

Bilcare Limited
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www.bilcare.com

Bilcare
Research

September 05, 2024

The Secretary
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai - 400 001.

Sub: Submission of 37th Annual Report for Financial Year 2023-24 along with Notice of 37th Annual General Meeting (AGM) of the Company

Ref: Scrip Code No - 526853

Dear Sir/ Madam,

This is to inform you that the 37th Thirty Seventh Annual General Meeting of the Company scheduled to be held on Friday, September 27, 2024 at 12:30 pm via Video Conference (VC)/Other Audio-Visual Means (OAVM).

Pursuant to Regulation 30 & 34 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; please find enclosed herewith the following:

1. Notice of the 37th Annual General Meeting scheduled on Friday, September 27, 2024
2. Annual Report for Financial Year ended on March 31, 2024

which are being sent to the Members of the Company.

The Annual Report for Financial Year 2023-24 is also available on the website of the Company at www.bilcare-group.com

This is for your kind information and records.

Thanking you

Yours faithfully,
For Bilcare Limited



Sagar R. Baheti
Company Secretary



Encl: A/a

ANNUAL REPORT 2023-2024

Bilcare
Research | Bilcare
Limited



Vision

Transforming Health Outcomes,
Touching Lives

Values

Speed

Proactive and swift action are our mantras

Innovation

Our constant approach at all levels
is to seek better ways of listening,
thinking and doing - making our offerings
meaningful and impactful

Happiness

We are motivated by our customers' success
and happiness of our stakeholders

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Corporate Information*

Board of Directors

| | |
|-----------------------|----------------------------------------|
| Mr. Shreyans Bhandari | Chairman & Managing Director |
| Ms. Kavita Bhansali | Executive Director |
| Mr. Rajesh Devene | Independent Director |
| Ms. Madhuri Vaidya | Independent Director |
| Ms. Alka Sagar | Independent Director |
| Dr. Abhigyan Upadhyay | Non Executive Non Independent Director |

Chief Executive Officer

Mr. Mohan H. Bhandari

Chief Financial Officer

Ms. Deepa Mathur

Company Secretary

Mr. Sagar R. Baheti

Registered Office and Works

1028, Shirol, Rajgurunagar, Pune – 410 505, India

Statutory Auditors

M/s. Sharp & Tannan Associates
Chartered Accountants

Secretarial Auditors

M/s. Ghatpande & Ghatpande Associates,
Practicing Company Secretary

Internal Auditors

Kanu Doshi Associates LLP
Chartered Accountants

Bankers

Cosmos Co-operative Bank Limited
Kotak Mahindra Bank Limited
Saraswat Co-operative Bank Limited

Registrar and Transfer Agents

Link Intime India Pvt. Ltd. (Unit: Bilcare Limited)
Block No. 202, 2nd Floor, Akshay Complex,
Off Dhole Patil Road, Pune 411 001, INDIA
Telefax: +91-20-26163503
Email: pune@linkintime.co.in

* As on 14th August, 2024

Director's Report

The Members,

Your Directors are pleased to present the 37th Annual Report and the Audited Statements of Account for the year ended 31st March 2024.

Performance of the Company, State of Company's Affairs and Material Development

The Company's financial performance, for the year ended 31st March 2024 as per Ind AS is summarised below:

INR in Crs

| Particulars | Standalone | | Consolidated | |
|-------------------------------------------------------------------------|------------|---------|--------------|---------|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Revenue from Operations including other income | 26.18 | 17.71 | 769.70 | 991.84 |
| Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional Items | (0.54) | (3.41) | 61.66 | 66.99 |
| Exceptional Items | 10.88 | 511.30 | (6.63) | 226.90 |
| Profit/ (Loss) before Tax | 5.70 | 502.92 | (71.71) | 196.08 |
| Tax Expense (incl. Deferred Tax) | 0.36 | 112.13 | (13.17) | 145.87 |
| Profit/ (Loss) for the year (Owners of equity) | 5.34 | 390.79 | (33.24) | 15.05 |
| Non-controlling Interest | -- | -- | (25.30) | 35.16 |
| Profit/ (Loss) for the year | 5.34 | 390.79 | (58.54) | 50.21 |

Management Discussion and Analysis

As required by Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion and Analysis Report is part of this Report.

The state of the affairs of the business along with the financial and operational developments has been discussed in detail in the Management Discussion and Analysis Report.

Directors & Key Managerial Personnel (KMP)

The following changes have been made to the Board of Directors & Key Managerial Personnel (KMP) of the Company during the year:

Mr. Ashwani Singh, Independent Director of the Company has resigned from the Board of Directors w.e.f. 4th October, 2023, before completion of his term as an Independent Director. He has resigned due to personal reasons and there being no material reasons other than those mentioned by him for his resignation as the Independent Director from the Board of Directors of the Company, the Board expressed and took on record its deep appreciation of the services rendered by Mr. Ashwani Singh during his tenure as a Director of the Company.

Mr. Vijesh Mehra, & Ms. Diksha Tomar, ceased to be Independent Directors of the Company w.e.f. 30th December, 2023 on account of completion of their term. The Board expressed and took on record its deep appreciation of the services rendered by Mr. Vijesh Mehra, & Ms. Diksha Tomar during their tenure as Independent Directors of the Company.

Ms. Prabhavi Mungee has resigned as the Company Secretary, Compliance Officer & Key Managerial Personnel of the Company with effect from 10th November, 2023.

Mr. Sagar R. Baheti is Appointed as the Company Secretary, Compliance Officer & Key Managerial Personnel of the Company with effect from 31st January, 2024.

Changes in Board Composition and Key Managerial Personnel post the Balance Sheet Date

The following changes have been made to the Board of Directors of the Company post the Balance Sheet date :

Mr. Pramod Toshniwal was appointed as an Independent Director of the Company w.e.f. 29th December 2023, has resigned from the Board of Directors w.e.f. 5th July 2024, before completion of his term as an Independent Director. He has resigned due to personal reasons and there being no material reasons other than those mentioned by him for his resignation

as the Independent Director from the Board of Directors of the Company, the Board expressed and took on record its deep appreciation of the services rendered by Mr. Pramod Toshniwal during his tenure as a Director of the Company.

Dr. Abhigyan Upadhyay (DIN 07267470) who was appointed as an Executive Director of the Company w.e.f. 29th December 2023, has vide his letter dated 9th July, 2024 has tendered his resignation as an Executive Director of the Company, due to personal reasons. He has also confirmed that there are no other material reasons for his resignation other than those mentioned in the resignation letter. However, he will continue to be on the Board of Directors of the Company as Non-Executive, Non-Independent Director of the Company.

Ms. Alka Sagar is appointed as an Additional Independent Director of the Company w.e.f. 14th August, 2024. Ms. Alka Sagar (BHSc. & LLB) is a private practitioner and court lawyer. She has more than 18 years of experience in the relevant field and serves as a board member in a Listed Company. She has the required integrity, expertise, experience and proficiency for appointment as a Non-Executive Independent Director of the Company. Necessary resolutions seeking approval of members of the Company for regularization of appointment of Ms. Alka Sagar as Woman Independent Director will be set out in the Notice convening the ensuing Annual General Meeting.

Declaration from Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and under SEBI Listing Regulations.

Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, Annual Return is available on the website of the company at www.bilcare-group.com.

Number of Meetings of the Board

During the Financial Year 2023-24, Nine (9) Board Meetings were held, details of which are given in the Corporate Governance Report section.

Directors' Responsibility Statement

Pursuant to the requirement under the Section 134(5) of the Companies Act 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- a. in the preparation of the annual accounts for the financial year ended 31st March 2024, the applicable accounting standards had been followed and there are no material

deviations from the same;

- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2024 and of the Profit/loss of the Company for the year ended on that date;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the accounts for the financial year ended 31st March 2024 have been prepared on a 'going concern' basis;
- e. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

Particulars of Loans, Guarantees and Investments under section 186 of the Companies Act, 2013

Particulars of Loans, guarantees and investments form part of the notes to the financial statement provided in this Annual Report.

Contracts and Arrangements with Related Parties

During the year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions and in accordance with the relevant provisions of Companies Act, 2013. All contracts/ arrangements/ transactions entered by the Company with related parties were in the ordinary course of business and on an arm's length basis. Such transactions form part of the notes to the financial statements provided in this Annual Report. Accordingly, the disclosure of RPTs as required under the provisions of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

The Policy on materiality of related party transactions may be accessed on the Company's website at www.bilcare-group.com.

Amount Transfer to Reserves

Your Board of Directors do not propose to transfer any amount to the reserves.

Dividend

Your Board of Directors do not recommend any Dividend for the financial year ended 31st March 2024.

Conservation of Energy, Technology Absorption and Foreign exchange earnings & outgo

A. Conservation of Energy

i. Steps taken for Conservation of Energy:

Bilcare Focused on Energy conservation measures and successfully implemented as follows:

- Conversion of CFL higher watt light fitting to LED light fitting up to 900 Nos. of fittings saved Rs.5.13 Lacs per annum;

B. Technology Absorption, Adaptation and Innovation

During the financial year, 2 patents applied earlier were granted.

Further, 2 new patent applications were made for the PPI Division, which is transferred to Caprihans India Limited.

Expenditure on Research & Development –

- During the financial year there is no R&D expenditure on a standalone basis.
- On a consolidated basis total R&D expenditure as a percentage of consolidated turnover is 0.20 %

Foreign Exchange Earnings & Outgo

| Particulars | Rs. in Crores |
|-------------------------|---------------|
| Foreign exchange earned | 6.54 |
| Foreign exchange outgo | 0.31 |

Corporate Social Responsibility (CSR)

The Company has Corporate Social Responsibility Policy as per the Provisions of Companies Act, 2013 and Rules made thereunder and is available on the website of the Company.

The Annual Report on CSR activities is annexed as **Annexure - A**.

Audit Committee

The audit committee comprises of Mr. Rajesh Devene (Chairman of the Committee), Mrs. Madhuri Vaidya and Mr. Shreyans Bhandari as members. All the recommendations made by the committee were accepted by the Board.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. Performance evaluation has been carried out as per the Nomination and Remuneration Policy.

Independent Directors’ Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on 13th February 2024 without the attendance of Non-Independent Directors and Members of the Management.

Information about Subsidiary/JV/ Associate Company

Consolidated Financial Statements of the Company are inclusive of the results of all the subsidiaries. Further, a statement containing the particulars for each of the subsidiaries is also enclosed. Copies of annual accounts and related information of all the subsidiaries can be sought by any member of the Company by making a written request to the Company at the Registered Office. Above information is available for inspection at the Registered Office & on website of the Company. A statement containing the salient features of the financial statement of the subsidiaries in the prescribed format is presented in a separate section forming part of the financial statement. The Policy for determining ‘Material’ subsidiaries has been displayed on the Company’s website at www.bilcare-group.com.

During the year, Bilcare Mauritius Limited (BML) has been liquidated and the investment of BML in its subsidiaries viz. Caprihans India Limited, Bilcare GCS Inc, Bilcare GCS Ireland Limited, Bilcare Inc and cash equivalent has been transferred to the shareholder viz. Bilcare Limited as part of the liquidation proceeds. There is no financial impact of the same in the financial results.

