	27.37	399.75	359.34
	GST, Excise Duty, Service tax and VAT refundable	-	-	901.03	923.30
	Export benefits receivable	-	-	613.05	679.53
	Total	**2,866.15**	**810.94**	**5,229.37**	**4,372.83**

8.1	Movement in provison for doubtful advances	As at 31 March 2022	As at 31 March 2021
	Balance at the beginning of the year	116.36	97.50
	Movement in amount of provision (Net)	-	18.86
	Balance at the end of the year	**116.36**	**116.36**

(₹ in Lacs)

9	INVENTORIES	As at 31 March 2022	As at 31 March 2021
	(Valued at lower of cost and net realisable value)		
	Raw Materials including packing materials	9,217.93	6,776.82
	Goods-in transit	636.42	444.76
	Work-in-progress	2,561.59	2,342.00
	Finished Goods	3,266.38	2,365.90
	Stock-in-trade	468.66	93.32
	Stores and spares	685.45	625.40
	Total	**16,836.43**	**12,648.20**

(₹ in Lacs)

10	TRADE RECEIVABLES	As at 31 March 2022	As at 31 March 2021
	Considered good- Unsecured	20,662.89	15,586.39
	Considered Doubtful	37.90	43.68
	Less: Provision for Doubtful Debts	(37.90)	(43.76)
	Total	**20,662.89**	**15,586.31**

	Particulars	As at 31 March 2022	As at 31 March 2021
	Trade receivable includes:		
	Due from Ultra For Medical Products (UMIC), being associate company	419.48	382.41

	Movement in the provision for doubtful debts	As at 31 March 2022	As at 31 March 2021
	Balance at the beginning of the year	43.68	30.58
	Addition/(Deletion)	(5.78)	15.37
	Written off out of Provision	-	(2.27)
	Balance at the end of the year	37.90	43.68

The concentration of credit risk is limited due to large and unrelated customer base.

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2022 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	9,045.06	9,949.11	1,534.37	65.67	20.79	26.14	20,641.14
(ii) Undisputed Trade receivables – considered doubtful"				3.93	4.16	29.81	37.90
(iii) Undisputed Trade Receivables – which have significant increase in credit risk						5.89	5.89
(iv) Undisputed Trade Receivables – credit impaired							-
(v) Disputed Trade Receivables – considered good							-
(vi) Disputed Trade Receivables – which have significant increase in credit risk						15.86	15.86
(vii) Disputed Trade Receivables – credit impaired							-
							20700.79
Less: Allowance for doubtful trade receivables							-37.90
Trade receivables							**20662.89**

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2021 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	7,238.64	7,831.53	365.92	81.25 8.27	32.52 4.26	14.88 31.23	15,564.74 43.76
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	0.56	5.15	5.71
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							15,630.07
Less: Allowance for doubtful trade receivables							(43.76)
Trade receivables							**15,586.31**

(₹ in Lacs)

11 CASH AND CASH EQUIVALENTS	**As at 31 March 2022**	**As at 31 March 2021**
Balances with Banks		
In current accounts	741.88	481.60
In deposit accounts, with less than 3 months maturity period	-	-
Cash on hand (including foreign currency notes)	33.86	13.86
Cheque in hand	-	-
Total	**775.74**	**495.46**

There are no repatriation restrictions with regard to cash & cash equivalents as at the end of reporting year and prior year.

(₹ in Lacs)

12 OTHER BANK BALANCES	**Non-current**		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
Unclaimed dividend accounts		-	36.27	30.82
Held as margin money	818.16	697.03	-	-
Deposits with more than 3 months but less than 12 months maturity period			731.58	2,430.05
Deposits with more than 12 months maturity period	1,064.63	4,145.50		
Amount disclosed under the head “other Non Current Financial Assets” (Refer note 7)	(1,882.79)	(4,842.53)		
Total	**-**	**-**	**767.85**	**2,460.87**

13	EQUITY SHARE CAPITAL	As at 31 March 2022		As at 31 March 2021	
		No. of Shares	in Lacs	No. of Shares	in Lacs
	Authorized share Capital				
	Equity Shares of 5 each	120,000,000	6,000.00	120,000,000	6,000.00
	Issued, subscribed & paid up shares				
	Equity Shares of 5 each fully paid up	95,900,342	4,795.02	95,880,567	4,794.03
	Total	**95,900,342**	**4,795.02**	**95,880,567**	**4,794.03**

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	in Lacs	No. of Shares	in Lacs
At the beginning of the year	95,880,567	4,794.03	88,246,980	4,412.35
Add: Issued during the year by way of ESOP	19,775	0.99	-	-
Add: Issued during the year by way of QIP		-	7,633,587	381.68
Outstanding at the end of year	**95,900,342**	**4,795.02**	**95,880,567**	**4,794.03**

13.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of 5 (PY 5). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Details of shareholders' holding more than 5% shares in the company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of 5 each (Previous Year 5 each)				
M/s Ezekiel Global Business Solutions LLP	12,361,320	12.89%	12,361,320	12.89%
Mr. Rishi Baid	9,893,048	10.32%	9,993,048	10.42%
M/s Zetta Matrix Consulting LLP	8,322,160	8.68%	8,319,660	8.68%
Mr. Himanshu Baid	7,907,624	8.25%	7,907,624	8.25%

The aforesaid disclosure is based upon percentages computed separately for each class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.4 Detail of Shares held by promoters at the end of the year

Disclosure of shareholding of promoters as at March 31,2022 is as follows:

S. No	Promoter name	As at March 31,2022		As at March 31,2021		% change during the year
		No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	9,893,048	10.32%	9,993,048	10.42%	-1.00%
2	Himanshu Baid	7,907,624	8.25%	7,907,624	8.25%	0.00%
3	Himanshu Baid HUF	3,839,200	4.00%	3,839,200	4.00%	0.00%
4	Vcb Trading LLP	3,541,144	3.69%	3,641,144	3.80%	-2.75%
5	Jai Polypan Pvt. Ltd.	3,352,000	3.50%	3,352,000	3.50%	0.00%
6	Smt.Mukulika Baid	3,062,400	3.19%	3,062,400	3.19%	0.00%

7	Rishi Baid HUF	2,780,000	2.90%	2,780,000	2.90%	0.00%
8	Jugal Kishore Baid	2,279,376	2.38%	2,279,376	2.38%	0.00%
9	Vishal Baid	1,681,360	1.75%	1,681,360	1.75%	0.00%
10	Shaily Baid	1,188,000	1.24%	1,188,000	1.24%	0.00%
11	Shireen Baid	1,121,600	1.17%	1,121,600	1.17%	0.00%
12	Neha Baid	1,024,000	1.07%	1,024,000	1.07%	0.00%
13	Dhruv Baid	360,000	0.38%	360,000	0.38%	0.00%
14	Arham Baid	280,000	0.29%	280,000	0.29%	0.00%
15	Aaryaman Baid	280,000	0.29%	280,000	0.29%	0.00%
16	Madhu Kothari	171,200	0.18%	171,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**42,828,552**	**44.67%**	**43,028,552**	**44.88%**	**-0.46%**

13.5 Dividend paid during the year ended 31st March, 2022 represents amount of Rs. 2,397.01 lakhs towards final dividend for the year ended 31st March, 2021. Dividend declared by the company are based on profit available for distribution. On 23rd May 2022 The Board Of Directors of the comapny have proposed final dividend of Rs 2.50 per share in respect of the year ended 31st March, 2022 subject to approval at the Annual General Meeting and if approved would result in cash outflow of Rs 2397.50 lakhs

13.6 Shares allotted for consideration other than cash during the period of five years immediately preceding financial year
The Company had alloted 4,41,13,440 fully paid-up equity shares of face value 5 each during the financial year ended 31st March 2017, pursuant to bonus issue approved by the shareholders through postal ballot.

(₹ in Lacs)

14	OTHER EQUITY	As at 31 March 2022	As at 31 March 2021
	Capital Reserves		
	Surplus on re-issue of forfeited shares	13.19	13.19
	Application money received on Preferential Warrants issued to promoters forfeited	33.79	33.79
	Closing Balance	**46.98**	**46.98**
	Capital reserve on change in interest in equity of associates	**668.60**	**534.75**
	Securities Premium		
	Balance at the beginning of the year	39,133.79	69.34
	Addition during the year	28.12	39,618.31
	Share Issue Expenses(net of deferred tax)		(553.86)
	Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	**(34.91)**	
	Closing Balance	**39,127.01**	**39,133.79**
	Share Based Payment Reserve Account		
	Balance at the beginning of the year	**78.63**	**13.89**
	Addition (deletion) during the year (Net of lapses)	**73.88**	**64.74**
	Closing Balance	**152.51**	**78.63**
	General Reserve		
	Balance at the beginning of the year	**21,134.83**	**18,634.83**
	Add: Transferred from Surplus in Statement of Profit and Loss	**2,500.00**	**2,500.00**
	Closing Balance	**23,634.83**	**21,134.83**
	Foreign Currency fluctuation Reserve	**281.03**	**312.31**
	Surplus in statement of Profit and Loss		
	Balance at the beginning of the year	30,416.53	19,498.98
	Add: Addition in opening balance on account of subsidiary	-	-
	Add: Additions during the year	**14,650.60**	**13,587.44**
	Less: Dividend Paid	(2,397.01)	-
	Less: Transferred to General Reserve	(2,500.00)	(2,500.00)

Less: Share from associate adjusted	**(266.00)**	**(169.89)**
Closing Balance	**39,904.12**	**30,416.53**
Other Comprehensive Income (OCI)		
Balance at the beginning of the year	54.28	43.82
Add: Addition during the year	23.71	10.46
Closing Balance	**77.99**	**54.28**
Shares in reserves in associates	**60.05**	**50.92**
Grand Total	**1,03,953.12**	**91,763.02**

(₹ in Lacs)

15 BORROWINGS	**Non-current**		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
Secured - At Amortized Cost				
(i) Term loans from banks	3,056.34	5,865.39	2,733.71	2,955.60
(ii) Others - Vehicle Loan	-	-	-	
from banks	-	-	-	2.68
from banks	-	-	-	-
(iii) Deferred payment liabilities	-	108.56	108.95	245.55
Unsecured - At Amortised Cost				
(i) Term loans from banks in foreign subsidiaries	756.38	353.76		
Amount disclosed under the head Borrowings - Current (note 19)	-	-	(2,842.66)	(3,203.83)
Total	**3812.72**	**6327.71**	**-**	**-**

15.1 Term loan comprises the following:	**Non-current**		**Current**	
	As at 31 March 2022	**As at 31 March 2021**	**As at 31 March 2022**	**As at 31 March 2021**
From Bank				
Foreign Currency Loan ##	3,056.34	5,865.39	2,733.71	2,955.60
Term loans related to foreign Subsidary	756.38	353.76	-	-

net off of Rs.22.05 Lacs (PY 45.58 Lacs) as finance charge.

15.2 Terms of repayment:

Particular	**Weighted average Rate of interest (P.A.)**	**Install-ment**	**Outstanding as at 31.03.2022**	**Annual repayment schedule**			
				2022-23	**2023-24**	**2024-25**	**2025-26**
Foreign Currency Loan ##	1.28%	Quarterly	5,812.10	2,748.54	2,039.78	1,023.77	-

includes Rs.22.05 Lacs (PY 45.58 Lacs) as prepaid finance charge.

15.3 Details of security:

a Term Loans from State Bank of India are secured by first charge on entire fixed assets of the (including Plant & Machinery, Office Equipment Furniture & Fixtures and other Fixed Assets) of the Company (Present & future), including equitable mortgage of factory land & buildings, located at Plot no. 104 & 105, Plot no. 115 & 116, Sector 59, HSIIDC Industrial Estate, Faridabad (Haryana), Plot no.113, HUDA Industrial Area, Sector 59, Faridabad (Haryana) and Second Pari passu charge on Stock & Receivables of the Company.

b Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge on entire fixed assets of the Company including land, building and other fixed assets (including Plant & Machinery, Office Equipment and Furniture & Fixtures and all other Fixed Assets) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC, Sector-59, Faridabad, Plot No. 113, Huda, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar and Plot No. PA-010-019, Light Engineering, SEZ, Jaipur and second pari passu charge on stock and receivables of the Company.

Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge with State Bank of India on entire fixed assets of the Company, including land, building and other fixed assets (including Plant & Machinery) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC Industrial Estate, Sector-59, Faridabad, Plot no. 113, HUDA Industrial Area, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar, Plot no. PA-010-019, Light Engineering, SEZ, Jaipur & also first pari-passu charge with HSBC, India on entire fixed assets of the Company Including land, building and other fixed assets (including Plant & Machinery) of the Company Present & Future), situated at Plot no. 34, Sector 68, IMT, Faridabad and second pari passu charge with other term lenders i.e. State Bank of India, Citi Bank, HSBC, Mauritius and HSBC, India on stock and receivables of the Company.

c Deferred payment liabilities represents assets acquired on deferred credit terms.

(₹ in Lacs)

16	OTHER NON-CURRENT FINANCIAL LIABILITIES	As at 31 March 2022	As at 31 March 2021
	Security Deposit from Agent/ Others	52.35	81.49
	Deferred interest on deferred payment liability	-	6.07
	Total	**52.35**	**87.56**

(₹ in Lacs)

17	PROVISIONS	Non-current		Current	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
	Provision for employee benefits				
	Gratuity	119.00	75.56	16.05	25.66
	Leave Encashment	167.05	155.42	18.74	18.61
	Others	112.17	95.75	-	-
	Total	**398.22**	**326.73**	**34.79**	**44.27**

18 DEFERRED TAX LIABILITIES

In accordance with IND AS - 12, the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in Lacs)

Particulars	As at 31 March 2022						
	Balance as at April 1 2021	Recognised in profit & loss	Recognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,562.55	(34.48)			1,528.07	1,528.07	
Provision for defined benefit plan - P&L	(46.26)	(29.46)			(75.72)		(75.72)
Provision for defined benefit plan - OCI	21.21	-	7.98		29.19	29.19	
Provision for Bonus	(11.61)	10.26			(1.35)		(1.35)
Provision for doubtful debts and advances	(40.58)	0.95			(39.63)		(39.63)
Exchange difference impact under Sec 43A of Income Tax Act.	(101.53)	55.89			(45.64)		(45.64)
IND AS 116	(28.13)	21.20			(6.93)	-	(6.93)
Share issue expense adjusted against other equity	(139.64)			34.91	(104.73)	-	(104.73)
Unrealised Gains	88.44	241.64			330.08	330.08	-
Deferred Tax (Assets) / Liabilities	**1,304.45**	**266.00**	**7.98**	**34.91**	**1,613.34**	**1,887.33**	**(274.00)**

(₹ in Lacs)

Particulars	As at 31 March 2021					
	Balance as at April 1 2020	Recognised in profit & loss	Recognised in OCI	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,702.57	(140.02)		1,562.55	1,562.55	
Provision for defined benefit plan - P&L	(83.83)	37.57		(46.26)		(46.26)
Provision for defined benefit plan - OCI	17.69	-	3.52	21.21	21.21	
Provision for Bonus	(34.28)	22.67		(11.61)		(11.61)
Provision for doubtful debts and advances	(34.42)	(6.16)		(40.58)		(40.58)
Exchange difference impact under Sec 43A of Income Tax act.	(87.87)	(13.66)		(101.53)		(101.53)
IND AS 116	(30.95)	2.82		(28.13)	-	(28.13)
Share issue expense adjusted against other equity		-		(139.64)		(139.64)
Unrealised Gains		88.44		88.44	88.44	-
Deferred Tax (Assets) / Liabilities	**1,448.92**	**(8.34)**	**3.52**	**1,304.45**	**1,672.20**	**(367.75)**

18.1 Movement on the deferred tax account is as follows:

(₹ in Lacs)

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,304.45	1,448.92
Transitional IND AS 116 impact	-	-
Restated Balance	**1,304.45**	**1,448.92**
(Credit)/ Charge to the statement of profit and loss	266.00	(8.34)
(Credit)/ Charge to other comprehensive income	7.98	3.52
Adjusted in Other Equity	34.91	(139.64)
Balance at the end of the year	**1,613.34**	**1,304.45**

(₹ in Lacs)

19	BORROWINGS - CURRENT	As at 31 March 2022	As at 31 March 2021
	Secured - from banks		
	Cash / Export Credit Loan	5,872.07	3,758.77
	Current maturities of long-term borrowings (Refer note no. 15)	2,842.66	3,203.83
	Borrowing Others(Unsecured)	-	123.22
	Total	**8,714.73**	**7,085.82**

19.1 Working Capital limits from State Bank of India, Citi Bank N.A., The Hongkong & Shanghai Banking Corporation Limited and HDFC Bank Limited are secured by way of first pari-passu charge on entire current assets of the Company (present & future), including stocks of raw materials, stock in process, finished goods, stores & spares lying at factories , godowns or elsewhere (including goods in transit) and book debts / receivables and further secured by second pari-passu charge on entire residual fixed assets of the company.

19.2 The quarterly returns or statement of current assets filed by the company with bank are in agreement with books of account.

(₹ in Lacs)

20	TRADE PAYABLES	As at 31 March 2022	As at 31 March 2021
	Total outstanding dues of micro enterprises and small enterprises	1,568.68	1,047.72
	Total outstanding dues of trade payables and acceptances other than above	7,335.21	5,404.29
		8,903.89	**6,452.01**

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

(₹ in Lacs)

	Particulars	As at 31 March 2022	As at 31 March 2021
a	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	- Principal Amount	1,568.68	1,047.72
	- Interest due		
b	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2022 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	1,568.68	-	-	-	-	1,568.68
(ii) Others	4,023.56	2,832.86	84.11	4.66	49.42	6,994.60
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
	5,592.24	2,832.86	84.11	4.66	49.42	8,563.29
Accrued Expenses						340.60
						8,903.89

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2021 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	1,047.72		-	-	-	1,047.72
(ii) Others	2,711.36	2,334.29	124.02	26.33	29.35	5,225.35
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
	3,759.08	2,334.29	124.02	26.33	29.35	6,273.07
Accrued Expenses						178.94
						6,452.00

(₹ in Lacs)

21	OTHER CURRENT FINANCIAL LIABILITIES	As at 31 March 2022	As at 31 March 2021
	Interest accrued but not due on borrowings	10.34	15.08
	Interest accrued and due on borrowings / Security deposits	7.65	4.99
	Unpaid dividends	36.27	30.82

	Other payables		
	Employees related liabilities	1,990.07	1,803.15
	Liability on account of outstanding forward contracts	-	11.85
	Payables for capital goods	486.68	162.95
	Others (includes deferred interest of Rs. 6.06 lacs (PY Rs. 26.03 Lacs) on deferred payment liability)	70.86	92.63
	Total	**2,601.87**	**2,121.47**

There are no outstanding dues to be paid to Investor Education and Protection Fund.

(₹ in Lacs)

22	OTHER CURRENT LIABILITIES	As at 31 March 2022	As at 31 March 2021
	Advance from customers	1,298.69	449.71
	Other payables	-	-
	Statutory dues	965.63	777.48
	Others	42.80	5.34
	Total	**2,307.12**	**1,232.52**

23	CURRENT TAX LIABILITIES (NET)	As at 31 March 2022	As at 31 March 2021
	Provision for Tax (PY Rs.4370.30 lacs)	-	71.22
	Total	**-**	**71.22**

(₹ in Lacs)

24	REVENUE FROM OPERATIONS	Year ended 31 March 2022	Year ended 31 March 2021
	Sale of products		
	Manufactured goods	90,805.43	77,210.36
	Traded Goods	883.36	293.17
	Other operating revenues		
	Export Incentives	420.26	767.67
	Sale of scrap	145.61	150.73
	Other operating revenue of foreign subsidiary	**51.60**	**224.66**
	Others	-	0.37
	Total	**92,306.26**	**78,646.96**

The Disclosures as required by Ind-AS 115 are as under :

The Company disaggregates revenue based on nature of products/geography as under :	Year ended 31 March 2022	Year ended 31 March 2021
The revenue disaggregates is as under :		
Revenue based on Geography		
Sales		
Domestic	30,346.37	22,562.28
Export	57,012.94	51,047.16
Sales related to foreign Subsidiaries	4,329.48	3,894.09
Other operating revenue		
Domestic-Export incentives and Scrap	**565.87**	**918.40**
Other operating revenue of foreign subsidiary	51.60	224.66
Domestic-Lease Rentals	-	-
Others	-	0.37
	92,306.26	**78,646.96**

Revenue based on Nature of Products		
Medical Devices	91,688.79	77,503.53
Export incentives	420.26	767.67
Scrap	145.61	150.73
other operating revenue	51.60	225.03
	92,306.26	**78,646.96**

Reconciliation of Revenue	**Year ended 31 March 2022**	**Year ended 31 March 2021**
Gross value of contract price	92,116.67	77,890.38
Less : Variable components i.e.,Rebate & discount	427.88	386.85
Other operating revenue	617.47	1,143.43
Revenue from operations as recognised in financial statement	**92,306.26**	**78,646.96**

Reconciliation of Advance received from Customers	**As At 31 March 2022**	**As At 31 March 2021**
Balance at the beginning of the year	449.71	975.06
Less : Revenue recognised out of balance of advance received from customer at beginning of year	428.72	967.48
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognised as revenue in next year	1,277.70	442.13
Balance at the close of the year	**1,298.69**	**449.71**

The Company have orders in hand as at 31st March 2022 for Rs. 6,870.60 lacs, for which performance obligation amounting to Rs.6,870.60 lacs will be recognized as revenue during the next reporting year. The Company has evaluated the impact of Covid 19 on position of orders in hand as on 31.03.2022 and do not expect any major/significant cancellation/reduction in order value as at the date of approval of the consolidated financial statement.