As on 31st March, 2024, Company has five (5) wholly owned subsidiaries viz. Bilcare GCS Limited, UK. Bilcare Inc., USA, Bilcare GCS Inc., USA, Bilcare GCS Ireland Limited and Bilcare Pharma Solutions Limited and Caprihans India Limited, a 51% subsidiary.

Deposits

Given below are the details of deposits, covered under Chapter V of the Companies Act, 2013:

The Company has not invited/accepted deposits from public/members during the year under review.

The Company transferred its PPI Division to Caprihans India Limited, its Subsidiary as a business undertaking on a going concern basis on 27th March 2023 along with all the assets and liabilities pertaining to the PPI Division. Accordingly, Caprihans India Limited has undertaken to pay to the Company, the amount payable to the depositors. As on 31st March, 2024 the outstanding deposits were Rs. 79.69 Crs.

Significant and Material Orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

Vigil Mechanism

The Company has in place Whistle Blower Policy, wherein the Employees/ Directors/ Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. This mechanism provides safeguards against victimization of Employees, who report under the said mechanism. During the year under review, the Company has not received any complaints under the said mechanism. Your Directors hereby affirm that no personnel has been denied access to the audit committee. The Whistle Blower Policy may be accessed on the Company's website at www.bilcare-group.com.

Secretarial Standards Of ICSI

The Company is in compliance with relevant provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India.

Corporate Governance

A report on Corporate Governance is given in this Annual Report. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

Auditors

Statutory Auditors

The Members of the Company in their meeting held on 29th September, 2023 appointed M/s. Sharp & Tannan Associates, Chartered Accountants (Firm Registration No. 109983W) as Statutory Auditors of the Company, for a period from the conclusion of Thirty Sixth Annual General Meeting till the conclusion of Forty First Annual General Meeting of the Company. The Auditors' Report does not contain any qualification, reservation, adverse remark. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comment.

Secretarial Auditor

The Board had appointed M/s. Ghatpande & Ghatpande Associates Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended 31st March 2024 is annexed herewith marked as **Annexure - B** to this Report.

Management's explanation to the observations and comments given by the Auditors

As regards Auditor's observations and comments on the Audit Trail feature, due to the shift of the operating system from SAP to S4-HANA, the same was not reflected w.e.f. 1st April, 2023. However, the said feature for Audit Trail is already enabled.

While filing the outcome of Board Meeting for the Quarter and FY ended 31st March, 2023, there was a delay in filing with BSE Ltd., by 1 hour and 6 minutes, due to technical issues with BSE Listing site. and the same was also clarified to BSE.

All the other observations and comments given by the Auditors are self-explanatory and do not call for any further comment.

Details in respect of fraud reported by auditors

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

Particulars of Employees & Related Disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 are provided as **Annexure - C** to this Report.

A statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as a separate annexure forming part of this Report. However, the Annual Report is being sent to the members excluding the said annexure. The said information is available for electronic inspection during working hours and any member interested in obtaining such information may write to the Company Secretary or Registrar and Transfer Agent, and the same will be furnished on request.

General

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

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

Mr. Shreyans Bhandari, Managing Director of the Company has received remuneration from Caprihans India Limited, subsidiary of the Company, in the capacity of President.

During the year under review, no application is made and no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code) and there is no instance of one-time settlement of the Company with any bank or financial institution.

During the year under review, there are no changes in the capital of the Company.

Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace.

Your directors state that during the year under review, there were no complaints filed & there were no complaints pending at the end of the year pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Acknowledgement

All other stakeholders We thank our domestic and international customers, vendors, investors, banking community and investment bankers for their continued support during the year.

Your directors also wish to place on record their deep sense of appreciation for the committed services of the employees at all levels worldwide.

We thank the Governments of various countries where we have our operations and also thank Central Government, various State Governments and other Government agencies for their positive co-operation and look forward to their continued support in future. Finally, we wish to express our gratitude to the members and shareholders for their trust and support.

For and on behalf of the Board of Directors

Shreyans Bhandari
Chairman & Managing Director
Pune : 14th August 2024

Corporate Governance Report

Company's Philosophy on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices.

The compliance report on Corporate Governance herein signifies adherence by the Company of all the mandatory requirements of Regulation 34 (3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereon (hereinafter referred to as SEBI Listing Regulations).

Board of Directors

Composition of the Board

The composition of the Board of Directors of Bilcare Limited is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (hereinafter referred to as Act). The Board comprises of Six (6) Directors, Three (3) Executive Directors, the Chairman and Managing Director and an Executive Director, who are related to Promoters, one Executive Director, one Woman Director, who is a Non-Executive Independent Director and Two (2) Non- Executive Independent Directors.

As mandated by Regulation 26 of the SEBI Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies

(listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee memberships/Chairmanships including any changes in their positions as on March 31st, 2024.

Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. As per the requirement of Regulation 30 read with Schedule III, Para A, Clause (7B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The terms and conditions for appointment of all Independent Directors are on the Company's website i.e. www.bilcare-group.com.

Number of Independent Directorships

In compliance with the SEBI Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven listed companies. In case he/she is serving as a Whole- Time Director in any listed Company, does not hold the position of Independent Director in more than three listed companies.

Number of Board Meetings

The Board met Nine (9) times during the year. The Meetings were on 30th May, 14th August, 6th September, 5th October, 10 November, 29th December, 2023, 31st January, 13th February, and 26th February, 2024. All the meetings were held in such manner that the gap between two consecutive meetings was not more than 120 days.

| Name of the Director | Category | Particulars of Attendance | | No. of Other Directorships* | Committee Membership/ Chairmanships in Public Limited Companies# | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------|----------|-----------------------------|------------------------------------------------------------------|-------------------------|
| | | Board Meetings | Last AGM | Directorships | Committee Memberships | Committee Chairmanships |
| Executive Director | | | | | | |
| Mr. Shreyans Bhandari | Chairman and Managing Director | 9 | Present | 0 | 0 | 0 |
| Ms. Kavita Bhansali | Executive Director | 6 | Present | 1 | 0 | 0 |
| Dr. Abhigyan Upadhyay w.e.f. 29-12-2023 | Executive Director | 4 | -- | 1 | 0 | 0 |
| Independent Directors | | | | | | |
| Mr. Rajesh Devene | Director | 9 | Present | 0 | 0 | 0 |
| Mr. Ashwani Singh Upto 04-10-2023 | Director | 3 | -- | 3 | 2 | 0 |
| Ms. Madhuri Vaidya | Director | 9 | Present | 0 | 0 | 0 |
| Ms. Diksha Tomar Upto 30-12-2023 | Director | 5 | -- | 1 | 0 | 0 |
| Mr. Vijesh Mehra Upto 30-12-2023 | Director | 5 | Present | 0 | 0 | 0 |
| Mr. Pramod Toshniwal w.e.f. 29-12-2023 | Director | 4 | -- | 0 | 0 | 0 |
| # For the purpose of reckoning the limit, Memberships of Audit Committee and Stakeholders' Relationship Committee in Public Companies excluding Bilcare Limited has been considered. | | | | | | |
| * Directorship in Foreign Companies, Private Limited Companies and Section 8 Companies are excluded in the above table. | | | | | | |
| None of the Director is related to other Director of the Company, except Mr. Shreyans Bhandari and Ms. Kavita Bhansali who are siblings. | | | | | | |

List of Core Skills/Expertise/Competence identified by Board as required in context of its Business

| S. No. | Skills/expertise/ competence possessed by the board members | Whether available with the Board? | Names of directors with such Skills/ expertise/ competence |
|--------|-----------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------|
| 1 | Manufacturing Industry knowledge | Yes | Mr. Shreyans Bhandari Ms. Kavita Bhansali Mr. Rajesh Devene |
| 2 | Business Strategy and Marketing knowledge | Yes | Mr. Shreyans Bhandari Ms. Kavita Bhansali Dr. Abhigyan Upadhyay |
| 3 | Technical ability in interpreting financial information | Yes | Mr. Shreyans Bhandari Mr. Rajesh S.Devene Ms. Madhuri Vaidya Mr. Pramod Toshniwal |
| 4 | Behavioral Competencies (Like- Leadership qualities, Interpersonal relations etc) | Yes | Mr. Shreyans Bhandari Ms. Kavita Bhansali Ms. Madhuri Vaidya |
| 5 | Talent Management qualities | Yes | Mr. Shreyans Bhandari Ms. Kavita Bhansali |

Information supplied to the Board

During the year 2023-24, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

During the year, meeting of the Independent Directors was

held on 13th February 2024. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company www.bilcare-group.com.

CEO/MD and CFO Certification

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI Listing Regulations. The said certificate is annexed and forms part of the Annual Report.

Code of Conduct

The Company has adopted a Code of Conduct (the Code) for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website at www.bilcare-group.com.

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

Committees of the Board

As on 31st March 2024 the Company apart from functional committees, has Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board Committees are set-up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are applicable to Committee Meetings, as far as may be practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board meeting for perusal and noting. The Company Secretary acts as the secretary of all the Committees.

Audit Committee

The Audit Committee of the Company comprises of three Directors, viz. Mr. Rajesh Devene (Chairman of the Committee), Ms. Madhuri Vaidya and Mr. Shreyans Bhandari, two-thirds of which are independent directors. All the members of the Audit Committee possess accounting, economic, legal and financial management expertise. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. Annual General Meeting (AGM) held through Video Conferencing on Wednesday, 29th September 2023 was attended by the Chairman of the Committee, Mr. Rajesh Devene, to answer shareholders' queries.

The Audit Committee assists the Board in discharging of its responsibility to oversee the quality and integrity of

the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, including the Cost Auditors and the performance of Internal Auditors of the Company.

Terms of reference

The terms of reference of the Committee, inter alia covers all the matters specified under SEBI Listing Regulations as well as those specified in Section 177 of the Companies Act, 2013. In addition to other terms as may be referred by the Board of Directors, the Audit Committee has the power inter alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company, seek legal and professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee met Seven times, on 1st April, 25th May, 30th May, 14th August, 6th September, 10th November, 2023, 13th February, 2024.

The composition and attendance Record of Audit Committee Members for 2023-24

| Name of Director | Category | Designation | No. of Meetings | |
|-----------------------|-----------------|-------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Rajesh Devene | Independent | Chairman | 7 | 7 |
| Ms. Madhuri Vaidya | Independent | Member | 7 | 7 |
| Mr. Shreyans Bhandari | Non Independent | Member | 7 | 7 |

The meetings of the Audit Committee are also attended by the Chief Financial Officer and other Management representatives as special invitees as and when required. The Company Secretary acts as the secretary to the Audit Committee.

Nomination and Remuneration Committee

The composition and attendance of Nomination and Remuneration Committee Members for 2023-24

| Name of Director | Category | Designation | No. of Meetings | |
|-----------------------|-------------|-------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Rajesh Devene | Independent | Chairman | 5 | 5 |
| Ms. Madhuri Vaidya | Independent | Member | 5 | 5 |
| Ms. Diksha Tomar* | Independent | Member | 3 | 3 |
| Mr. Pramod Toshniwal# | Independent | Member | 2 | 2 |

* Member upto 30th December 2023

Member w.e.f. 1st January 2024

During the year under review, the Committee met five (5) times, i.e. on 14th August, 6th September, 29th December, 31st January and 26th February 2024. The Meeting was attended by the Committee members.

Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Fixing & reviewing the remuneration of the senior officers of the Company;
- Recommending the remuneration including the perquisite package of key management personnel;
- Recommending to the Board retirement benefits;
- Reviewing the performance of employees and their compensation; and
- Attending to any other responsibility as may be entrusted by the Board.
- Devising the policy on diversity of the Board of Directors Company.

Nomination & Remuneration Policy

The Company has laid down the policy for determining the remuneration of the Directors/Senior Management/Key Management Personnel and have also specified the criteria for evaluation of the performance of the Board of Directors of the Company. The same is available on the Company's website viz. www.bilcare-group.com.

Performance Evaluation Criteria for Independent Directors:

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations etc.

Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's weblink viz. www.bilcare-group.com.

Stakeholders Relationship Committee:

The composition and attendance of Stakeholders Relationship Committee Members for 2023-24:

| Name of Director | Category | Designation | No. of Meetings | |
|-----------------------|-------------|-------------|-----------------|----------|
| | | | Held | Attended |
| Mr. Rajesh Devene | Independent | Chairman | 1 | 1 |
| Ms. Madhuri Vaidya | Independent | Member | 1 | 1 |
| Mr. Shreyans Bhandari | Executive | Member | 1 | 1 |

The main responsibility of the Committee is to ensure cordial investor relations and supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat/ demat/ split-up/ sub- division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

During the year in review, the Committee met once on 8th January, 2024. No requests for dematerialization and/or transfer were pending for approval as on 31st March 2024. As of 31st March 2024, there were no unresolved investor complaint pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc., pending. Mr. Sagar R. Baheti, Company Secretary & Compliance Officer, acts as the Secretary to the Stakeholders Relationship Committee.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redressed system. The salient features of this system include Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaints and its current status.

Designated Exclusive Email-ID

The Company has also designated the email-ID cs@bilcare.com exclusively for servicing Shareholders.

Directors' Remuneration:

The aggregate value of salary and perquisites for the year ended 31st March 2024 to Wholetime Directors, Ms. Kavita Bhansali & Dr. Abhigyan Upadhyay are as follows –

| ₹ in Lacs | | | |
|-----------|--------------------------------------------------|-----------------------------------------|-------------------------------------------|
| Sl. No | Particulars | Ms. Kavita Bhansali (w.e.f. 06-09-2023) | Dr. Abhigyan Upadhyay (w.e.f. 29-12-2023) |
| 1 | Gross Salary including perquisites | 29.88 | 15.24 |
| 2 | Company's contribution to Provident & Other Fund | 1.61 | 0.58 |
| 3 | Performance Linked Incentives | Nil | Nil |
| 4 | Sitting Fees | 1.80 | 1.20 |
| | TOTAL | 33.29 | 17.02 |

The aggregate value of salary and perquisites for the year ended 31st March 2024 to Mr. Shreyans Bhandari from the Company is Nil, except sitting fees of Rs. 360,000/- paid to Mr. Shreyans Bhandari for attending meetings of the Board and its Committee thereof.

Non-executive directors' compensation

The non-executive directors of the Company were paid following sitting fees for attending meetings of the Board and its Committee thereof:

| Name of Non-Executive Director | Sitting Fees* (in ₹) |
|--------------------------------|----------------------|
| Mr. Rajesh Devene | 360,000 |
| Ms. Madhuri Vaidya | 360,000 |
| Mr. Ashwani Singh | 90,000 |
| Ms. Diksha Tomar | 150,000 |
| Mr. Vijesh Mehra | 150,000 |
| Mr. Pramod Toshniwal | 120,000 |

* Sitting fees include payment for Audit Committee meetings.

Shares held by Non-Executive Directors as on 31st March 2024

| Name of the Director | Number of shares held Equity Shares of ₹ 10/- each |
|----------------------|----------------------------------------------------|
| Mr. Rajesh Devene | Nil |
| Mr. Ashwani Singh | Nil |
| Ms. Madhuri Vaidya | Nil |
| Ms. Diksha Tomar | Nil |
| Mr. Vijesh Mehra | Nil |
| Mr. Pramod Toshniwal | 1500 |

General Body Meetings

Location and time for the last Three Annual General Meetings were:

| Financial Year | Venue | Date | Time | Special Resolution |
|----------------|---------------------------------------------------------|-------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2020-21 | Video Conferencing ("VC") Through Instameet Platform | 27 September 2021 | 1.30 p.m. | Adoption of new set of Articles of Association of the Company |
| 2021-22 | Video Conferencing ("VC") Through Instameet Platform | 3 August 2022 | 11.30 a.m. | Appointment of Ms. Diksha Tamar (DIN 08477426) as an Independent Director of the Company Appointment of Mr. Vijesh Mehra (DIN 08547764) as an Independent Director of the Company Appointment of Mr. Shreyans Bhandari [DIN 07737337] as Chairman & Managing Director of the Company |
| 2022-23 | Video Conferencing ("VC") Through Instameet Platform | 29 September 2023 | 12.30 p.m. | Appointment of Ms. Kavita Bhansali (DIN: 05355200) as an Executive Director of Company and payment of remuneration. Re-appointment of Mr. Rajesh Shankarrao Devene, (DIN 05320201) as an Independent Director. |

Postal Ballot

During the year, special resolutions for -

1. Appointment of Mr. Pramod Toshniwal (DIN 10441634) as a Non-Executive Independent Director.
2. Appointment of Dr. Abhigyan Upadhyay, (DIN 07267470) as an Executive Director of the Company and to fix his remuneration.

were passed by members of the Company on March 28th, 2024 through postal ballot. The resolutions were passed with requisite majority.

At present, no special resolution is proposed to be passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution conducted through Postal Ballot.

Other Disclosures

The Company has been complying with the mandatory and discretionary requirements under part E of Schedule II of SEBI Listing Regulations.

The Company complies with the requirements of corporate governance as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Related Party Transactions:

Please refer to Note No. 36 of Notes to Accounts for significant related party transactions.

None of the transactions with any of the related parties were in conflict with the interests of the Company. The Board has approved a policy for Related Party Transactions which has been uploaded on the website of the Company at the link: www.bilcare-group.com.

Loans & Advances to Firms/Companies in which Directors are interested (Name & Amount) by Company & its Subsidiaries : Nil

Policy on determining “Material” Subsidiaries:

This policy is framed in accordance with the requirement of Regulation 23 of SEBI (LODR) Regulations, 2015 and is intended to identify “Material” Subsidiaries and to establish a governance framework for such subsidiaries. The details of policy on determining “Material” Subsidiaries have been disclosed under Company’s website: www.bilcare-group.com.

Management Discussion and Analysis

This Annual Report has a detailed chapter on management discussion and analysis.

Disclosures by the Management to the Board

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

Details of Non-compliance

No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market during the last three years.

Whistle Blower Policy

The Board had framed and approved Whistle Blower Policy / Vigil Mechanism which has been uploaded on the website of the Company at the link: www.bilcare-group.com. Also, no personnel has been denied access to the Audit Committee.

Complaints Pertaining to Sexual Harassment :

There were no complaints filed & there were no complaints pending at the end of the year pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Details of fees Paid to Statutory Auditors

The details of statutory fees to the Statutory Auditor during the FY 2023-24 are provided in the Note No. 21 to the Notes to the Standalone Financial Statements.

Means of Communication

The Company puts forth vital information about the Company and its performance, including quarterly results, official news releases, and communication to investors, on its website: www.bilcare-group.com regularly for the benefit of the public at large. The quarterly results are published in ‘Financial Express’ and ‘Loksatta’. News releases, official news and media releases are sent to BSE Limited.

Website

The Company’s website contains a separate dedicated section titled “Investors”. The basic information about the Company, as called for in terms of SEBI Listing Regulations, is provided on the Company’s website: www.bilcare-group.com and the same is updated from time to time.

Shareholders

Annual Report

Annual Report containing, inter alia, Audited financial statement. Consolidated financial statement, Boards’ Report, Independent Auditors’ Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report and is displayed on the Company’s website: www.bilcare-group.com.

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

General Shareholder Information

Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28939PN1987PLC043953.

Annual General Meeting

Date : Friday, 27th September 2024 Time : 12.30 p.m.

Venue : Through Video Conferencing/ Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.

Financial Calendar

For the financial year 2023-24, results were announced on-

- First Quarter : 14th August 2023
- Half yearly : 10th November 2023
- Third Quarter : 13th February 2024
- Fourth Quarter : 27th May 2024
and Annual

Key financial reporting dates for the financial year 2024-25

- First Quarter : on or before 14th August 2024
- Second Quarter : on or before 14th November 2024
and Half Yearly
- Third Quarter : on or before 14th February 2025
- Fourth Quarter : on or before 30th May 2025
and Annual

Book Closure

The books will be closed from Saturday, 21st September 2024 to Friday, 27th September 2024 (both days inclusive).

Credit Rating

There has been no credit rating /revision during the year.

Share Holding Pattern

The tables below give the pattern of shareholding by ownership and share class respectively.

Distribution of shareholding as on 31st March 2024

| Category | Number of Shares held | Shareholding |
|----------------------------------|-----------------------|---------------|
| Promoters | 7,066,611 | 30.01 |
| Foreign Portfolio Investors | 10,000 | 0.04 |
| Corporate Bodies (India+Foreign) | 4,295,045 | 18.24 |
| Non Resident Indians | 373,477 | 1.59 |
| Indian Public | 11,800,098 | 50.12 |
| Total | 23,545,231 | 100.00 |

Pattern of shareholding by Share Class as on 31st March 2024

| Shareholding Class | Number of Shareholders | Number of Shares | Shareholding % |
|--------------------|------------------------|--------------------|----------------|
| Up to 500 | 17201 | 1637819 | 6.96 |
| 501 - 1,000 | 1061 | 848983 | 3.60 |
| 1,001 - 2,000 | 550 | 828395 | 3.52 |
| 2,001 - 3,000 | 221 | 576015 | 2.45 |
| 3,001 - 4,000 | 83 | 301037 | 1.28 |
| 4,001 - 5,000 | 97 | 463203 | 1.97 |
| 5,001 - 10,000 | 140 | 1025310 | 4.35 |
| 10,001 & above | 137 | 17864469 | 75.87 |
| Total | 22,757 | 2,35,45,231 | 100.00 |

Registrar and Transfer Agents and Share Transfer and Demat System

The Board's Stakeholders Relationship Committee generally meets as and when required for dealing with matters concerning securities/ share transfers of the Company. The Company has appointed Link Intime India Pvt. Ltd. as the Registrar and Transfer Agents of the Company, to carry out the share transfer work on behalf of the Company.