(₹ in Lacs)

	OTHER INCOME	**Year ended 31 March 2022**	**Year ended 31 March 2021**
25			
	Lease Rental	10.58	
	Interest Income		
	Interest Income on Fixed and other Deposits	198.60	309.10
	Interest Income on Income Tax Refund	-	-
	Interest Income from Financial Assets Measured at Amortised Cost	30.53	28.16
	Dividend/ Governing Council Share	-	-
	Other non-operating income		
	Rental Income from Investment Property	5.27	7.18
	Government Grants and Subsidies	196.53	109.41
	Income from Mutual Funds	718.34	93.04
	Miscellaneous Income	349.33	115.41
	Other Gain		
	Provisions / Liabilities no longer required written back (net)	36.89	1.67
	Gain on fixed assets sold/discarded	53.05	0.72
	Gain on Foreign Exchange Fluctuation (net)	1,231.10	825.45
	Unrealised gain on valuation of mutual funds measured at fair value through profit or loss	960.03	351.36
	Total	**3,790.25**	**1,841.50**

(₹ in Lacs)

26	COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED	Year ended 31 March 2022	Year ended 31 March 2021
	Raw Material Consumed		
	Inventory at the beginning of the year	5,936.05	4,459.36
	Add: Purchases during the year	31,017.98	22,590.38
	Less: Inventory at the end of the period	8,364.47	5,936.05
	Cost of raw material consumed (A)	**28,589.56**	**21,113.69**
	Packing Material Consumed		
	Inventory at the beginning of the year	840.77	818.55
	Add: Purchases during the year	6,660.38	4,962.65
	Less: Inventory at the end of the period	853.46	840.77
	Cost of packing material consumed (B)	**6,647.69**	**4,940.43**
	Total (A+B)	**35,237.25**	**26,054.12**

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable

(₹ in Lacs)

27	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended 31 March 2022	Year ended 31 March 2021	(Increase)/ Decrease
	Inventories at the end of period			
	Finished Goods and Stock in Trade	3,735.05	2,459.23	(1,275.82)
	Work in progress	2,561.59	2,342.00	(219.59)
		6,296.64	**4,801.23**	**(1,495.41)**
		Year ended 31 March 2021	**Year ended 31 March 2020**	**(Increase)/ Decrease**
	Inventories at the beginning of year			
	Finished Goods and Stock in Trade	2,459.23	2,137.59	(321.64)
	Work in progress	2,342.00	2,486.90	144.90
		4,801.22	**4,624.49**	**(176.74)**

(₹ in Lacs)

28	EMPLOYEE BENEFITS EXPENSES	Year ended 31 March 2022	Year ended 31 March 2021
	Salaries, wages and bonus	15,132.26	13,006.26
	Contribution to Provident Fund and others	1,049.66	945.14
	Share based payment to employees	93.10	64.73
	Staff Welfare Expenses	86.97	159.57
	Total	**16,361.99**	**14,175.70**

(₹ in Lacs))

29	RESEARCH AND DEVELOPMENT EXPENSES	Year ended 31 March 2022	Year ended 31 March 2021
	Revenue Expenditure charged to statement of profit and loss		
	Cost of components and Material Consumed (Net)	1,232.04	797.32
	Employee benefits expenses	462.73	378.45
	Power and Fuel	37.00	43.23
	Travelling & Conveyance	23.43	2.21
	Other Misc Expenses	32.51	23.12
	Legal & Professional Charges	86.95	69.85
	R&D expenditure relating to Foreign subsidiary	2.45	0.27
	Total amount spent on Research and Development	**1,877.11**	**1,314.45**

(₹ in Lacs)

30	FINANCE COST	Year ended 31 March 2022	Year ended 31 March 2021
	Interest expense		
	Interest on loans	312.09	607.57
	Interest on Income Tax	-	2.82
	Exchange difference to the extent considered as an adjustment to interest costs	42.68	152.80
	Interest on Lease Liabilities	17.61	10.64
	Others		
	Other amortised borrowing costs	53.10	77.35
	Total	**425.48**	**851.18**

(₹ in Lacs)

31	DEPRECIATION AND AMORTISATION EXPENSES	Year ended 31 March 2022	Year ended 31 March 2021
	Depreciation of tangible assets	5,033.11	4,401.45
	Amortisation of intangible assets	267.84	249.88
	Depreciation of investment properties	7.87	8.05
	Amortisation of Right of Use	86.40	92.82
	Total	**5,395.22**	**4,752.20**

(₹ in Lacs)

32	OTHER EXPENSES	Year ended 31 March 2022	Year ended 31 March 2021
	Consumption of stores and spare parts	1,749.55	1,601.09
	Power and Fuel	2,983.67	2,527.27
	Job Work Charges	6,604.43	5,677.34
	Other Manufacturing Expenses	161.12	182.14
	Repairs to Building	76.66	61.75
	Repairs to Machinery	109.90	60.33
	Repairs to Others	67.44	49.62
	Insurance (Net)	303.78	233.89
	Loss on fixed asset sold/discarded	-	-
	Short term lease	223.57	221.91
	Rates, Taxes & Fee	189.21	186.51
	Travelling & Conveyance	1,017.49	726.24
	Legal & Professional Fees	1,330.72	1,376.15
	Auditors' Remuneration	20.08	18.92
	Commission and Sitting Fees to Non-Executive Directors	93.75	101.75
	Donations	164.21	115.94
	Bank Charges	190.87	212.93
	Advertisement	2.68	8.63
	Commission on sales	571.56	517.32
	Freight & Forwarding (Net)	620.52	638.57
	Business Promotion	126.23	71.59
	Exhibition Expenses	186.67	26.68
	Rebate, Discounts & Claims	60.31	116.79
	Provision for Doubt ful debts / Advances	3.08	29.96
	Bad debts / Misc. Balances written off	66.06	17.99
	CSR Expenditure	264.94	247.72
	Communication expense	61.72	54.10
	Listing fees	11.72	6.15
	Other Miscellaneous Expenses	687.56	445.62
	Total	**17,949.50**	**15,534.90**

Payment to Auditors	Year ended 31 March 2022	Year ended 31 March 2021
Audit Fee	14.67	13.63
Limited Review of Results	3.00	3.00
In other capacity	-	
(a) For certification work	0.96	0.30
(b) For Others	0.75	0.99
(c) For certifications & reports for QIP Purpose*	-	5.00
Reimbursement of expenses	0.71	1.01
Total	**20.08**	**23.92**

*Adjusted against share issue expenses and not charged to statement of Profit & loss.

(₹ in Lacs)

33 TAX EXPENSES	Year ended 31 March 2022	Year ended 31 March 2021
Tax expenses comprises of:		
Current tax	4,632.27	4,441.52
Earlier year tax adjustment (net)	(24.37)	(15.22)
Deferred tax	265.99	(8.34)
Total	**4,873.89**	**4,417.96**

Reconciliation of tax expenses and accounting profit multiplied by Indian tax rate	Year ended 31 March 2022	Year ended 31 March 2021
Profit before tax and share of profit from associates	19,279.76	17,674.33
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	4,852.72	4,448.63
Tax adjustment on account of profit of subsidiary company on consolidation	52.35	(53.76)
Adjustment of expenses disallowed under income tax	78.24	165.88
Adjustment of expenses allowable under income tax	(35.48)	1.60
Other allowable deduction	(315.57)	(120.82)
Current Tax (Normal Rate)	**4,632.27**	**4,441.52**
Additional Current Tax due to Special Rate		
Current Tax (A)	**4,632.27**	**4,441.52**
Incremental Deferred tax Liability on timing Differences (Net)	265.99	(8.34)
Deferred Tax (B)	**265.99**	**(8.34)**
Tax expenses for earlier year (net)	**(24.37)**	(15.22)
Tax expenses recognised in the statement of profit and loss	**4,873.89**	**4,417.96**
Effective tax rate	25.28%	25.00%

POLY MEDICURE LIMITED

Notes to Consolidated Financial Statements for the year ended 31 March, 2022

CORPORATE AND GENERAL INFORMATION

Poly Medicure Limited ("the Company") is domiciled and incorporated in India and its equity shares are listed at Bombay Stock Exchange(BSE) and National Stock Exchange (NSE). The registered office of the company is situated at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, India.

The Group is a manufacturer/producer of Medical Devices.

The consolidated financial statements of the company for the year ended 31st March 2022 were approved and authorized for issue by the Board of directors in their meeting held on 24th May 2022

STATEMENT OF COMPLIANCE

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act 2013, Indian Accounting Standards and complies with other requirements of the law.

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules 2015. The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA").

Accounting Policies have been consistently applied except where a newly adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relates to Poly Medicure Limited ('the Company') and its subsidiary companies (the company and subsidiaries referred to as "Group") and associates. The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

ii) Where the cost of the investment is higher/lower than the share of equity in the subsidiary/ associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule. The said Goodwill is not amortized, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for in the consolidated statement of profit and loss.

iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.

iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

v) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

vi) Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

vii) Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

viii) Investment in Associates has been accounted under the equity method as per Ind AS 28 -Investments in Associates and Joint Ventures.

ix) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on March 31, 2022	Period of consolidation
Subsidiary			
Poly Medicure (Laiyang) Company Limited, China - (Audited)	China	100%	Apr'21 to Mar'22
Polymed BV, Netherlands - Management certified- Unaudited (Consolidated)	Netherlands	100%	Apr'21 to Mar'22
Plan 1 Health India Pvt Ltd. - (Audited)	India	99.99%	Apr'21 to Mar'22
Associates			
Ultra For Medical Products Company (Ultra Med), Egypt - Audited	Egypt	23%	Jan'21 to Dec'21

Classification of Assets and Liabilities into Current and Non- Current

The Group presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realized within twelve months after the reporting period; or

d) 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 treated as current when :
a) it is expected to be settled in normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

SIGNIFICANT ACCOUNTING POLICIES

a Basis of Measurement

The Financial Statements of the group are consistently prepared and presented under historical cost convention on an accrued basis in accordance with IND AS except for certain Financial Assets and Financial Liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (₹INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b Property, plant and equipment

(i) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

(ii) Depreciation
Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013.

(iii) Component Accounting
When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(iv) Stores and Spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalized as Property, plant and equipment and until that in capital work in progress.

(v) Lease Hold Assets are amortized over the period of lease.

(vi) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective property plant and equipment on completion of construction/ erection.

(vii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

(viii) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ix) Capital work in progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

c Intangible assets:

(i) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP software as 10 year and other softwares as 3 years.

(ii) Software: Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

(iii) Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

d Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss in the period of derecognized.

Though the Group measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value of invested property is based on the valuation by a registered valuer as defined in Rule 2 of Companies (registered valuer and Valuation) Rules, 2017.

e Research and development cost:

<u>Research Cost:</u>

Revenue expenditure on research is expensed under the respective heads of account in the period in which it is incurred and is grouped as “Research and development expenses”.

<u>Development Cost:</u>

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per Ind AS 38 is demonstrated, else charged to statement of profit and loss.

f Inventories:

Raw materials, Packing materials, Stores and Spares are valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Stock in process is valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity and depreciation.

Stock in Trade is valued at lower of cost and net realizable value

Scrap is valued at estimated realizable value.

g Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the Group becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

h Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

(i) <u>Investment in equity shares:</u>
Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Statement of profit and loss.

(ii) <u>Investment in associates, joint venture and subsidiaries:</u>
The Company's investment in subsidiaries and associates, joint venture are at carried at cost except where impairment loss recognized.

(iii) <u>Trade receivables:</u>
Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less credit loss/ impairment allowances/ provision for doubtful debts.

(iv) Cash and cash equivalents:

- Cash and cash equivalents are financial assets. Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase and are carried at cost.

- Other Bank Balances:
Unclaimed / Unpaid dividend amount balance, deposit with bank as margin money for guarantees issued by bank, deposit kept as security deposit with statutory authorities are accounted as bank balance other than cash and cash equivalents.

- Cash Flow Statement:
Cash Flows are reported using indirect method whereby profit for the year is adjusted for the effects of transaction of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of Group are segregated.

(v) Loans & other financial assets:
Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

i Impairment of Financial assets:
In accordance with Ind AS 109, the Group uses expected credit loss (ECL) model for evaluating, measurement and recognition of impairment loss.

j Financial liabilities:

(i) **Classification:**
The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement:**
All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement:**
All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) **Loans and borrowings:**
Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) **De-recognition 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 de-recognition 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.

(vi) **Derivative financial instruments:**
The Group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

k Impairment of non-financial assets:
At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

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

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

l Foreign exchange transactions:

(i) Functional and presentation Currency:
The functional and reporting currency of company is INR.

(ii) Transaction and Balances:
Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

m **Revenue recognition:**
The Group derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the group recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the group expects to receive in exchange for their products or services. The group disaggregates the revenue based on nature of products/ Geography.

- **Export incentive:**

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

- **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

- **Interest income:**

For all Financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

- **Rental income:**

Rental income on investment properties and on operating lease are accounted for on accrual basis.

n Government Grant

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.
- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.
- In respect of Property, Plant and Equipment purchased under Export Promotion Capital Goods (EPCG) scheme of Government of India, exemption of custom duty under the scheme is treated as, Government Grant and is recognized in Statement of Profit and Loss on fulfillment of associated export obligations.

o Employees Benefits:

i) Short term employee Benefit:
All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

ii) Defined Contribution Plan:
Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

iii) Defined Benefit Plan:
The Leave Encashment (Unfunded) and Gratuity (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognized in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The group recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, gains and losses on curtailments and non-routine Settlements.
- Net interest income or expense.

iv) Long term Employees Benefits:
Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

v) Termination benefits:
Termination benefits are recognized as an expense in the period in which they are incurred.