Address of the Registrar and Transfer Agent

Link Intime India Pvt. Ltd.,
(Unit: Bilcare Limited)
Block No. 202, 2nd Floor,
Akshay Complex Off Dhole Patil Road.
Pune – 411 001, India
Telefax : 020 – 26163503

Listing

The Equity shares of Bilcare Limited are listed on Bombay Stock Exchange Limited.

Stock Code

BSE : 526853

Stock Data

Following table gives the monthly high and low prices and volumes of Bilcare Limited at BSE Limited, Mumbai (BSE) for the year 2023-24.

| Month | Share Price | | BSE Sensex | |
|-----------|-------------|-----------|------------|----------|
| | High (Rs.) | Low (Rs.) | High | Low |
| Apr-2023 | 51.45 | 43.75 | 61209.46 | 58793.08 |
| May -2023 | 48.40 | 42.47 | 63036.12 | 61002.17 |
| Jun -2023 | 58.95 | 46.00 | 64768.58 | 62359.14 |
| Jul -2023 | 77.46 | 51.00 | 67619.17 | 64836.16 |
| Aug -2023 | 94.09 | 70.89 | 66658.12 | 64723.63 |
| Sep -2023 | 86.90 | 70.56 | 67927.23 | 64818.37 |
| Oct -2023 | 87.80 | 70.00 | 66592.16 | 63092.98 |
| Nov -2023 | 76.79 | 63.20 | 67069.89 | 63550.46 |
| Dec -2023 | 88.20 | 72.41 | 72484.34 | 67149.07 |
| Jan -2024 | 95.40 | 78.00 | 73427.59 | 70001.60 |
| Feb -2024 | 85.00 | 65.50 | 73413.93 | 70809.84 |
| Mar -2024 | 75.00 | 54.01 | 74245.17 | 71674.42 |

Dematerialization of Shares and Liquidity

The equity shares of Bilcare Limited are under compulsory demat trading. As on 31 March 2024, dematerialized shares accounted for 99.59% of the total equity.

Demat ISIN numbers in NSDL & CDSL for Equity Shares: INE986A01012.

Bilcare Limited shares are actively traded at BSE Limited.

Plant Location

1028, Shirol, Rajgurunagar, Pune 410 505, India

Investor Correspondence Address

For transfer/dematerialisation of shares and any other query relating to the shares of the Company:

Link Intime India Pvt. Ltd., (Unit: Bilcare Limited)
Block No. 202, 2nd Floor,
Akshay Complex Off Dhole Patil Road,
Pune – 411 001, India
Telefax : +91-20-26163503

E-mail : pune@linkintime.co.in

Deposit holders Correspondence Address

For any query relating to Fixed Deposit :

Company Address Bilcare Limited
Sheetal Sadan 2nd Floor,
75/81 Perin Nariman Street.
Opp Paras Dryfruits. Fort.
Mumbai 400001
Phone No. :- 8655912999.
Email: FD@bilcare.com

Registrar's Address (Fixed Deposit)
Kisu Corporate Services Pvt Ltd
Room No 4, Ground Floor, Supariwala Estate,
Prasad Chambers Compound
Near Roxy Cinema, Opera House
Mumbai - 400004
Phone No. :- 9820866664
Email: kisucorporate@gmail.com

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, Shreyans Bhandari, Chairman & Managing Director of Bilcare Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31st March, 2024.

Pune : 27th May 2024

Shreyans Bhandari
Chairman & Managing
Director

CERTIFICATE ON COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY BILCARE LIMITED RELATING TO CORPORATE GOVERNANCE REQUIREMENTS

To,
The Members
Bilcare Limited,
1028 Shirolji, Rajgurunagar
Pune 410505

We have examined the compliance of the conditions of Corporate Governance by Bilcare Limited (hereinafter referred to as the Company) for the Financial Year ended 31st March, 2024 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

The Compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance under LODR. It is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As informed to us, we further state that no complaint relating to investor's grievance has been lodged by the Investor under SCORES platform during the Financial Year under Report.

We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency or effectiveness with which the management has conducted the affairs of the Company..

For Ghatpande & Ghatpande Associates
Company Secretaries

Place: Pune
Date: 14th August 2024

Shekhar Ghatpande
Partner
FCS: 1659 CP No.: 782
FRN: P2019MH077200
Peer Review No.: 4537/2023
UDIN: F001659F000972134

CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer, of Bilcare Limited, ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the Financial Year 2023-24 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2023-24 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, wherever applicable:
 - i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Chief Financial Officer

Pune: 27th May 2024

Chairman & Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Bilcare Limited,
1028 Shirolji, Rajgurunagar
Pune - 410 505

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bilcare Limited having CIN L28939PN1987PLC043953 and having Registered Office at 1028 Shirolji, Rajgurunagar, Pune - 410505 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal (www.mca.gov.in), disclosures provided by the Directors and debarment list of BSE Ltd.] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ended on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or any such other Statutory Authority.

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

For Ghatpande & Ghatpande Associates
Company Secretaries

Shekhar Ghatpande
Partner

Place: Pune
Date: 14th August 2024

FCS: 1659 CP No.: 782
FRN: P2019MH077200
Peer Review No.: 4537/2023
UDIN: F001659F000972101

Management Discussion and Analysis

Industry Outlook

India holds the top position as the largest supplier of generic medications globally, recognized for its cost-effective vaccines and generic drugs. The Indian pharmaceutical sector has evolved into a dynamic industry, currently ranking third worldwide in pharmaceutical production by volume. Over the past nine years, it has grown at a CAGR of 9.43%. Key segments include generic medicines, over-the-counter products, bulk drugs, vaccines, contract research and manufacturing, biosimilars, and biologics. India is home to the highest number of USFDA-compliant pharmaceutical manufacturing facilities and approximately 500 API producers, accounting for about 8% of the global API market.

The Indian pharmaceutical industry fulfills over 50% of global vaccine demand, 40% of generic drug demand in the U.S., and supplies 25% of all medicines in the U.K. Domestically, the industry is supported by around 3,000 drug companies and approximately 10,500 manufacturing units. India plays a crucial role in the global pharmaceutical landscape.

The global clinical trial supplies market is expected to grow at a compound annual growth rate of 6.5% from 2023 to 2030 to reach USD 3.40 billion by 2030. The clinical trial supplies sector is divided into manufacturing, packaging and labelling, and storage and distribution based on product/services.

Opportunities, Threats & Outlook

Leading contract manufacturers in India are prioritizing innovative products and sustainable practices. Many are adopting eco-friendly and innovative packaging solutions, which are essential in the pharmaceutical industry. Beyond branding and protecting products throughout their shelf life, packaging now plays a crucial role in ensuring patient safety by providing key product information, tamper-evidence, and product traceability. The growth of the pharmaceutical packaging industry is driven by factors such as an increasing population, rising health awareness, and higher life expectancy.

Comparator Sourcing is an expanding field within clinical trials, having doubled in size over the past three years. According to a report by the Institute for Healthcare Informatics, the innovation

in cancer drugs is expected to continue growing over the next five years, with oncology currently accounting for 25% of the global late-stage pipeline. As most drug candidates are being tested against the standard of care, the demand for secure and transparent sourcing of comparator drugs and non-investigational medicinal products (NIMPs) is likely to rise significantly. Sourcing optimization is increasingly being achieved through a shift from centralized to local comparator suppliers. Global sourcing companies are beginning to evaluate local market capabilities for quality certificates and actively export drugs for QP release.

Business Performance

This year, Bilcare focused on primary and secondary packaging with various innovative blinding techniques, IWRS, storage at variable temperatures, and global distribution through depots/sites with capabilities to manage storage, distribution, returns, and destruction.

Services related to IMPs (Investigational Medicinal Products) include:

- Comparator Procurement
- Primary and Secondary Packaging
- Storage at Ambient and Controlled Temperatures
- Logistics
- -Analytical & Regulatory
- -Manufacturing
- -IVRS and IWRS

In response to the increasing demand in the CTMS market, Bilcare GCS has strategically aligned its resources. Key achievements for the year include supporting pharmaceutical companies and CROs during USFDA audits, attending Investigator Meetings, and expanding global depot partnerships to cover most locations worldwide. These efforts position Bilcare GCS to regain market share and maximize profits by offering innovative, compliant, and efficient services to clients.

The Comparator Sourcing sector within clinical trials has grown rapidly, doubling in size over the past three years. Bilcare is becoming a formidable player in this market as global sourcing companies assess local capabilities for quality certification and actively export drugs for QP release.

Bilcare has established robust Standard Operating Procedures (SOPs) and strong internal checks and controls, ensuring best practices are followed globally. This is evidenced by the company successfully completing all major customer/client audits without any critical observations. The company plans to expand its services with its own manufacturing setup to cater to the clinical trial industry, offering comprehensive solutions under one umbrella.

Internal Control System and Adequacy

Bilcare has implemented an effective Internal Financial Control system, ensuring that all transactions are properly authorized, recorded, and reported in compliance with the company's policies and SOPs. Internal auditors independently evaluate the adequacy of these controls and report significant deviations to the Audit Committee.

Financial Performance

The company has undergone restructuring in recent years. As of March 27, 2023, Bilcare sold its PPI division to its subsidiary Caprihans India Limited through a slump sale. Therefore, the financial performance reported pertains solely to the GCS business vertical. The business is projected to grow based on positive forecasts and management estimates for the coming years, with a focused approach on improving margins and efficiency. Compared to the previous year, there has been an increase in sales and EBITDA margins.

Key Financial Ratio Changes

Following the slump sale, key financial ratios now pertain to the GCS business vertical, showing improvements, although some ratios are not comparable to the previous year. Positive variances are evident, with improved debtor turnover ratio (3.6 times) and inventory turnover ratio (34.6 times), driven by better collections and lower inventory levels. Operating margins have increased to 67% this year. However, the net profit ratio has decreased to 0.30% due to a one-time exceptional gain in the previous year. Since there is no debt, related ratios are not applicable.

Risks and Concerns

The company faces currency fluctuation risks, but these are naturally hedged due to exports. It also encounters credit and liquidity risks, mitigated by creditworthiness and rolling forecasts.

Cautionary Statement

The Management Discussion and Analysis includes forward-looking statements about the company's objectives, projections, estimates, and expectations. Actual outcomes may differ significantly due to factors such as changes in political and economic conditions, legal developments, litigation, labor relations, exchange rate fluctuations, and other costs.

ANNEXURE - A

ANNUAL REPORT ON CSR ACTIVITIES

| | | |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs. | The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the weblink for the same is: www.bilcare-group.com . |
| 2 | The Composition of the CSR Committee | N.A. |
| 3 | Average net profit of the company for last three financial years | — |
| 4 | Prescribed CSR Expenditure (two percent of the amount as in item 3 above) | — |
| 5 | Details of CSR spent during the financial year. | N.A. |
| | a) Total amount to be spent for the financial year | |
| | b) Amount unspent , if any | |
| | c) Manner in which the amount spent during the financial year | |

The Responsibility Statement

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Shreyans Bhandari
Chairman & Managing Director

Pune : 14th August 2024

ANNEXURE - B

(FORM MR-3)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Bilcare Limited
1028 Shirol, Rajgurunagar
Pune - 410505

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good Corporate Practices by Bilcare Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4) issued by the Institute of Company Secretaries of India and made applicable w.e.f. 1st April, 2021 and in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and opinions sought by the Company and which are relied upon by us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit Period covering the Financial Year ended on 31st March, 2024 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has established and maintained proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We report that the maintenance of proper and updated Books, Papers, Minute Book, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is the responsibility of the management and of the Company. Our responsibility is to verify the contents of the Documents produced before us, make objective evaluation of the contents, in respect of compliance and report thereon.

We have examined on test check basis (Excluding the Books of Accounts whether maintained Physically or Electronically) the Registers, Books, Papers, Minutes Book, Forms and Returns filed and other records maintained by the Company and produced before us for the Audit Period i.e. Financial Year ended as on 31st March, 2024 as per the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*)
 - (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (*)
 - (v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (*)
 - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and dealing with client;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (*)
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018(*)
 - (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

(*) There were no events/ actions occurred during the financial year under the report which attracts the provisions of these Act/Regulations/ Guidelines, hence the same were not applicable.

As informed to us by the Company, no other Laws were specifically applicable to the Company during the Audit Period.

We have also examined compliance with the applicable Clauses of the following and report that:-

- (i) Secretarial Standards with regard to Meeting of the Board of Directors [SS-1], General Meetings [SS-2], Dividends [SS-3] (Not applicable to the Company since the Company has not declared and paid any Dividend during the Audit Period) and Report of the Board of Directors [SS-4] issued by the Institute of Company Secretaries of India, have been complied with.
- (ii) We have also examined the compliance with the applicable clauses of The Listing Agreement entered into by the Company with BSE Ltd. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

We report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except for certain provisions and Rules in respect of Fixed Deposits. The Liability of the Fixed Deposits has since been taken over by Caprihans India Limited, (CIL) the Subsidiary Company under the Business Transfer Agreement dated 27th March, 2023, who has undertaken to pay, the amount to the Stakeholders.

We further report that the Compliance by the Company of applicable financial laws, like Direct and Indirect Tax Laws, including Bank and Financial matters and transactions have not been reviewed in this Secretarial Audit since the same have been subject to review by Statutory Financial Audit and other Designated Professionals.

We further Report that:-

- (i) The Board of Directors in its meeting held on 30th May, 2023 has decided to proceed with the voluntary liquidation of Bilcare Mauritius Limited, the wholly owned subsidiary of the Company incorporated in Mauritius and the same is liquidated during the financial year.
- (ii) The Board of Directors in its meeting held on 30th May, 2023 decided to Sell the Office Premises of the Company situated at 6th Floor, bearing Office No. B-605, ICC Trade Tower, Senapati Bapat Road, Pune – 411016.
- (iii) Corporate Office of the Company has been shifted to 301 Kamal Kunj, 8 Shivaji Housing Society, Pune- 411016.
- (iv) On the recommendation of the Audit Committee, the Board of Directors in its meeting held on 30th May, 2023, decided to incorporate a separate Company as a Wholly Owned Subsidiary Company under the name and style 'Bilcare Pharma Solutions Ltd.' The said Company was incorporated with the Registrar of Companies, Maharashtra, Pune under CIN: U32509PN2023PLC226463 and having Registered Office at 1028, Shiroli, Rajgurunagar, Taluka Khed, Rajgurunagar, Khed, Pune- 410505. The present Issued, Subscribed and Paid Up Share Capital of the Company is Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 10/- each fully paid up.
- (v) On completion of the term of appointment of M/s. K.R. Miniyar & Associates, Chartered Accountants, (FRN: 124806W) as the Statutory Auditors of the Company, on recommendation of the Audit Committee and Board of Directors, the Shareholders of the Company in their 36th Annual General Meeting held on 29th September, 2023 appointed M/s Sharp and Tannan Associates, Chartered Accountants (FRN: 109983W) as the Statutory Auditors of the Company for a period of five (5) consecutive years from the conclusion of the 36th Annual General Meeting till the conclusion of 41st Annual General Meeting of the Company to be held in the year 2028.
- (vi) Pursuant to the Authority given by the shareholders of the Company in their Extra Ordinary General Meeting held on 27th March, 2023 the Board of Directors of the Company has given Corporate Guarantee of Rs. 50,00,00,000/- (Rupees Fifty Crore Only) to the Bankers viz., Cosmos Co-Op. Bank Limited of Caprihans India Limited, the Subsidiary Company and has also pledged in favour of the said Bank 1,75,00,000, 0.1% Redeemable Preference Shares held in Caprihans India Limited.
- (vii) During the Financial Year under Report, following are the changes in the Composition of the Board of Directors of the Company which has been recommended by the Nomination and Remuneration Committee: -
 - a) Ms. Kavita Bhansali [DIN: 05355200] the Sister of Mr. Shreyans Bhandari, Chairman and Managing Director and the Daughter of Mr. Mohan Bhandari, CEO of the Company was appointed as an Additional Non Executive Non-Independent Director of the Company w.e.f. 14th August, 2023. Thereafter she was appointed on 6th September, 2023 as an Executive Director of the Company for a period of three years w.e.f. 14th October, 2023 up to 13th October, 2026. The Shareholders of the Company in their 36th Annual General Meeting held on 29th September, 2023 approved the said appointments.
 - b) Mr. Rajesh Shankarrao Devane was reappointed as an Independent Director of the Company for a further period of 5 (Five) Consecutive Years commencing from 22nd April, 2024 upto 21st April, 2029. The Shareholders of the Company in their 36th Annual General Meeting held on 29th September, 2023 by passing a Special Resolution approved the said reappointment.
 - c) Mr. Ashwani Singh resigned as an Independent Director of the Company w.e.f. 4th October, 2023.
 - d) Mr. Pramod Toshniwal (DIN 10441634) was appointed as an Additional Non Executive Independent Director of the Company w.e.f. 29th December, 2023 and the said appointment was ratified by the shareholders of the Company through Postal Ballot for a period of 2 (Two) Years i.e. from 29th December, 2023 to 28th December, 2025. However, subsequent to the closure of the Financial Year under Report, he has resigned as an Independent Director of the Company w.e.f. 5th July, 2024.
 - e) Dr. Abhigyan Upadhyay, (DIN 07267470) was appointed as an Additional Executive Director of the Company w.e.f. 29th December, 2023 and the said appointment was ratified by the shareholders of the Company through Postal Ballot for a period of 2 (Two) Years i.e. from 29th December, 2023 to 28th December, 2025. However, subsequent to the closure of the Financial Year under Report, he has vide his letter dated 9th July, 2024 tendered his resignation as an Executive Director of the Company. He will continue to be on the Board of Directors of the Company as Non-Executive, Non-Independent Director of the Company.
 - f) Mr. Vijesh Mehra ceased to be an Independent Director of the Company w.e.f. 30th December, 2023 on account of completion of his term.
 - g) Ms. Diksha Tomar ceased to be an Independent Director of the Company w.e.f. 30th December, 2023 on account of completion of her term.

- (viii) During the Financial Year under Report, following are the changes in the Composition/Terms of Appointment of the Key Managerial Personnel of the Company which has been recommended by the Nomination and Remuneration Committee: -
- a) The Remuneration of Mr. Mohan H. Bhandari, CEO of the Company was increased by the Board of Directors. Thereafter, the Shareholders of the Company in their 36th Annual General Meeting held on 29th September, 2023 approved the said increase in Remuneration.
 - b) Mr. Nilesh Tiwari resigned as the Chief Financial Officer of the Company w.e.f. 31st August, 2023 and Ms. Deepa Mathur was appointed as the Chief Financial Officer of the Company w.e.f. 6th September, 2023.
 - c) Ms. Prabhavi Mungee resigned as the Company Secretary and Compliance Officer of the Company w.e.f. 10th November, 2023 and Mr. Sagar R. Baheti (ACS: 57691), Associate Member of the Institute of Company Secretaries of India was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 31st January, 2024.
- (ix) As on 31st March, 2024 none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India or any such other Statutory Authority. As on 31st March, 2024 the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. During the Financial Year under Report, there was change in the composition of the Board of Directors of the Company and the Company has complied with the necessary compliances in this connection. Also all the Independent Directors of the Company as on date, have got themselves registered on the Portal of 'Independent Director's Data Bank' introduced by Indian Institute of Corporate Affairs (IICA) and are exempt from appearing for the Online Proficiency Self Assessment Test.
- (x) As informed to us by the Management of the Company, the Company has submitted all the required disclosures and submissions under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed therein except that for the Quarter and FY ended 31st March, 2023, there was a delay in filing of Outcome of Board Meeting with BSE Ltd., by 1 hour and 6 minutes.

Adequate notices were given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representations made by the Company and its Officers, we report that all the decisions in the Board / Committee Meetings were carried unanimously as recorded in the Minutes of the meetings of Board of Directors or Committees of the Board, as the case may be.

Based on the representations made by the Company, we were informed that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further Report that:-

In continuation to our earlier Secretarial Audit Reports dated 19th August, 2021, 23rd June, 2022 and 16th August, 2023 as regards the Letter received from SFIO under Section 212 of the Companies Act, 2013 we have been informed that the matter is still sub-judice before the Hon'ble High Court, Mumbai. SFIO has directed the Company and the concerned Professionals for submission of certain documents which as informed to us, is being complied with.

For Ghatpande & Ghatpande Associates
Practicing Company Secretaries

Shekhar Ghatpande
Partner

Place: Pune
Date: 14th August, 2024

FCS: 1659 CP No.: 782
FRN: P2019MH077200
Peer Review No.: 4537/2023
UDIN: F001659F000972145

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

Annexure 'I' to the Secretarial Audit Report of Bilcare Limited

To,
The Members
Bilcare Limited,
1028 Shiroli
Rajgurunagar
Pune 410505

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Ghatpande & Ghatpande Associates
Practicing Company Secretaries

Place: Pune
Date: 14th August, 2024

Shekhar Ghatpande
Partner
FCS: 1659 CP No.: 782
FRN: P2019MH077200
Peer Review No.: 4537/2023
UDIN: F001659F000972145

ANNEXURE - C

Statement of Disclosure of Remuneration

Information as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Remuneration disclosures for Executive Directors and Key Management Personnel for the financial year ended 31 March 2024

| Sr. No. | Name of Director and Designation | Remuneration of Director for the Financial Year 2023-24 (Rs. In Lacs) | % Increase in Remuneration in the Financial Year 2023-24 | Ratio of remuneration of each Director/ to median remuneration of employees |
|---------|---------------------------------------------------------------|-----------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------|
| 1 | Mr. Shreyans Bhandari Chairman & Managing Director | Nil | NA | NA |
| 2 | Ms. Kavita Bhansali Executive Director w.e.f. 14/10/2023 | 31.48 | NA | 33:1 |
| 3 | Dr. Abhigyan Upadhyay Executive Director w.e.f. 29/12/2023 | 15.82 | NA | 30:1 |
| 4 | Mr. Mohan Bhandari Chief Executive Officer | 54.00 | 80% | 25:1 |
| 5 | Ms. Deepa Mathur Chief Financial Officer w.e.f. 06/09/2023 | 28.76 | NA | 23:1 |
| 6 | Mr. Sagar R. Baheti Company Secretary w.e.f. 31/01/2024 | 2.53 | NA | 7:1 |
| 7 | Ms. Prabhavi Mungee Company Secretary upto 10/11/2023 | 6.97 | 12% | 5:1 |
| 8 | Mr. Nilesh Tiwari Chief Financial Officer upto 31/08/2023 | 6.06 | Nil | 7:1 |

Note:

Details of remuneration paid to Independent Directors and Non-Executive Directors are provided in the relevant sections of the Annual Report.