The group shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and
(b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

p Share based payments:
Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to Share based Payments Reserve. The dilutive

effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

q Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognized as expense in the period in which they are incurred.

r Leases:

Group as a Lessee:

In accordance with IND AS 116, the group recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of 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 there carrying amounts may not be recoverable. Impairment loss, if any, is recognize in statement of profit and loss.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised- in-substance fixed lease payments, the group recognizes amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the group recognizes any remaining amount of the remeasurement in statement of profit and loss.

The group has elected not to apply the requirements of IND AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on straight line basis over lease term.

Group as a Lessor:

At an inception date, leases are classified as financial lease or operating lease. Leases where the group does not transfer substantially all risk and reward incidental to the ownership of the asset are classified as operating lease. Lease rental under operating lease are recognised as income in profit and loss account on straight line basis.

s Taxes on income:

(i) Current Tax:

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.
Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax:

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

t Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General:

The group recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the group will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

  Contingent assets are not recognized but disclosed in financial statement when an inflow of economic benefits is probable.

  Provisions, Contingent liabilities, Contingent assets and Commitments are reviewed at each balance sheet date.

(ii) Other Litigation claims:
Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

(iii) Onerous contracts:
Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

u Exceptional Items:
On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

v Earnings per share:
Basic Earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

w Segment reporting:
The operating segment of the group is medical devices and the same have been evaluated on management approach as defined in Ind AS - 108 "Operating Segment". The group accordingly reports its financials under one segment namely "Medical Devices".

x Financial statement classification:
Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the group classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

y Fair value measurement:
The group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

  Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

z Significant Accounting Judgments, Estimates and Assumptions:
The preparation of the group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimation of uncertainty related to Global Health Pandemic from COVID-19
The Group has considered the possible effects that may result from pandemic relating to COVID-19 on the carrying amount of financial assets including Trade Receivables. In developing the assumptions relating to the possible future uncertainties in global economic conditions because of the pandemic, the group as at the date of approval of these financial statement has used internal and external source of information, on the expected future performance of the group and based on estimates the group expects that the carrying amount of financial assets will be recovered and the group do not expect any significant impact of COVID-19 on the group's financial statement as at the date of approval of these audited Consolidated Financial Statement.

i <u>Income taxes:</u>
Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The group reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated financial statements.

ii <u>Fair value measurement of financial instruments:</u>
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iii <u>Defined benefit plans:</u>
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv <u>Lease:</u>
"The group evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. In excising whether the group is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease or to exercise the option to terminate the lease. The group revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

v <u>Depreciation/Amortization and useful life of Property, Plant and Equipment:</u>
The group has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act. 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

vi <u>Impairment of Financial & Non-Financial Assets:</u>
The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The group uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

vii <u>Provisions:</u>
The Company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.

viii <u>Contingencies:</u>
Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the group as it is not possible to predict the outcome of pending matters with accuracy.

ix **Impairment of Goodwill**: Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than the carrying amount, the impairment loss is accounted. For impairment loss, goodwill is allocated to CGU which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purpose. The recoverable amount of CGU is determined based on higher of value in use and fair value less cost to sell and value in use is present value of future cash flows expected to be derived from CGU.

Key assumption in the cash flow projection are prepared based on current economic conditions and comprises estimated long term growth rate, estimated operating margin.

aa Capital:

Debt and equity instruments:

Ordinary equity shares are classified as equity. Debt instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

ab Other Miscellaneous Expenses

Public Issue Expenditure/Share issue expenses on private placement basis/FCCB's issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

34 Fair value measurement

i Financial instruments: Accounting classification and fair value measurements

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Accounting Standard. An explanation of each level follows underneath the table

(₹ in Lacs)

Particulars	31-Mar-22						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	976.88	-	-	976.88	-	-	-
In Liquid Mutual Funds	33,659.72	33,659.72	-	-	-	33,659.72	-
Trade receivables	20,662.89	-	-	20,662.89	-	-	-
Cash & cash equivalents	775.74	-	-	775.74	-	-	-
Other bank balances	767.85	-	-	767.85	-	-	-
Loans	34.16	-	-	34.16	-	-	-
Other financial assets	2,724.90	40.22	-	2,684.68	-	40.22	
Total financial assets	**59,602.14**	**33,699.94**	-	**25,902.20**	-	**33,699.94**	-
Financial liabilities							
Borrowings	12,527.45	-	-	12,527.45	-	-	-
Trade payables	8,903.89	-	-	8,903.89	-	-	-
Lease Liabilities	143.39	-	-	143.39			
Other financial liabilities	2,654.22	-	-	2,654.22	-	-	-
Total financial liabilities	**24,228.95**	-	-	**24,228.95**	-	-	-

(₹ in Lacs)

Particulars	31-Mar-21						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	940.34	-	-	940.34	-	-	-
In Liquid Mutual Funds	34,501.25	34,501.25	-	-	-	34,501.25	-
Trade receivables	15,586.31	-	-	15,586.31	-	-	-
Cash & cash equivalents	495.46	-	-	495.46	-	-	-
Other bank balances	2,460.87	-	-	2,460.87	-	-	-
Loans	33.30	-	-	33.30	-	-	-
Other financial assets	5,828.12	-	-	5,828.12	-	-	
Total financial assets	**59,845.65**	34,501.25	-	25,344.40	-	34,501.25	-
Financial liabilities							
Borrowings	13,413.53	-	-	13,413.53	-	-	-
Trade payables	6,452.01	-	-	6,452.01	-	-	-
Lease Liabilities	328.98	-	-	328.98			
Other financial liabilities	2,209.03	11.85	-	2,197.18	-	11.85	-
Total financial liabilities	**22,403.55**	**11.85**	-	**22,391.70**	-	**11.85**	-

The carrying amount of bank balances, Trade Receivable, Trade Payable, other financial assets / liabilities, loans, cash and cash equivalents, borrowings are considered to be the same as their fair value due to their short term nature.

The levels have been classified based on the followings:

Level 1: It hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/ valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation Techniques used to determine fair value

Valuation Techniques used to determine fair value include

- Open ended mutual funds and certain bonds and debentures at NAV's/rates declared and/or quoted.
- Close ended mutual funds at NAV's declared by AMFI.
- For other bonds and debentures values with references to prevailing yields to maturity matching tenures, quoted on sites of credible organization such as FIMMDA (Fixed Income Money Market and Derivative Association of India).
- Derivative Instruments at values determined by counter parties/Banks using market observable data.
- Certificate of deposits, being short term maturity papers, amortized cost is assumed to be the fair value.

35 CONTINGENT LIABILITIES AND COMMITMENTS

a. Contingent liabilities not provided for: (₹ in Lacs)

Particulars	**Year Ended 31-Mar-22**	**Year Ended 31-Mar-21**
Compensation for enhanced cost of Land pending with District & Session Court Faridabad (Amount paid 2.33 lacs, Previous year 2.33 lacs)	9.34	9.34
Show cause notice issued by Principal Commissioner of Customs for which reply already filed.	424.52	-
Income tax demand for AY 2017-18 under section 270 A of Income Tax Act 1961 under appeal with National Faceless Appeal Centre	93.8	-
Demand from National Pharmaceutical Pricing Authority (Net)	66.88	76.88

b. Obligations and commitments outstanding:

Particulars	**Year Ended 31-Mar-22**	**Year Ended 31-Mar-21**
Unexpired letters of credit 2,362.54 lacs (Previous year 1,762.12 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers 1,871.80 lacs (Previous year 1971.84 lacs), (Net of margins)	4,234.34	3,733.96
Bills discounted but not matured	789.80	696.33
Custom duty against import under EPCG Scheme	1,305.45	1,930.94
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	11,339.78	3,472.81

36 Financial Risk Management

The Group activities expose it to price risk, credit risk, liquidity risk and market risk.

This note explains the source of risk which the group is exposed to and how it manages the risk and its impact on the financial statement. These risks are managed by the senior management of the group supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the group.

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit Risk	Cash & cash equivalent, Financial instruments, Financial assets & Trade Receivable	Credit Rating and ageing analysis	Diversification of counter Parties, setting of trade receivable, review of outstanding / overdues
Liquidity Risk	Other Liabilities	Maturity Analysis	Maintenance of Sufficient cash and cash Equivalent, Fixed Deposit & other marketable securities
Market Risk - Foreign exchange	Highly probable forecast transactions	Sensitivity analysis	Forward Foreign Exchange Contracts

The Board of Directors of the group provides guiding principles for overall risk management, as well as policies covering specific areas i.e. foreign exchange risk, credit risk & Investment of Surplus liquidity.

The group's risk management is carried out by finance department, accordingly, this department identifies, evaluates and hedges financial risk.

A) Price Risk

The main Raw materials for manufacturing of Medical devices are various types of Plastic Granules i.e. PP, LDPE, HDPE, PC, PA, SAN, ABS and K. Resin etc. The prices of Raw materials are mainly dependent on the price of Crude Oil. The majority of Raw materials are being imported by the group and the few are procured indigenously. In case of imported Raw materials, the adverse forex movements are covered by the natural hedge. In case of the drastic price rise of Raw materials during the year, the group makes appropriate changes in the prices of Finished Products, after due discussions with the customers. The prices of Finished Goods are generally reviewed every year and appropriate changes in prices are made to offset the increase in cost.

B) Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortized cost and fair value through profit or loss and trade receivables

Credit Risk Management

The company has invested in fixed deposits and liquid mutual funds and have invested only with those funds plan having good credit rating / track record. The group reviews the creditworthiness of these counterparties on an ongoing basis. Another credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customer to whom credit is extended in normal course of business. The group estimates the expected credit loss on the basis of past data and experience. The group also takes proper ECGC cover based on risk based classification of trade receivables.

The Geographical concentration of trade receivable (net of allowance) is as under:

(₹ in Lacs)

Particulars	As at	
	31-Mar-22	**31-Mar-21**
India	4,655.85	3,631.05
Europe	5,030.36	4,338.00
USA	275.18	42.95
Others	10,701.50	7,574.31
	20,662.89	**15,586.31**

Review of outstanding trade receivables and financial assets is carried out by the management each quarter. The group has a practice to provide for provision for doubtful debts on the basis of duly board approved policy on provision for bad & doubtful debts.

Reconciliation of loss allowance provisions:

(₹ in Lacs)

Particulars	Deposits	Trade receivable	Advances
Loss Allowance as on 1 April 2020	8.68	30.58	97.50
Change In loss allowance	(2.00)	13.10	18.86
Loss Allowance as on 31 March 2021	6.68	43.68	116.36
Change In loss allowance	-	(5.78)	-
Loss Allowance as on 31 March 2022	**6.68**	**37.90**	**116.36**

COVID-19: The group do not envisage any financial difficulties resulting in additional credit risks higher than usual credit terms due to COVID-19 outbreak.

C) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in interest rate. The group's main interest rate risk arises from long term borrowings with variable rates (LIBOR plus) which exposes the group to cash flow interest rate risk.

i) Interest rate risk exposure - The exposure of the group's borrowing to interest rate changes at the end of reporting period is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-22	**31-Mar-21**
Variable rate borrowing	12,418.50	13,059.42
Fixed rate borrowing	108.95	354.11
Total	**12,527.45**	**13,413.53**

The analysis by maturities is provided in note D "Maturities of Financed liabilities" below.

ii) Sensitivity analysis: For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole year:-

(₹ in Lacs)

Particulars	Impact on profit before tax for the year ended	
	31-Mar-22	31-Mar-21
Interest rate- increase by 50 basis point	62.09	65.30
Interest rate- decrease by 50 basis point	(62.09)	(65.30)

D) Liquidity Risk

The group's principle source of liquidity are cash & cash equivalent and cash flows that are generated from operations. The group believes that its working capital is sufficient to meet its current requirement. Additionally, the group has sizeable surplus funds in liquid mutual fund and also in fixed deposit ensuring safety of capital and availability of liquidity as and when required hence, the group do not perceive any liquidity risk.