- B. The percentage increase in the median remuneration of employees in the financial year is 11.50%
- C. The number of permanent employees on the rolls of company as on 31 March 2024 is 73.
- D. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**STANDALONE
IND AS FINANCIAL STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To the members of Bilcare Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Bilcare Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 state of affairs (financial position) of the Company as at 31 March 2024, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("Standards" or "SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the Audit of the standalone financial statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

With reference to Note No. 41, post the slump sale the operations of the Company now pertain only to the Global Clinical Supplies ("GCS") business. As such, subject to fulfilment of the liabilities, the Company's ability to continue as a going concern is dependent on factors including management's strategic projection plan for the foreseeable future, cashflow projection etc. With the positive prospects going forward for the GCS business as informed to us by the Company, the accounts are prepared on a going concern basis.

Our opinion is not modified with respect of this above matter.

Emphasis of matters

We would like to bring your attention to

Note No. 38 in the standalone financial statements regarding Bilcare Mauritius Limited (BML), which was a wholly-owned subsidiary of the Company liquidated during the year and transferred the shares of wholly owned subsidiaries of BML i.e. Bilcare GCS Inc., Bilcare GCS Ireland Limited and Bilcare Inc. on 18 December 2023 and Caprihans India Limited on 22 March 2024 to the company.

Note No. 32 in the standalone financial statements regarding the financial contingency related to a loan taken from the Council of Scientific & Industrial Research (CSIR).

Note No. 39 in the standalone financial statements regarding the company engaging in transactions in the capacity of the facilitator with Caprihans India Limited ('CIL').

Note No. 40 in the standalone financial statements pertains to compliance with regard to the transfer of public fixed deposit liabilities to CIL based on the business transfer agreement. It is the responsibility of the company to ensure compliance with public fixed deposits.

Note No. 35 which states that the company plans to sell certain capital assets in the FY 2024-25, accordingly, these assets are classified as 'assets held for sale' in the statement.

Our opinion is not modified with respect of these matters of emphasis.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements taken as a whole; in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the key audit matters as described below:

| Key Audit Matters | How our audit addressed the key audit matters |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Provisions and contingent liabilities relating to taxation, litigations, and claims - refer note 32 of the standalone financial statements:</p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties etc. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, and other eventualities arising in the regular course of business.</p> <p>As at the year ended 31 March 2024, the amounts involved are significant. The computation of a provision or contingent liability requires judgment by the Company because of the inherent complexity in estimating future costs. The amount recognized as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company as it involves judgment and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgments previously made by authorities.</p> | <p>Our key audit procedures included:</p> <ul style="list-style-type: none">• Testing the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of contingent liabilities and its development.• To assess the value of significant provisions and contingent liabilities, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities, if any.• Inquiring about the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team. We assessed the assumptions and critical judgments made by the Company which impacted the computation of the provisions and inspected the computation and estimates of outcome and financial effect.• Evaluating agreements, other documentation and judgments made by the Company by comparing the prior years' outstanding to the actual outcome during the year.• Assessing the company's disclosures in the financial statements regarding provisions and contingent liabilities. |

Information other than the standalone financial statements and auditor's report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Managements and Board of Directors responsibilities for the standalone financial statements

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

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

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

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "**Annexure A**" to this report, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act and 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;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31March 2024 taken on record by the Board of Directors, none

of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- 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, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - refer note 32 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024.
 - iv. Reporting on rule 11(e):
 - (a) The Management has represented that, to the best of its knowledge and belief, as stated in note no. 37B(e), 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 to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as stated in note no. 37B(f), no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. During the previous year, the Company has not declared/paid dividend. Accordingly, reporting under section 123 of the Act is not applicable.
 - vi. Based on our examination which included test checks, except for the instances mentioned below, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

The feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting software relating to ‘SAP ECC’ for the period 1 April 2023 to 31 October 2023 of the company.

The feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting software relating to ‘Salesforce’ for the period 1 April 2023 to 31 March 2024.

The feature of recording audit trail (edit log) facility was not operated at the application layer of the accounting software relating to ‘GCS-related’ activity for the period from 1 April 2023 to 31 March 2024.

The Company uses the services of a third-party service provider for payroll processing and in the absence of a Service Organisation Control Type 2 report i.e. SOC 2, specifically covering the maintenance of the audit trail, we are unable to comment on whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there are any instances of the audit trail feature been tampered with. – Refer to note 37B(j) in the standalone financial statements.

The feature of recording audit trail (edit log) facility was not operated at the database level throughout the reporting year to log any direct data changes for the accounting software used for maintaining the books of account.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 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.

For **Sharp & Tannan Associates**
Chartered Accountants
Firm's Registration no. 109983W
by the hand of

CA Arnob Choudhuri
Partner
Membership no.(F) 156378
UDIN: 24156378BKHHFT4496

Pune, 27 May 2024

Annexure A to the Independent Auditor's Report

With referred to paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report to the members of Bilcare Limited ("the Company") on even date we report the following:

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets.
 (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management at regular intervals based on the programme of verification in a phased manner in two years which in our opinion is reasonable. No material discrepancies were noticed during such physical verification conducted by the Company during the year.
- (c) Title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements [Including Assets held for sale] are held in the name of the Company, except as disclosed below:

| Description of property | Gross carrying value (₹ in Lakhs) | Held in name of | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company |
|------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------------------------------|
| Freehold Land (Situated at Gat No. 321 and Gat No. 322 situated at village Pimpri Budruk, Taluka Khed (Rajgurunagar) Pune, Maharashtra 410505) | 6,407.05 | Mr. Mohan Harakchand Bhandari Mrs. Nutan Mohan Bhandari | Yes - Promoter | – | Sale agreements are awaiting execution under the company's name (Asset held for sale). |
| Land and Buildings (Plot no. 375 Sindh Co-operative Housing Society Ltd. Village Aundh, Taluka Haveli, District Pune) | 5,000 .00 | Mr. Mohan Harakchand Bhandari | Yes - Promoter | – | Sale agreements are awaiting execution under the company's name. |

- (d) During the year, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- (e) During the year, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, reporting under paragraph 3(i)(e) is not applicable.
- (ii) (a) Physical verification of inventory, except goods-in-transit has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification is appropriate. Discrepancies noticed on physical verification were less than 10% in the aggregate for each class of inventory and the same have been properly dealt with in the books of account.
 (b) During the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions. Accordingly, reporting under paragraph 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has made investments in certain companies and has provided guarantee to the bank on behalf of a subsidiary company. Requisite information is stated below. The Company has not granted any loans, or provided advances in the nature of loans, or stood guarantee, or provided security to parties other than subsidiary.
- (a) During the year, the Company has provided guarantee to its subsidiary as stated below:

| Particulars | Guarantees (₹ in Lakhs) | |
|-------------------------|--------------------------|---------------------------------------|
| | Provided during the year | Balance outstanding as at 31 Mar 2024 |
| - Subsidiary | ₹5,000 | ₹67,000 |
| - Other than Subsidiary | Nil | Nil |

- (b) During the year, Investments made and guarantees provided by the company are prima facie, not prejudicial to the interest of the company. The company has not provided security and has not granted loans and advances in the nature of loan.
- (c) Company has not granted any loans and advances in the nature of loan. Accordingly, the reporting under paragraph 3(iii)(c),(d),(e),(f) of the Order is not applicable.
- (iv) The Company has complied with provisions of sections 185 and 186 in respect of grants of loans, making investments and providing guarantees and securities, as applicable.
- (v) Our comments to be read with our emphasis of matter w.r.t. the compliance with regard to the transfer of public fixed deposit liabilities to CL based on the business transfer agreement. It is the responsibility of the company to ensure compliance with public fixed deposits. As informed to us and reported in earlier years the Company has not complied for deposits or deemed deposits, if any as per the provisions of Sections 73 to 76 of the Act or any other relevant provisions and the rules framed there under. Additionally, during the year the Company has not accepted deposits or deemed deposits to which the directives issued by the Reserve Bank of India, are applicable.

- (vi) The maintenance of cost records has not been specified by the central Government under section 148(1) of the companies Act, 2013 (“the Act”), for the business activities carried out by the Company. Accordingly, the reporting under paragraph 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
- (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable, except, the Company has a capital advance for purchase of land of ₹11,669.58 lacs on which no tax has been deducted at source under section 194-IA of Income Tax Act, 1961. However, the same has become Nil by capitalising it as on 31 March 2024.
- (b) The details of statutory dues referred to in sub-paragraph (a) above which have not been deposited with the concerned authorities as on 31 March, 2024, on account of dispute are given below:

| Name of Statute | Nature of dues | Amount involved ₹Lakhs | Amount unpaid ₹Lakhs | Period to which amount Relates | Forum where Dispute is Pending |
|--------------------------|----------------|------------------------|----------------------|--------------------------------|---------------------------------------------|
| The Income Tax Act, 1961 | Income tax | 330.04 | 330.04 | AY 2014-2015 | CIT (Appeals) (Appeal filed on 22 May 2024) |
| Total | | 330.04 | 330.04 | | |

- (viii) There are no transactions which are not recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income tax act, 1961. Accordingly, reporting under paragraph 3(viii) of the Order is not applicable.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, except as disclosed below:

| Nature of borrowing including debt securities | Name of lender | Amount not paid on due date ₹ in Lakhs | Whether principal or interest | No. of days delay or unpaid | Remarks, if any |
|-----------------------------------------------|------------------------------------------------------|----------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------|---------------------------------|
| Term Loan | Council of Scientific and Industrial Research (CSIR) | 1,985.23 | Includes principal, interest and penal interest (which is shown under contingent liability). | 2,738 (from 1 October 2016) | Matter is currently sub-judice. |
| Financial Liability | Perennial systems | 10.25 | Includes principal & interest | 68 (from 23 January 2024) | - |

- (b) We report that the Company has no loans from banks or financial institutions. However, the Company has outstanding loans from other lenders, which are currently subject to legal proceedings. Additionally, as of March 31, 2024, two Credit Information Companies have listed the company as a wilful defaulter on their website, as reported by six banks. The Company has also received no dues certificate from the said banks.
- (c) The Company has not taken any term loan during the year and as informed to us by the management there are no unutilized term loans at the beginning of the year hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) Funds raised on short term basis have not been utilised for long term purposes. Accordingly, reporting under paragraph 3(ix)(d) of the Order is not applicable.
- (e) We report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries associates or joint ventures. Accordingly, reporting under paragraph 3(ix)(e) of the Order is not applicable.
- (f) We report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under para 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on para 3(x)(a) is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting on para 3(x)(b) is not applicable.
- (xi) (a) No material fraud by the Company and on the Company has been noticed or reported during the year. Additionally, the Company has not received any communication regarding fraud by the Company or on the Company. However, a complaint has been filed by an erstwhile bank alleging the Company for fraud done by the Company, which is in the public domain. The management has represented to us that this complaint does not materially impact the financial statements and the Company has also received no dues certificate from the said bank.
- (b) During the year, no report under section 143(12) of the Act, has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle-blower complaints were received during the year by the company.
- (xii) The Company is not a Nidhi Company. Accordingly, reporting on paragraph 3(xii) of the Order is not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details have been disclosed in the financial statements as required by the applicable IND AS.

- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Act, are not applicable to the company. Accordingly, reporting on paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3(xvi)(a) of the Order is not applicable.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3(xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting on paragraph 3(xvi)(c) of the Order is not applicable.
(d) As informed to us, the Group does not have CIC as part of the group. Accordingly, reporting on paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) The company has incurred cash losses of ₹625.99 Lakhs in the current financial year but not in the preceding financial year .
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting on para 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the Company's ability to continue as a going concern is dependent on factors including management's strategic projection plan for the foreseeable future, cashflow projection and subject to the positive prospects going forward for the GCS business as informed to us by the Company, the accounts are prepared on a going concern basis. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due (Refer Para "Material Uncertainty relating to Going Concern" in our Independent Auditors Report).
- (xx) (a) There are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects required a transfer to a Fund specified in Schedule VII to the Act, in compliance with second proviso to sub section (5) of section 135 of the Act. Accordingly, reporting on paragraph 3(xx)(a) of the Order is not applicable.
(b) There is no unspent amount towards Corporate Social Responsibility (CSR) in respect of ongoing projects requiring a transfer to a special account in compliance with sub-section (6) of section 135 of the Act. Accordingly, reporting on paragraph 3(xx)(b) of the Order is not applicable.

For **Sharp & Tannan Associates**
Chartered Accountants
Firm's Registration no. 109983W
by the hand of

CA Arnob Choudhuri
Partner

Membership no.(F) 156378
UDIN:24156378BKHHFT4496

Pune, 27 May 2024

Annexure B to the Independent Auditor's Report

Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report to the members of Bilcare Limited of even date:

Report on the Internal Financial Controls [under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")]

Opinion

We have audited the internal financial controls over financial reporting of **Bilcare Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has, 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 31 March 2024, based on the internal financial 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 ("the guidance note") issued by the Institute of Chartered Accountants of India ("ICAI").

Managements and Board of Directors responsibility for internal financial controls

The Company's Management and Board of Directors 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 issued by the 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 standalone financial statements, whether due to fraud or error.

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

For **Sharp & Tannan Associates**
Chartered Accountants
Firm's Registration no. 109983W
by the hand of

CA Arnob Choudhuri
Partner

Membership no.(F) 156378
UDIN:24156378BKHHT4496

Pune, 27 May 2024

STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(₹ lacs)

| | Note | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------------------------------------------------------------|------|----------------------|----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 5,749.93 | 1,014.97 |
| ROU Asset | 4 | 76.18 | - |
| Intangible assets | 5 | 515.01 | 610.44 |
| Financial assets | | | |
| (i) Investments | 6 | 29,351.94 | 29,350.84 |
| (ii) Other financial assets | 6 | 3.60 | 54.42 |
| Non Current tax asset (net) | 10 | 572.92 | 631.08 |
| Other non-current assets | 7 | 768.38 | 11,481.65 |
| Total non-current assets | | 37,037.97 | 43,143.40 |
| Current assets | | | |
| Inventories | 9 | 50.88 | 82.18 |
| Financial assets | | | |
| (i) Trade receivables | 6 | 488.94 | 944.75 |
| (ii) Cash and cash equivalents | 6 | 119.42 | 1,112.95 |
| (iii) Bank balances other than (ii) above | 6 | 85.72 | 84.62 |
| (iv) Other financial assets | 6 | 1,317.63 | 564.13 |
| Other current assets | 7 | 542.04 | 50.18 |
| Assets held for sale | 35 | 6,407.05 | - |
| Total current assets | | 9,011.68 | 2,838.81 |
| TOTAL ASSETS | | 46,049.65 | 45,982.21 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity share capital | 11 | 2,354.52 | 2,354.52 |
| Other equity | 12 | 39,211.10 | 38,685.93 |
| Total Equity | | 41,565.62 | 41,040.55 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (i) Borrowings | 13 | 949.79 | 751.97 |
| (ii) Lease Liability | 4 | 62.44 | - |
| Provisions | 14 | 11.47 | 9.97 |
| Deferred Tax Liability (net) | 8 | 127.00 | 94.24 |
| Total non-current liabilities | | 1,150.70 | 856.18 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease Liabilities | 4 | 17.17 | - |
| (ii) Trade payables | 13 | | |
| (a) total outstanding dues of micro enterprises and small enterprises; and | | 134.57 | 23.95 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | | 84.05 | 575.52 |
| (iii) Other financial liabilities | 13 | 1,789.08 | 2,230.47 |
| Provisions | 14 | 2.09 | 3.21 |
| Other current liabilities | 15 | 1,306.36 | 1,252.43 |
| Total current liabilities | | 3,333.32 | 4,085.58 |
| Total liabilities | | 4,484.02 | 4,941.76 |
| TOTAL EQUITY AND LIABILITIES | | 46,049.65 | 45,982.21 |

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

Firm Registration Number: 109983W

CA Arnob Choudhuri

Partner

Membership No.: 156378

Place: Pune

Date: 27 May 2024

Shreyans M. Bhandari

Chairman & Managing Director

DIN: 07737337

Sagar R. Baheti

Company Secretary

Rajesh Devene

Director

DIN: 05320201

Deepa Mathur

Chief Financial Officer

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | Note | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-----------------------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from operations | 16 | 1,760.35 | 1,398.36 |
| Other income | 17 | 857.22 | 372.93 |
| Total income | | 2,617.57 | 1,771.29 |
| EXPENSES | | | |
| Cost of materials consumed | 18 | 873.95 | 377.48 |
| (Increase) / Decrease in inventories of finished goods and work in progress | 19 | 1.11 | 120.81 |
| Employee benefits expense | 20 | 597.00 | 597.81 |
| Other expenses | 21 | 1,199.47 | 1,016.17 |
| Finance costs | 22 | 248.78 | 44.96 |
| Depreciation and amortisation expense | 23 | 215.27 | 452.23 |
| Total expenses | | 3,135.58 | 2,609.46 |
| Profit before exceptional items and tax | | (518.01) | (838.17) |
| Exceptional items gain/(loss) | 24 | 1,087.90 | 51,129.73 |
| Profit / (loss) before tax | | 569.89 | 50,291.56 |
| Tax Expense | | | |
| Current tax | 25 | - | - |
| Adjustment of Tax relating to earlier years | | - | 44.23 |
| Deferred tax | | 35.77 | 11,168.70 |
| Total tax expense | | 35.77 | 11,212.93 |
| Profit/(loss) for the year | | 534.12 | 39,078.63 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| (a) Remeasurements of defined benefit obligations | | (11.96) | (3.47) |
| (b) Income tax relating to the above items | | 3.01 | 0.90 |
| Other comprehensive income for the year, net of tax | | (8.95) | (2.57) |
| Total comprehensive income for the year | | 525.17 | 39,076.06 |
| Earning per equity share | | | |
| (a) Basic earning per share (₹) | 26 | 2.27 | 165.97 |
| (b) Diluted earning per share (₹) | | 2.27 | 165.97 |

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

Firm Registration Number: 109983W

CA Arnob Choudhuri

Partner

Membership No.: 156378

Place: Pune

Date: 27 May 2024

Shreyans M. Bhandari

Chairman & Managing Director

DIN: 07737337

Sagar R. Baheti

Company Secretary

Rajesh Devene

Director

DIN: 05320201

Deepa Mathur

Chief Financial Officer

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| A. Equity Share Capital | Notes | Amount | | | | |
|-------------------------------------------------|-------|-----------------|-------------------------------|--------------------------|------------------|--|
| As at April 1, 2022 | | 2,354.52 | | | | |
| Changes in equity share capital during the year | 11 | — | | | | |
| As at March 31, 2023 | | 2,354.52 | | | | |
| Changes in equity share capital during the year | 11 | — | | | | |
| As at March 31, 2024 | | 2,354.52 | | | | |
| B. Other Equity | | | | | | |
| Particulars | | | Attributable to owners | | | |
| | | | Reserves and Surplus | Retained Earnings | Total | |
| Balance as at April 1, 2022 | | | 11,622.47 | (60,942.21) | 1,986.30 | |
| Profit for the year | | | - | 39,078.63 | 39,078.63 | |
| Profit for the year from discontinued operation | | | - | (2,376.43) | (2,376.43) | |
| Other comprehensive income | | | - | (2.57) | (2.57) | |
| Total comprehensive income for the year | | | - | 36,699.63 | 36,699.63 | |
| Balance at March 31, 2023 | | | 11,622.47 | (24,242.58) | 38,685.93 | |
| Profit for the year | | | - | 534.12 | 534.12 | |
| Other comprehensive income | | | - | (8.95) | (8.95) | |
| Total comprehensive income for the year | | | - | 525.17 | 525.17 | |
| Balance at March 31, 2024 | | | 11,622.47 | (23,717.41) | 39,211.10 | |

As per our report of even date

For Sharp & Tannan Associates
Chartered Accountants
Firm Registration Number: 109983W