(₹ in Lacs)

Particulars	As at	
	31-Mar-22	31-Mar-21
The group has working capital funds which Includes		
Cash and cash equivalent	775.74	495.46
Current investments in liquid mutual funds	33,659.72	34,501.25
Bank balances	767.85	2,460.87
Trade receivable	20,662.89	15,586.31
Total	**55,866.20**	**53,043.90**

Besides above, the company had access to the following undrawn facilities at the end of reporting period:

(in Lacs)

Particulars	As at	
	31-Mar-22	31-Mar-21
Fixed		
Cash credit and other facilities	3,810.26	4,468.12
Variable		
Other facilities	-	-

Contractual maturities of significant financial liabilities are as under :
Maturities of financial liabilities

(₹ in Lacs)

Particulars	Less than and equal to one year	More than one year	Total
As at 31 March 2022			
Trade payable	8,903.89	-	8,903.89
Other Financial liabilities	11,422.03	3,903.03	15,325.06
Total	**20,325.92**	**3,903.03**	**24,228.95**
As at 31 March 2021			
Trade payable	6,452.01	-	6,452.01
Other Financial liabilities	9,339.64	6,611.90	15,951.54
Total	**15,791.65**	**6,611.90**	**22,403.55**

E) Market Risk

Foreign Currency Risk

The group operates significantly in international markets through imports and exports and therefore exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD/Euro/GBP/JPY. The risk is measured through sensitivity analysis. In order to minimize any adverse effect on the financial performance of the group, financial instrument such as foreign exchange forward contracts are used exclusively to mitigate currency risk.

(i) The company uses foreign exchange forward contracts to mitigate exposure in foreign currency risk. The foreign exchange forward contract outstanding at reporting date are as under: -

Particulars	Type	Currency	As at			
			31-Mar-22		31-Mar-21	
			FC	INR	FC	INR
Forward Contracts		USD:INR	91.00	6,890.79	-	-
	Sell	EURO:INR	0.90	75.69	-	-
		GBP.INR	-	-	3.00	301.98
	Buy	EURO:INR	-	-	4.06	348.56
		JPY:INR	159.00	99.00	-	-

(ii) Particulars of Unhedged Foreign Currency Exposure as at reporting date (Net exposure to Foreign Currency Risk)

Particulars	Currency	As at			
		31-Mar-22		31-Mar-21	
		FC	INR	FC	INR
Receivable / (Payable)	USD:INR	37.22	2,818.24	46.38	3,390.46
	EURO:INR	(19.74)	(1,658.36)	(49.99)	(4,289.30)
	USD:INR	-	-	-	-
	EURO:INR	-	-		-
	GBP.INR	0.82	81.11	(1.15)	(115.96)
	CAD:INR	-	-	(0.06)	(3.61)
	LE.:INR	28.50	118.35	13.99	65.07
	SEK:INR	-	-	(0.63)	(5.29)
	JPY:INR	(148.17)	(92.21)	(681.40)	(449.88)
	AUD:INR	-	-	-	-
	SGD:INR	-	-	-	-

(iii) Maturity of outstanding foreign exchange forward contracts

The details in respect of maturity of outstanding forward exchange forward contract are as given: -

(₹ in Lacs)

Particulars	Type	Currency	As at	
			31-Mar-22	31-Mar-21
Not later than 3 months		USD:INR	1,211.57	-
	Sell	EURO:INR	75.69	-
		GBP.INR	-	150.99
	Buy	EURO:INR	-	348.56
		JPY:USD	49.16	-
Later than 3 months and not later than 6 months		USD:INR	1,817.35	-
	Sell	EURO:INR	-	-
		GBP.INR	-	150.99
	Buy	JPY:USD	24.89	-
Later than 6 month & not later than one year		USD:INR	3,861.87	-
	Sell	EURO:INR	-	-
		GBP.INR	-	-
	Buy	JPY:USD	24.89	-

(iv) The mark to market gain or loss on foreign currency are as under: -

(₹ in Lacs)

Particulars	As at	
	31-Mar-22	31-Mar-21
Mark to market loss / (Gain) accounted for (Net)	(52.07)	(215.76)

37 CAPITAL MANAGEMENT

a) **Risk Management -** The group is cash surplus and has no capital other than equity. The Cash surplus are currently invested in Liquid mutual funds and also in fixed deposit with banks. Safety of capital is of prime importance to ensure availability of capital for group's business requirement. Investment objective is to provide safety and adequate return on surplus funds. The group's adjusted net debt to equity ratio at the end of reporting period is as follows:

(in Lacs)

Particulars	As at	
	31-Mar-22	31-Mar-21
Gross borrowings	12,527.45	13,413.53
Less: cash and cash equivalents	775.74	495.46
Adjusted net debt	11,751.71	12,918.07
Total Equity	1,08,748.14	96,557.05
Adjusted net debt to equity	10.81%	13.38%

The group's total owned funds of 1,08,748.14 Lacs with 11,751.71 Lacs as net debts is considered adequate by the management to meet its business interest and any capital risk it may face in the future.

b) **Loan Covenants**
Under the terms of borrowing facilities, the group is required to comply with certain financing covenants and the group has complied with those covenants through out the reporting period.

c) Dividend

(₹ in Lacs)

Particulars	As at	
	31-Mar-22	31-Mar-21
Dividend recognized in the financial statements		
Final dividend paid in financial year 31st March 22 pertaining to financial year ended 31st March 21	(2,397.01)	-
Interim dividend for financial year ended 31-Mar-22 Nil (31-Mar-21 Nil)	-	-
Dividend not recognized in the financial statements		
In addition to the above dividend, since year end, the Board of directors have recommended the payment of final dividend of 2.5 per equity share (PY 2.5 per equity share)		

This dividend is subject to the approval of shareholders of the company in ensuing Annual General Meeting and upon approval would result in cash outgo of approx. 2397.50 Lacs

38 The group has adopted Ind AS 116 effective annual reporting period beginning April 1, 2019 and applied the Standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to opening balance of retained earnings as on April 1, 2019.
The lease payments including interest have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognized in balance sheet at the date of initial application.
On application of IndAs 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the company is as follows:

Particulars	As at 31-Mar-22	As at 31-Mar-21
Balance at the beginning of the year	216.58	309.40
Addition during the year		
Depreciation for the year	86.40	92.82
Adjustment on account of modification in lease term	14.98	-
Closing balance at the end of the year	115.20	216.58

The Following is break up of current and non-current lease liabilities as at 31st March 2022

Particulars	As at 31-Mar-22 (Rs.in Lakhs)	As at 31-Mar-21 (Rs.in Lakhs)
Current lease liabilities	105.43	132.35
Non-Current lease liabilities	37.96	196.63
	143.39	**328.98**
The following is movement in lease liabilities during the year ended 31 March 2022		
	Year ended 31-Mar-22	**Year ended 31-Mar-21**
Balance at the beginning of the year	328.98	432.34
Addition during the year	-	-
Finance cost accrued during the year	17.61	10.64
Modification in lease term	89.20	
Deletions	-	-
Payment of lease liabilities (including interest)	114.00	114.00
Balance at the end of the year	**143.39**	**328.98**

Depreciation on right of use asset is Rs 86.40 lacs and Interest on lease liability for year ended 31st March 2022 is Rs 17.61 lacs
Lease Contracts entered by the group majorly pertains to building taken on lease to conduct the business activities in ordinary course.

Impact of Covid 19
The leases that the company has entered with lessors towards properties used as corporate office/ offices are long term in nature and no changes in terms of those leases are expected due to Covid-19

The Table below provides details regarding the contractual maturities of lease charges as at 31 March 2022 on an undiscounted basis:

Particulars:	Short term lease charges payable	Long term lease Charges payable	As at 31st March 2022 (Rs in Lacs)	As at 31st March 2021 (Rs in Lacs)
Less than one year	-	114	114	224.02
Up to five year	-	38	38	208.7
More than five year	-	-	-	-

The group do not foresee liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

Rental expense recorded for short term lease amounted to Rs.223.57 lacs and grouped as short term lease expense in Note No.32 " other expense

39 RELATED PARTY DISCLOSURES:
Related party disclosures as required by Ind AS - 24 "Related Party Disclosures" are as under:

A <u>List of related parties and relationships</u>
a Associate
1 Ultra For Medical Products (UMIC), Egypt

b <u>Key Management Personnel & Relative</u>
1 Mr. Himanshu Baid (Managing Director)
2 Mr. Rishi Baid (Joint Managing Director)
3 Mr. Naresh Vijayvergiya (CFO) w.e.f 1st July 21
4 Mr. J. K. Oswal (CFO) till 30th June 21
5 Mr. Avinash Chandra (Company Secretary)
6 Mr. Devendra Raj Mehta (Independent Director)
7 Mr. Prakash Chand Surana (Independent Director)
8 Mr. Shailendra Raj Mehta (Independent Director)
9 Dr. Sandeep Bhargava (Independent Director)
10 Mr. Alessandro Balboni (Director)
11 Mr. Amit Khosla (Independent Director)
12 Mrs. Sonal Mattoo (Independent Director)
13 Mr. J. K. Baid (Director- relative of Managing Director & Joint Managing Director)

14 Mr. Vishal Baid (President- relative of Managing Director & Joint Managing Director)
15 Mrs. Mukulika Baid (Director- relative of Managing Director & Joint Managing Director)
16 Mr. Dhruv Baid (Manager- relative of Managing Director)
17 Mr. Arham Baid (Manager- relative of Managing Director) w.e.f 1st July 2021
18 Mr. Aaryaman Baid (Manager- relative of Managing Director) w.e.f 19th July 2021
d Enterprises over which key management personnel and their relatives exercise significant influence
1 Vitromed Healthcare
2 Jai Polypan Pvt. Ltd.
3 Stilocraft
4 Polycure Martech Ltd.
5 Jai Chand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

(₹ in Lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Sales of Goods	756.04	840.14			2,783.62	2,984.25
Ultra for Medical Products Egypt	756.04	840.14				
Vitromed Healthcare					2,783.62	2,984.25
Purchases of Goods	-	-			43.66	90.77
Ultra for Medical Products Egypt	-	-				
Vitromed Healthcare					43.66	90.77
Job work					5,776.34	5,130.90
Vitromed Health Care					5,776.34	5,130.90
Rent received					0.20	0.20
Virtomed Healthcare					0.20	0.20
Rent paid					1.70	1.70
Jai Polypan Pvt. Ltd.					1.70	1.70
CSR Expenses	125.86	30.45				
Jai Chand Lal Hulasi Devi Baid Charitable Trust	125.86	30.45				
Dividend/ Governing Council Share Received	-	79.40				
Ultra for Medical Products, Egypt	-	79.40				
Advance From Associates	28.35	2.13				
Ultra for Medical Products Egypt	28.35	2.13				
Directors / Key Managerial Personnel's' Remuneration including commission			2,237.64	1,885.87		
Mr. Himanshu Baid			1,072.08	916.94		
Mr. Rishi Baid			1,042.59	896.02		
Mr. J. K. Oswal			26.77	60.02		
Mr. Naresh Vijayvargiya			82.38	-		
Mr. Avinash Chandra			13.82	12.89		
Defined benefit obligations			**40.92**	**9.44**		
Mr. Himanshu Baid			13.11	4.45		
Mr. Rishi Baid			11.58	3.91		
Mr. J. K. Oswal			13.13	1.03		
Mr. Naresh Vijayvergiya			3.03	-		
Mr. Avinash Chandra			0.07	0.05		
Salary and perquisites			**123.11**	**114.99**		
Mr. Vishal Baid			123.11	114.99		
Salary and perquisites			**194.81**	**13.24**		
Mr. Dhruv Baid			79.46	13.24		
Mr. Arham Baid			59.60	-		

Mr. Aaryaman Baid			55.75	-		
Commission and Sitting fees			**93.75**	**101.75**		
Mr. J. K. Baid			11.25	12.25		
Mrs. Mukulika Baid			11.25	12.25		
Mr. Devendra Raj Mehta			12.50	13.75		
Mr. Prakash Chand Surana			12.00	13.75		
Mr. Shailendra Raj Mehta			12.25	13.00		
Dr. Sandeep Bhargava			11.50	12.75		
Mr. Amit Khosla			12.00	13.00		
Mrs. Sonal Mattoo			11.00	11.00		
Management Fee			**150.83**	**150.26**		
Mr. Alessandro Balboni			150.83	150.26		

Outstanding balances at the year end

(₹ in Lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Dividend / Share Governing Council outstanding	33.18	65.07				
Ultra for Medical Devices	33.18	65.07				
Directors' Remuneration / Salary payable			**695.07**	**570.64**		
Mr. Himanshu Baid			333.86	279.01		
Mr. Rishi Baid			337.98	279.78		
Mr. Vishal Baid			5.01	4.50		
Mr. Dhruv Baid			3.79	4.97		
Mr. Arham Baid			4.51			
Mr. Aaryamann Baid			4.57			
Mr. J. K. Oswal			-	1.84		
Mr. Naresh Vijayvargiya			4.82	-		
Mr. Avinash Chandra			0.53	0.54		
Commission Payable			**64.80**	**66.64**		
Mr. J. K. Baid			8.10	8.33		
Mrs. Mukulika Baid			8.10	8.33		
Mr. Devendra Raj Mehta			8.10	8.33		
Mr. Prakash Chand Surana			8.10	8.33		
Mr. Shailendra Raj Mehta			8.10	8.33		
Dr. Sandeep Bhargava			8.10	8.33		
Mr. Amit Khosla			8.10	8.33		
Mrs. Sonal Mattoo			8.10	8.33		
Management Fee & Other Payable			**23.98**	16.48		
Mr. Alessandro Balboni			23.98	16.48		
Trade Receivable	**419.48**	**382.41**			**-**	**-**
Virtomed Healthcare					-	-
Ultra for Medical Products	**419.48**	**382.41**			**-**	**-**
Trade Payable / Payable for capital goods/Rent payable	**-**	**-**			**-**	**-**
Virtomed Healthcare					-	-
Jai Polypan Pvt. Ltd.					0.28	0.28
Ultra for Medical Products						
Advance from customer	**28.35**	**-**				
Ultra for Medical Products	28.35	-				

40 EARNINGS PER SHARE (EPS) OF 5/- EACH:

Particulars	Year Ended	
	31-Mar-22	**As at 31-Mar-21**
Net profit after tax available for equity share holders (In lacs)	14,650.60	13,587.44
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	9,58,88,694	8,90,83,537
Basic Earnings per Share (in)	15.28	15.25
Diluted Earnings per Share		
Weighted Average no. shares outstanding during the year	9,58,88,694	8,90,83,537
Effect of dilutive issue of stock options	75,500	71,886
Weighted Average no. shares outstanding for diluted EPS	9,59,64,194	8,91,55,423
Diluted Earnings per Share (in)	15.27	15.24

41 EMPLOYEE BENEFIT:
As per Ind AS - 19 "Employee Benefits", the disclosures are as under:

I Defined Contribution Plan - Provident Fund

The company makes contribution towards Provident Fund to Regional fund commissioner. The contribution payable by the company are at the rates specified in the rules of the scheme.

During the period, the company has recognized the following amount in statement of profit and loss

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
Employers' contribution to provident fund * #	649.63	573.09

* included in "contribution to provident fund and others" under employee benefit expenses (refer note no. 28)
# excluding contribution to provident fund transferred to Research and Development Expenses 9.19 lacs (PY 12.74 lacs).

II Defined Benefit Plan

The company has formed a employees gratuity trust which is administrated by Life Insurance Corporation of India (LIC). The company makes contribution towards funding the defined benefit plan pertaining to gratuity to LIC. The Leave Encashment liability is not contributed to any fund and is unfunded. The present value of the defined benefit obligation and related current cost are measured using projected unit credit method with actuarial valuation being carried out at balance sheet date.
The amount recognized are as under:

a) Gratuity (Funded)

(i) Present Value of Defined benefit Obligation

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
Obligations at year beginning	382.28	333.23
Service Cost - Current	58.65	57.03
Service Cost - Past		-
Interest expenses	25.96	23.06
Actuarial (gain) / Loss on PBO	(32.60)	(14.53)
Benefit payments	(36.64)	(16.50)
Addition due to transfer of employee	-	-
Obligations at year end	**397.65**	**382.28**

(ii) Change in plan assets

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	31-Mar-21
Fair value of plan assets at the beginning of the period	**281.06**	**161.91**
Actual return on plan assets	19.70	11.62
Less- FMC Charges	(1.52)	(0.96)
Employer contribution	-	125.00
Benefits paid	(36.64)	(16.50)
Fair value of plan assets at the end of the period	**262.59**	**281.06**

(iii) Assets and Liabilities recognized in the Balance Sheet

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	31-Mar-21
Present Value of the defined benefit obligations	397.65	382.28
Fair value of the plan assets	262.59	281.06
Amount recognized as Liability	**135.05**	**101.22**

(iv) Defined benefit obligations cost for the year.

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	31-Mar-21
Service Cost - Current	58.65	57.03
Service Cost - Past	-	-
Interest Cost	6.87	11.86
Expected return on plan assets	-	-
Actuarial (gain) loss	-	-
Net defined benefit obligations cost	**65.52**	**68.88**

(v) Amount recognized in Other Comprehensive Income (OCI)

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	31-Mar-21
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	32.60	14.53
Actuarial gain /(loss) for the year on Asset	(0.91)	(0.55)
Unrecognized actuarial gain/(loss) for the year	**31.69**	**13.98**

(vi) Investment details of Plan Assets

Particulars	Year ended	
	31-Mar-22	31-Mar-21
The details of investments of plan assets are as follows:	-	-
Funds managed by Insurer	100%	100%
Total	**100%**	**100%**

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vii) Actuarial assumptions:

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
Discount Rate per annum	7.22%	6.79%
Future salary increases	4.00%	4.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(viii) Demographic Assumptions:

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard.

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
i) Retirement Age (Years)	60.00	60.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii) Attrition at Ages	Withdrawal Rate %	
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

(ix) Amount recognized in current year and previous four years:

(₹ in Lacs)

	Year ended				
	31-Mar-22	**31-Mar-21**	**31-Mar-20**	**31-Mar-19**	**31-Mar-18**
Defined benefit obligations	397.65	382.28	333.23	321.58	268.28
Plan assets	(262.59)	(281.06)	(161.91)	(157.55)	(137.22)
Deficit /(Surplus)	**135.05**	**101.22**	**171.32**	**164.03**	**131.06**

(x) Expected Contribution to the Fund in the next year

(in lacs)

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
Service Cost	77.16	72.35
Net Interest Cost	9.75	6.87
Expected contribution for next annual reporting period	**86.91**	**79.23**

(xi) Sensitivity Analysis

The sensitivity of defined benefit obligations to changes in the weighted principal assumptions is :

	"Change in Assumption"		"Increase in Assumption"			"Decrease in Assumption"		
	31-Mar-22	**31-Mar-21**	**Impact**	**31-Mar-22**	**31-Mar-21**	**Impact**	**31-Mar-22**	**31-Mar-21**
Discount Rate per annum	0.50%	0.50%	Decrease by	(23.65)	(23.37)	Increase by	25.94	25.72
Future salary increases	0.50%	0.50%	Increase by	25.32	24.88	Decrease by	(23.19)	(22.71)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the 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 balance sheet.

(xii) Maturity Profile of Defined Benefit Obligation

(in lacs)

Sr. No.	Year	Amount
a	0 to 1 Year	16.05
b	1 to 2 Year	6.45
c	2 to 3 Year	7.50
d	3 to 4 Year	12.28
e	4 to 5 Year	8.11
f	5 to 6 Year	16.28
g	6 Year onwards	330.98

(xiii) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

A) **Salary Increases:** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) **Investment Risk:** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

C) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) **Mortality & disability:** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) **Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

b) **Leave Encashment (Unfunded)**
The Leave Encashment liability of 185.79 lacs form part of long term provision 167.05 Lacs (PY 155.42 Lacs) and short term provision 18.74 Lacs (PY 18.61 Lacs) and is unfunded and does not require disclosures as mentioned in para 158 of Ind AS 19.

42 Borrowing cost of Nil (Previous Year 4.15 lacs) have been included in capital work in progress.

43 SEGMENT INFORMATION:

Description of segment and principal activity.
The Group is primarily in the business of manufacture and sale of medical devices. Operating segments are reported in the manner consistent with internal reporting to Managing director of the group. The Group has regular reviews procedures in place and Managing director reviews the operations of the Group as a whole, Hence there are no reportable segments as per Ind AS 108 Operating segment.

Information about Geographical areas

The following information discloses revenue from customers based on geographical areas.

i) Revenue on product group wise (Ind AS 108, Para 32)

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
Medical Devices	91,688.79	77,503.53
	91,688.79	**77,503.53**

ii) Revenue as per geographical area (Ind AS 108, Para 33 (a))

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	**31-Mar-21**
With in India	30,346.37	22,562.28
Outside India (Including Revenue of foreign subsidiaries)	61,342.42	54,941.25
	91,688.79	**77,503.53**

iii) None of the non-current assets of standalone company (other than financial instruments, investment in associates) are located outside India. The non-current assets of foreign subsidiaries (other than financial instruments, goodwill and investment) located outside India are as under:

(₹ in Lacs)

Country where assets are located	Year ended	
	31-Mar-22	31-Mar-21
China	461.79	461.85
Netherlands	0.46	0.73
Italy	399.45	307.78
	861.70	**770.36**

iv) None of the customers of the Group individually account for 10% or more sale.
v) The group is manufacture of medical devices and has concluded that owing to nature of products the group manufactures, impact of COVID-19 is not material based on revenue estimates.

44 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details of expenditure incurred on CSR are as under:

(₹ in Lacs)

Sr. No.	Particulars	Year ended	
		31-Mar-22	31-Mar-21
1	The Gross amount required to be spent by the company during the year as per Section 135 of Companies Act 2013 read with Schedule VII	263.16	211.78
2	Amount of expenditure incurred on:	-	-
	i. Construction / acquisition of any assets	-	-
	ii. On purposes other than (i) above	264.94	247.72
3	Unspent amount in CSR	-	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	-	-
	Promoting education, Promotion of Healthcare, Food relief activity, Social welfare, Covid 19 related assistance/Specific products		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	Contribution to JAI CHAND LAL HULASI DEVI BAID CHARITABLE TRUST in relation to CSR expenditure	125.86	30.45

45 SHARE BASED PAYMENTS:

The company has formulated "Poly Medicure Employee Stock Option Scheme, 2016 (ESOS 2016)" duly approved by the share holders in the annual general meeting held on 27th September 2016,in accordance of which the ESOP Committee of Board of Directors of the company held on 04th June 2019 has granted 42950 equity shares to eligible employee on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.
Provided, however that in case of cessation of employment, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.
The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

The company has also formulated ""Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)"" duly approved by the share holders in the annual general meeting held on 29th Sept 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 6th November 2020 has granted 63100 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.
Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.
The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests."

a Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOS 2016)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value at grant date
(Year of Grant)				
2019-20	42950	2021-22 2022-23	50	147

b Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value
(Year of Grant)				
2019-21	63100	2022-23 2023-24	100	374

c Movement of share options during the year

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of share options	Exercise Price	Number of share options	Exercise Price
Balance at the beginning of the year	1,02,800	50 & 100	41,550	50
Granted during the year (ESOP-2020)	-	-	63,100	100
Granted during the year (ESOP-2016)		-	-	-
Forfeited during the year	7,525	-	1,850	-
Exercised during the year (ESOP-2016)	19,775	50	-	-
Expired / Lapsed during the year	-	-	-	-
Balance Options to be exercised at the end of the year	75,500	50 & 100	1,02,800	50 & 100

d Compensation expenses arising on account of share based payments

(₹ in Lacs)

Particulars	Year ended	
	31-Mar-22	31-Mar-21
Share based payment expenses to employees	93.10	64.73
Total	**93.10**	**64.73**

e Fair value on grant date

The fair value on grant date is determined using Black Scholes Model which takes into account exercise price, terms of option, share price at grant date and expected price volatility of the underline shares, expected dividend yield and risk free interest rate for the term of option.

The model inputs for options granted	ESOS 2016	ESOS 2020
a Exercise price	50	100
b Grant date	3rd June 2019	29th Sep 2020
c Vesting year	2021-22 2022-23	2022-23 2023-24
d Share price at grant date	195	463
e Expected price volatility of the company share	20% to 25%	20% to 25%
f Expected dividend yield	0.86%	0.43%
g Risk free interest rate	6.92%	6.00%

The expected price volatility is based on the historic volatility.

46 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013:

(₹ in Lacs)

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount
Subsidiary Companies				
Poly Medicure (Laiyang) Co. Ltd, China	0.64%	697.45	0.53%	77.78
Polymed BV, Netherlands, (Consolidated)	3.74%	4,070.30	-1.28%	(188.18)
Plan 1 Health India Pvt Ltd.	0.00%	(0.04)	0.00%	(0.27)
Associate Company				
Ultra for Medical Products, Egypt	-	-	1.67%	244.73

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 is Annexed.

47 During the year ended 31st March 2019, the company had invested a sum of Rs. 3417.79 lacs in Poly Medicure BV, Netherlands, where by Poly Medicure BV, Netherlands became wholly owned subsidiary company of the company. Poly Medicure BV Netherlands invested Rs.3348.36 lacs in Plan 1 Health Italy, where by Plan1 Health became step subsidiary of the company. The consolidated financial statement of Poly Medicure BV have been consolidated in the consolidated financial statements. Goodwill amounting to Rs.2858.11 Lacs have been created on consolidation. Goodwill of Rs 2858.11 Lacs has been (CGU) allocated to Plan 1 Health Italy business only. The estimated value in use of this CGU is based on future cash flows using a 20 % weighted annual growth rate for forecast periods of 5 years and discount rate of 9 % .An analysis of the sensitivity of the computation to a change in key parameters (i.e. operating margin discount rate and long term average growth rate) based on reasonable assumption did not identify any probable scenario in which the recoverable amount of the CGU would decrease its carrying amount, accordingly, no impairment in value of goodwill on consolidation have been made.

As per Dutch GAAP (applicable to Polymedicure BV Netherlands) goodwill is measured at cost less accumulated amortization and is amortized over useful life of 20 years whereas as per Ind AS, Goodwill is tested for impairment and not amortized. Suitable adjustment has been made in consolidated financial statements in this regard to follow uniform accounting policies applicable under Ind AS.
Other suitable adjustments to follow uniform accounting policies applicable under Ind AS has also been made in consolidated financial statement, wherever accounting policies followed/adopted by subsidiary companies are different.

48 During the year ended 31st March, 2021, the company had issued 76,33,587 equity shares of Rs 5/- each at premium of Rs. 519/- each (Issue Price per share Rs. 524/- each) amounting to Rs.40,000 lacs to Qualified Institutional Investors on QIP basis. The proceeds of QIP have been utilized as per details given below: -

S.No	Particulars	Amount (Rs.in Lacs)
1	QIP share issue expenses(including GST of Rs.105.59 lacs)	799.09
2	Repayment/Prepayment of debts and working capital	6,182.80
3	Investment in subsidiary	714.06
4	Capital expenditure	15,180.20
5	Amount temporarily invested in fixed deposits and liquid mutual funds pending utilization	17,123.85
		40,000.00

49 Standards issued and amended but not effective

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time. On March 23 2022, MCA amended the companies (Indian Accounting Standards) Amendment Rules,2022 as below.

IND AS 16 - Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any shall not be recognised in the profit and loss but deducted from the directly attributable costs considered as part of cost of an item of property plant and equipment. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2022. the company has evaluated the amendment and there is no impact on its consolidated financial statements.

IND AS 37- Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that cost of fulfilling a 'contract comprises the costs that relate directly to the contract'. Cost that relate direcly to a contract can either be incremental costs of fulfilling the contract (example would be direct materials, labour) or an allocation of other costs that relate directly to fulfilling contracts (example would be allocation of depreciation charge for an item of property plant and equipment used in fulfilling the contract.) The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022 although early adoption is permitted the company has evaluated the amendment and there is no impact on company consolidated financials.

50 Events after the reporting date

Dividends declared by the company are based on the profits available for distribution. On 24th May 2022, the Board of directors have proposed a final dividend of Rs.2.50/- per share in respect of the year ended March 31 2022 subject to approval of shareholders at the Annual General Meeting. The proposal is subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow approximately Rs.2397.50 Lacs.

51 'Previous year figures have been regrouped or reclassified to confirm current year classification.

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 24th May 2022

For and on behalf of the Board of Directors

Himanshu Baid
Manginng Director
DIN : 00014008

Rishi Baid
Joint Manginng Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary

Form AOC - I

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in Lacs)

		1	2	3
Sr. No.	**Name of the subsidiary**	**Poly Medicure (Laiyang) Co. Ltd., China**	**Polymed BV, Netherland, Con-solidated**	**Plan 1 Health India Pvt.Ltd.**
		Audited	**Management Certified**	**Audited**
1	Reporting period for the subsidiary concerned	31st March 2022	31st March 2022	31st March 2022
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	CNY 1 CNY = 11.9376 INR	EURO 1 EURO = 84.0015 INR	Rupee
3	Share capital	872.38	1,766.63	1.00
4	Reserves & surplus	(174.93)	2,303.67	(1.04)
5	Total assets	2,116.98	5,983.36	0.25
6	Total Liabilities	1,419.53	1,913.06	0.30
7	Investments	-	-	-
8	Turnover	1,536.69	3,392.22	-
9	Other Income	5.81	-	-
10	Profit (Loss) before taxation	77.78	(184.09)	(0.27)
11	Provision for taxation	-	4.09	-
12	Profit (Loss) after taxation	77.78	(188.18)	(0.27)
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	100%	100%

Part "B": Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Name of Associates	**Ultra For Medical Products Company (UMIC), Egypt**
Latest audited Balance Sheet Date	31st December 2021
Shares of Associate held by the company on the year end	
No.	1,72,500
Amount of Investment in Associates	88.67
Extent of Holding %	23%
Description of how there is significant influence	Holding more than 20% of share capital
Reason why the associate is not consolidated	N.A.
Net worth attributable to Shareholding as per latest audited Balance Sheet	888.21
Profit for the year	
Considered in Consolidation	244.73
Not Considered in Consolidation	837.39

GENERAL INFORMATION

1. Our Company was incorporated on March 30, 1995 under the Companies Act, 1956 as a public limited company under the name 'Poly Medicure Limited' with a certificate of incorporation granted by the Registrar of Companies, Delhi and Haryana at New Delhi. We obtained a certificate of commencement of business on May 4, 1995.

2. The Registered and Corporate Office of our Company is located at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, 110 020 India.

3. The corporate identity number of our Company is L40300DL1995PLC066923.

4. Our Company Secretary and Compliance Officer is Avinash Chandra. His contact details are as follows:

   Mr. Avinash Chandra
   Address: 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, 110 020, India
   E-mail: investorcare@polymedicure.com
   Tel No.: +91 11 2632 1838

5. The authorized share capital of our Company as of the date of this Placement Document is ₹ 60,00,00,000, divided into 12,00,00,000 Equity Shares of ₹ 5 each. Our issued, subscribed and paid up equity share capital as of the date of this Placement Document is ₹ 47,98,57,085 divided into 9,59,71,417 Equity Shares of ₹ 5 each.

6. This Issue was authorized and approved by our Board of Directors on June 29, 2024 and approved by our Shareholders on August 5, 2024.

7. Our Company has received in-principle approvals under Regulation 28(1)(a) of the SEBI Listing Regulations to list the Equity Shares on the NSE and the BSE, each dated August 19, 2024. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.

8. Copies of the Memorandum and Articles of Association will be available for inspection during usual business hours on any weekday between 10.00 A.M. to 1.00 P.M. (except public holidays) during the Issue Period at our Registered and Corporate Office.

9. Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.

10. No change in the control of the Company will occur consequent to the Issue.

11. Except as disclosed in this Preliminary Placement Document, there has been no material change in our consolidated financial condition since June 30, 2024, the date of the latest financial results prepared and included herein.

12. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and pursuant to Rule 19A of the SCRR.

13. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue.

14. The Floor Price for the Equity Shares under the Issue is ₹ 1,880.6875 per Equity Share calculated in accordance with provisions of Chapter VI of the SEBI ICDR Regulations, as certified by M/s. M. C. Bhandari & Company, Chartered Accountants, Statutory Auditors. Our Company has offered a discount of ₹ 0.69, being equivalent to a discount of 0.04% on the Floor Price, which is not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of postal ballot on August 5, 2024 and in compliance with the terms of Regulation 176(1) of the SEBI ICDR Regulations.

15. Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including our website, or any other website linked (directly or indirectly) to our websites would be doing so at his or her own risk.

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotments of Equity Shares pursuant to this Issue shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital (assuming that the Equity Shares are Allotted to them pursuant to this Issue) that may be held by them, is set forth below:

S. No.	Name of the proposed Allottee#	Percentage of the post-Issue share capital (%)*
1.	LIGHTHOUSE INDIA FUND IV AIF	1.077%
2.	SBI HEALTHCARE OPPORTUNITIES FUND	0.630%
3.	SBI LONG TERM ADVANTAGE FUND - SERIES V	0.053%
4.	NOMURA FUNDS IRELAND PUBLIC LIMITED COMPANY- NOMURA FUNDS IRELAND - INDIA EQUITY FUND	0.551%
5.	ABERDEEN STANDARD SICAV I - INDIAN EQUITY FUND	0.139%
6.	ABRDN ASIA FOCUS PLC	0.126%
7.	THE INDIA FUND INC	0.090%
8.	ABERDEEN NEW INDIA INVESTMENT TRUST PLC	0.078%
9.	ABERDEEN STANDARD SICAV I - ASIAN SMALLER COMPANIES FUND	0.048%
10.	EMPLOYEES PROVIDENT FUND BOARD MANAGED BY ABRDN ISLAMIC MALAYSIA SDN BHD	0.037%
11.	ABERDEEN STANDARD SICAV I - EMERGING MARKETS SMALLER COMPANIES FUND	0.015%
12.	DANSKE INVEST SICAV - INDIA	0.009%
13.	EMERGING MARKETS SMALLER COMPANIES FUND, A SERIES OF THE ABRDN INSTITUTIONAL COMMINGLED FUNDS,LLC	0.007%
14.	DANSKE INVEST INDIA FUND	0.004%
15.	WHITE OAK INDIA EQUITY FUND VI	0.008%
16.	WHITEOAK CAPITAL FLEXI CAP FUND	0.031%
17.	WHITEOAK CAPITAL LARGE CAP FUND	0.014%
18.	WHITEOAK CAPITAL MID CAP FUND	0.040%
19.	WHITEOAK CAPITAL ELSS TAX SAVER FUND	0.005%
20.	WHITEOAK CAPITAL MULTI CAP FUND	0.020%
21.	WHITEOAK CAPITAL LARGE AND MID CAP FUND	0.008%
22.	WHITEOAK CAPITAL PHARMA AND HEALTHCARE FUND	0.013%
23.	WHITEOAK CAPITAL BALANCED HYBRID FUND	0.001%
24.	INDIA ACORN FUND LTD	0.009%
25.	DENDANA INVESTMENTS (MAURITIUS) LIMITED	0.002%
26.	CAISSE DE DEPOT ET PLACEMENT DU QUEBEC - WHITE OAK CAPITAL PARTNERS PTE LTD.	0.012%
27.	AL MEHWAR COMMERCIAL INVESTMENTS L.L.C. - (WHITING)	0.022%
28.	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK INDIA OPPORTUNITIES FUND	0.136%
29.	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK INDIA ESG FUND	0.004%
30.	ASHOKA WHITEOAK ICAV - ASHOKA WHITEOAK EMERGING MARKETS EQUITY FUND	0.017%
31.	ASHOKA WHITEOAK EMERGING MARKETS TRUST PLC	0.009%
32.	ABU DHABI INVESTMENT AUTHORITY - WAY	0.075%
33.	WHITE OAK INDIA EQUITY FUND II	0.005%
34.	ASHOKA INDIA EQUITY INVESTMENT TRUST PLC	0.112%
35.	ABS DIRECT EQUITY FUND LLC - INDIA SERIES 1	0.008%
36.	MORGAN STANLEY INVESTMENT FUNDS EMERGING LEADERS EQUITY FUND	0.127%
37.	EMERGING MARKETS LEADERS TRUST	0.023%
38.	MORGAN STANLEY INSTITUTIONAL FUND, INC. - EMERGING MARKETS LEADERS PORTFOLIO	0.030%
39.	QUANT MUTUAL FUND - QUANT LARGE CAP FUND	0.263%
40.	INVESCO INDIA MANUFACTURING FUND	0.028%
41.	INVESCO INDIA ELSS TAX SAVER FUND	0.062%
42.	INVESCO INDIA MULTICAP FUND	0.065%
43.	INVESCO INDIA ESG INTEGRATION STRATEGY FUND	0.011%
44.	INVESCO INDIA LARGECAP FUND	0.019%

45.	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	0.263%
46.	TATA AIA LIFE INSURANCE COMPANY LIMITED A/C EMERGING OPPORTUNITIES FUND (ULIF 064 12/09/22 EOF 110)	0.053%
47.	TATA AIA LIFE INSURANCE COMPANY LIMITED A/C SMALL CAP DISCOVERY FUND (ULIF 071 22/05/23 SCF 110)	0.078%
48.	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	0.263%
49.	MAX LIFE INSURANCE CO. LTD. - PURE GROWTH FUND	0.011%
50.	MAX LIFE INSURANCE CO LTD PENSION PRESERVER FUND(ULIF01815/02/13PENSPRESER104)	0.002%
51.	MAX LIFE INSURANCE CO LTD PENSION MAXIMISER FUND (ULIF01715/02/13PENSMAXIMI104)	0.011%
52.	MAX LIFE INSURANCE CO LTD A/C SUSTAINABLE EQUITY FUND - ULIF02505/10/21SUSTAINEQU104	0.013%
53.	MAX LIFE INSURANCE CO LTD A/C DIVERSIFIED EQUITY FUND (ULIF02201/01/20LIFEDIVEQF104)	0.050%
54.	MAX LIFE INSURANCE COMPANY LIMITED	0.053%
55.	MAX LIFE INSURANCE COMPANY LIMITED A/C - ULIF01311/02/08LIFEHIGHGR104 - HIGH GROWTH FUND	0.124%
56.	CARMIGNAC PORTFOLIO	0.053%
57.	EMERGING MARKETS LEADERS FUND I	0.004%
58.	CARNELIAN BHARAT AMRITKAAL FUND	0.105%
59.	GIRIK CAPITAL FUND - GIRIK MULTICAP GROWTH EQUITY FUND - II	0.097%
60.	GIRIK MULTICAP GROWTH EQUITY FUND - III	0.034%

* *Based on the beneficiary position as on August 16, 2024 (adjusted for Equity Shares Allocated in the Issue).*
\# *The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees has been disclosed on the basis of their respective PAN, except in case of Mutual Funds, Insurance Companies, and FPIs, as applicable (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.*

Note:
Subject to Allotment in this Issue

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company’s business have been obtained, are currently valid and have been compiled with. Our Company further certifies that all the statements in this Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

____

Authorised Signatory
Himanshu Baid
Managing Director
DIN: 00014008
Date: August 22, 2024
Place: New Delhi

DECLARATION

We, the Board of Directors of the Company, certify that:

(i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;

(ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and

(iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

FOR AND BEHALF OF THE BOARD OF DIRECTORS:

____

Authorised Signatory
Himanshu Baid
Managing Director
DIN: 00014008
Date: August 22, 2024
Place: New Delhi

I am authorized by the QIP Committee, a committee constituted by the Board of Directors, vide resolution dated August 19, 2024, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

____

Authorised Signatory
Himanshu Baid
Managing Director
DIN: 00014008
Date: August 22, 2024
Place: New Delhi

POLY MEDICURE LIMITED

Registered and Corporate Office:
232B, 3rd Floor, Okhla Industrial Estate, Phase III New Delhi 110 020, India
Website: www.polymedicure.com

Contact Person: Mr. Avinash Chandra
Address: 232B, 3rd Floor, Okhla Industrial Estate, Phase III New Delhi 110 020, India
E-mail: investorcare@polymedicure.com
Tel No.: +91 11 2632 1838
Corporate Identity Number: L40300DL1995PLC066923

BOOK RUNNING LEAD MANAGERS

SBI Capital Markets Limited
1501, 15th floor, A & B Wing
Parinee Crescenzo, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051
Maharashtra, India

IIFL Securities Limited
24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Maharashtra, India

LEGAL COUNSEL TO THE ISSUE

Shardul Amarchand Mangaldas & Co
Amarchand Towers
216, Okhla Industrial Phase III
New Delhi 110 020, India

SPECIAL INTERNATIONAL LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

Duane Morris & Selvam LLP
16 Collyer Quay, #17-00
Singapore 049318

STATUTORY AUDITORS

M/s. M.C. Bhandari & Co.
204, 2nd Floor
Manisha Building
75-76, Nehru Place
New Delhi 110 019, India

SAMPLE APPLICATION FORM

An indicative format of the Application Form is set forth below.

(Note: The format of the Application Form included herein above is indicative and for illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)

<table>
<tr><td>POLYMED
POLY MEDICURE LIMITED</td><td>APPLICATION FORM
Name of the Bidder ___________________

Form. No.______</td></tr>
<tr><td>Poly Medicure Limited incorporated in the Republic of India as a limited liability company under the Companies Act, 1956, as amended.
Corporate Identity Number: L40300DL1995PLC066923 Registered and Corporate Office: 232B, 3rd Floor, Okhla Industrial Estate, Phase III New Delhi 110 020, India Tel No.: +91 11 2632 1838; Website: www.polymedicure.com; Email: investorcare@polymedicure.com
LEI: 335800XM9YRKFWFVXO61; ISIN: INE205C01021</td><td>Date: ______</td></tr>
</table>

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY POLY MEDICURE LIMITED (THE "COMPANY") (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING UP TO ₹ [●] LAKH UNDER SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI ICDR REGULATIONS") (HEREINAFTER REFERRED TO AS THE "ISSUE").

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 1,880.6875 PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") in accordance with and the applicable laws of the jurisdictions where those offers and sales are made. You should note and observe the selling and transfer restrictions contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions*" in the accompanying preliminary placement document dated August 19, 2024 (the "PPD").

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 ("FEMA RULES") IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY,

INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
POLY MEDICURE LIMITED
232-B, III[rd] Floor
Okhla Industrial Estate, Phase III
New Delhi, 110 020 India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Funds
MF	Mutual Funds	**NIF**	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds	**SI-NBFC**	Systemically Important NBFC
IC	Insurance Companies	**IF**	Insurance Funds
OTH	Others (Please Specify)		

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with SBI Capital Markets Limited and IIFL Securities Limited (the "**Book Running Lead Managers**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with SBI Capital Markets Limited and IIFL Securities Limited (the "**Book Running Lead Managers**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("**CAN**"), and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The Bid Amount payable by us for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the

Company is unable to issue and Allot the Equity Shares offered in the Issue or if we withdraw the Bid before Issue Closing Date, or if there is a cancellation of the Issue, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details, email- id, and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; and; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Chandigarh (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "***Notice to Investors***", "***Representations by Investors***", "***Issue Procedure***", "***Selling Restrictions***" and "***Transfer Restrictions***" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Book Running Lead Managers, each of whom is entitled to rely on, and is relying on, these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section titled "***Risk Factors***" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the Book Running Lead Managers or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Book Running Lead Managers, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Book Running Lead Managers; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Book Running Lead Managers. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) we agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below; (10) we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares; (11) we have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares; (12) no action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction; (13) we satisfy any and all relevant suitability standards for investors in Equity Shares, (14) we acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws and that the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S; and (15) we are located outside the United States (as defined in Regulation S) and we are not submitting this Application Form as a result of any "directed selling" efforts (as defined in Regulation S).

We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

BIDDER DETAILS (in Block Letters)	
NAME OF BIDDER*	
NATIONALITY	

REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
MOBILE NO.			
TELEPHONE NO.		**FAX.**	
EMAIL			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NUMBER: ________________________________		
FOR MF	SEBI MF REGISTRATION NUMBER: _________________________________		
FOR SI-NBFCs	RBI REGISTRATION DETAILS: _________________________________		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS: _________________________________		
FOR AIFs***	SEBI AIF REGSITRATION NUMBER: _________________________________		
FOR VCFs***	SEBI VCF REGISTARION NUMBER: ________________________________		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION NUMBER: ________________________________		

**Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the Book Running Lead Managers.*
*** *In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.*
**** *Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.*

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Book Running Lead Managers will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS																									
Depository Name (Please ✓)	National Security Depository Limited									Central Depository Services (India) Limited															
Depository Participant Name																									
DP – ID	I	N																							
Beneficiary Account Number										(16 digit beneficiary account. No. to be mentioned above)															

The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. **However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.**

ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER BY 3:30 P.M. (IST), [●], 2024	
Name of the Account	POLY MEDICURE LIMITED - QIP ESCROW ACCOUNT
Legal Entity Identifier Code of Company	335800XM9YRKFWFVXO61
Name of the Bank	State Bank of India
Address of the Branch of the Bank	Main Branch Building, Fort, Mumbai, 400 001
Account Type	Current Account
Account Number	43262469779
IFSC	SBIN0011777
Tel No.	022-2271 9117
E-mail	nib.11777@sbi.co.in

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "POLY MEDICURE LIMITED - QIP ESCROW ACCOUNT". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

You are responsible for the accuracy of the bank account details mentioned below. You are aware that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank details provided by you. The Company and the Book Running Lead Managers shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	

Bank Name		Bank Branch Address	

NO. OF EQUITY SHARES BID		PRICEPER EQUITY SHARE (RUPEES)	
(In figures)	(In words)	(In figures)	(In words)

BID AMOUNT (RUPEES)	
(In figures)	(In words)

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		**FAX NO.**	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Legal Entity Identifier Code ("LEI")	
Signature of Authorised Signatory (may be signed either physically or digitally) **	

ENCLOSURES ATTACHED

Attested/ certified true copy of the following:

- ☐ Copy of PAN Card or PAN allotment letter
- ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF
- ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank
- ☐ Copy of notification as a public financial institution
- ☐ FIRC
- ☐ Copy of IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of Power of Attorney
- ☐ Other, please specify

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and the Placement Document, unless specifically defined herein.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLMs. The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in PPD.

(3) The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

(4) This Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.