CA Arnob Choudhuri
Partner
Membership No.: 156378

Place: Pune
Date: 27 May 2024

For and on behalf of the Board of Directors

Shreyans M. Bhandari
Chairman & Managing Director
DIN: 07737337

Sagar R. Baheti
Company Secretary

Rajesh Devene
Director
DIN: 05320201

Deepa Mathur
Chief Financial Officer

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|-----------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Profit / (Loss) before exceptional items and tax | (518.01) | (838.17) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 215.27 | 452.23 |
| Interest and Dividend income from financial assets | (70.40) | (10.95) |
| (Profit)/ Loss on disposal of property, plant and equipment (net) | (560.61) | 3,119.66 |
| Liabilities & advances written back/(written off) | 1,507.03 | (231.50) |
| Profit/(Loss) from discontinued business | - | (2,376.43) |
| Slump sale gain | - | 41,057.62 |
| Assets impaired | - | (3,119.66) |
| Remittances in transit (subsidiary liquidation proceeds) | (3.32) | - |
| Interest on delayed payment of TDS | (419.13) | - |
| Interest expenses | 248.78 | 44.95 |
| Provision for doubtful debts, advances, deposits and others | 180.12 | 77.98 |
| | 579.73 | 38,175.73 |
| Changes in working capital: | | |
| (Increase)/Decrease in inventories | 31.31 | 5,540.77 |
| (Increase)/Decrease in trade receivables | 275.69 | 8,240.27 |
| (Increase)/Decrease in other financial assets | (702.70) | (492.24) |
| (Increase)/Decrease in other non-current assets | 10,713.27 | (154.90) |
| (Increase)/Decrease in other current assets | (491.86) | 1,537.94 |
| Increase/(Decrease) in trade payables | (380.85) | (7,309.36) |
| Increase/(Decrease) in other financial liabilities | (361.77) | (4,634.02) |
| Increase/(Decrease) in other current liabilities | 53.92 | (354.53) |
| Increase/(Decrease) in provisions | (11.59) | (702.78) |
| Cash generated from / (used in) operations | 9,705.15 | 39,846.88 |
| Income taxes paid | 58.17 | (103.69) |
| Net cash generated from / (used in) operating activities (A) | 9,763.32 | 39,743.19 |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of property, plant and equipment and intangible assets (net)* | (11,527.42) | (20.08) |
| Proceeds from sale of property, plant and equipment | 750.00 | 39,405.21 |
| Interest received | 67.22 | 10.95 |
| Dividend received | 3.18 | - |
| Remittances in transit (subsidiary liquidation proceeds) | 3.32 | - |
| Investment in bank deposits (net) | (1.09) | 1.28 |
| (Investment in)/proceeds from shares | (1.10) | (21,300.00) |
| Net cash generated from / (utilised in) investing activities (B) | (10,705.89) | 18,097.36 |
| C CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Borrowings (repaid)/taken including interest and gain on one time settlement with banks | 197.82 | (55,330.44) |
| Other borrowings (repaid)/taken including interest and gain on one time settlement | - | (1,718.40) |
| Interest expenses | (248.78) | (44.95) |
| Net cash generated from / (used in) financing activities (C) | (50.96) | (57,093.79) |
| Net Increase/(Decrease) in cash and cash equivalents (A+B+C) | (993.53) | 746.76 |
| Cash and cash equivalents at the beginning of the year | 1,112.95 | 366.19 |
| Cash and cash equivalents at the end of the year | 119.42 | 1,112.95 |
| Cash and cash equivalents comprise of the following: | | |
| Cash on hand | 0.79 | 100.18 |
| Balances with banks | | |
| In current accounts | 115.31 | 1,012.77 |
| Remittances in transit | 3.32 | - |
| | 119.42 | 1,112.95 |

* Includes Assets held for sale ₹ 6,407.05 lacs

Previous year's figures have been re-grouped / re-classified wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

Firm Registration Number: 109983W

CA Arnob Choudhuri

Partner

Membership No.: 156378

Place: Pune

Date: 27 May 2024

Shreyans M. Bhandari

Chairman & Managing Director

DIN: 07737337

Sagar R. Baheti

Company Secretary

Rajesh Devane

Director

DIN: 05320201

Deepa Mathur

Chief Financial Officer

1 Corporate information

Bilcare Limited (referred to as Company) is in the business of Global Clinical Services and R&D services. The Company is a public limited company incorporated and domiciled in India with its manufacturing unit at Rajgurunagar. The address of registered office is 1028, Shiroli, Rajgurunagar Pune - 410505.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2024 and authorised for issue on May 27, 2024.

1.1 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

1.2 Basis of preparation

The standalone financial statements have been prepared on a historical cost basis except for the following items:

- Certain financial assets and liabilities which are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

1.3 Use of estimates and judgements

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2 Material Accounting Policies

The Company uses the following accounting policies in preparation of its standalone financial statements:

2.1 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current and non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in the 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 classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) 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.

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

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

2.2 Foreign currencies

(i) Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. The Company determines its own functional currency (the currency of the primary economic environment in which the Company operates) and items included in the standalone financial statements of the Company are measured using that functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the company's functional currency of the entity at the rates prevailing on the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

2.3 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

(a) Sale of goods

Revenue is recognised when significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

(b) Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

2.4 Income recognition

(a) Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original effective interest rate.

(b) Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(c) Government Grants

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised 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.

(d) Export Incentives

Export Incentives under various schemes are recognised as other income in the Statement of profit or loss, if the entitlements can be estimated and conditions precedents to the claim are fulfilled.

2.5 Taxes

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). 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.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of Goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items outside the statement of profit and loss are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability

2.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(a) Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the same is in line with inflation.

(i) Right of use of assets (ROU)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(b) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.7 Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets under development are tested for impairment annually.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For Investments, the Company assesses the fair value, if any, at each reporting date and recognizes the impairment loss in the event it is so required. The carrying value of the Investments is considered to be the fair value and is continued on cost basis.

2.8 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.9 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the Effective Interest Rate method, less provision for impairment.

2.10 Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares and loose tools are valued at lower of cost and net realizable value. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at the lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Traded goods are valued at lower of cost are determined on a weighted average basis and net realisable value.

Scrap is valued at net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.11 Financial instruments

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

(i) Financial Assets

(a) Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through profit and loss, the transaction costs that are attributable to the acquisition of the financial asset are measured and recognized.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

1. Financial assets at amortised cost

Financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

2. Financial assets at fair value through profit and loss (FVTPL)

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR). This category generally applies to trade and other receivables.

3. Equity Investments measured at fair value through other comprehensive income (FVTOCI)

Equity investment is classified as FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI

Equity investments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the movements of interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However the Company may transfer the cumulative gain or loss within the equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(d) Impairment

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure to the following financial assets:

- Financial assets that are debt instruments and are measured at amortised cost (e.g., loans, debt securities, deposits, trade receivables and bank balance)
- Lease receivables under Ind AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- Financial assets that are measured at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of 'simplified approach' does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

(ii) Financial Liabilities

(a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an ineffective hedge, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification and the financial liabilities are classified in the following measurement categories:

Classification

1. Financial liabilities to be measured at fair value through profit or loss

All financial liabilities are recognised initially at fair value and are subsequently measured at amortized cost using the EIR method.

2. Financial liabilities to be measured at amortised cost

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included as finance costs in the statement of profit and loss. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The EIR is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

This is the category most relevant to the Company and generally applies to borrowings.

(c) Derecognition

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

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.12 Investments in Subsidiaries

The Company has accounted for its investment in subsidiaries, at cost less accumulated impairment as per Ind AS 27.

2.13 Property, plant and equipment

Property, plant and equipment are stated at fair value/deemed cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases higher and in some cases lower than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The useful lives are based on a technical evaluation and have not undergone a change on account of transition to the Companies Act, 2013.

The useful life of Property, plant and equipment as estimated by the Management is as follows:

| Class of asset | Life of the asset |
|------------------------|-------------------|
| Leasehold Land | 79 years |
| Buildings | 60 years |
| Plant and equipment | 20 years |
| Vehicles | 8 years |
| Electric fittings | 15 years |
| Furniture and fixtures | 15 years |
| Office equipment | 5 years |
| Computers | 3 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in profit and loss account.

2.14 Intangible assets

(i) Recognition and measurement

Intangible assets are recognised when the Company controls the asset and it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at fair value/deemed cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

(ii) Amortisation methods and periods

The useful life of Intangible assets as estimated by the Management is as follows:

| Class of asset | Life of the asset |
|-------------------|-------------------|
| Computer software | 10 years |
| Patent | 15 years |

2.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.16 Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

(a) Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(b) Defined contribution plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.17 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial Year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.18 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the 'lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

2.19 Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary the Company makes a disclosure of the nature and amount of such items separately under the head Exceptional Items.

2.20 Provision and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

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

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Internal Management and the Board of Directors of the Company who are responsible for allocating the resources, assess the financial performance and position of the Company and make strategic decisions. The Company has identified one reportable segment "Pharma Packaging Research Solutions" based on the information reviewed by the Internal Management and Board of Directors.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

3. PROPERTY, PLANT AND EQUIPMENT

| | Freehold land | Leasehold Land | Buildings | Plant and equipment | Electric Fitting | Furniture and fixtures | Office equipment | Total |
|--------------------------------------------------------|---------------|----------------|-----------------|---------------------|------------------|------------------------|------------------|-----------------|
| Year ended March 31, 2023 | | | | | | | | |
| Gross Carrying Amount | | | | | | | | |
| Carrying amount as at April 1, 2022 | - | 33.77 | 415.29 | 9,617.95 | 65.47 | 200.22 | 71.35 | 10,404.05 |
| Additions | - | - | - | 5.29 | - | 3.52 | 4.27 | 13.08 |
| Adjustment* | - | - | - | (2,258.00) | - | (46.65) | (31.42) | (2,336.07) |
| Disposals | - | - | - | (6,618.13) | - | - | - | (6,618.13) |
| At March 31, 2023 | - | 33.77 | 415.29 | 747.11 | 65.47 | 157.09 | 44.20 | 1,462.93 |
| Accumulated depreciation and impairment, if any | | | | | | | | |
| As at April 1, 2022 | - | 10.77 | 192.61 | 5,418.48 | 61.04 | 177.28 | 62.63 | 5,922.81 |
| Charge for the year | - | 0.43 | 4.87 | 347.36 | 1.16 | 2.67 | 3.20 | 359.69 |
| Adjustment* | - | - | - | (2,258.00) | - | (46.65) | (31.42) | (2,336.07) |
| Disposals | - | - | - | (3,498.47) | - | - | - | (3,498.47) |
| At March 31, 2023 | - | 11.20 | 197.48 | 9.37 | 62.20 | 133.30 | 34.41 | 447.96 |
| Net Block at March 31, 2023 | - | 22.57 | 217.81 | 737.74 | 3.27 | 23.79 | 9.79 | 1,014.97 |
| Year ended March 31, 2024 | | | | | | | | |
| Gross Carrying Amount | | | | | | | | |
| Carrying amount as at April 1, 2023 | - | 33.77 | 415.29 | 747.11 | 65.47 | 157.09 | 44.20 | 1,462.93 |
| Additions | 6,407.05 | - | 5,000.00 | 23.46 | - | - | 1.67 | 11,432.18 |
| Assets held for sale | (6,407.05) | - | - | - | - | - | - | (6,407.05) |
| Disposals | - | - | (289.39) | (4.38) | (62.63) | (92.70) | (21.54) | (470.64) |
| At March 31, 2024 | - | 33.77 | 5,125.90 | 766.19 | 2.84 | 64.39 | 24.33 | 6,017.42 |
| Accumulated depreciation and impairment, if any | | | | | | | | |
| As at April 1, 2023 | - | 11.20 | 197.48 | 9.37 | 62.20 | 133.30 | 34.41 | 447.96 |
| Charge for the year | - | 0.43 | 15.01 | 79.45 | - | 3.12 | 2.76 | 100.77 |
| Disposals | - | - | (110.29) | (2.93) | (59.50) | (88.06) | (20.46) | (281.24) |
| At March 31, 2024 | - | 11.63 | 102.20 | 85.89 | 2.70 | 48.36 | 16.71 | 267.49 |
| Net Block at March 31, 2024 | - | 22.14 | 5,023.70 | 680.30 | 0.14 | 16.03 | 7.62 | 5,749.93 |

* The adjustment pertains to the gross block and accumulated depreciation to align with the fixed assets register; this does not have any impact on the net block.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|----------------------|----------------------|
| Property, plant and equipment owned | 5,749.93 | 1,014.97 |
| Right-of-use assets | 76.18 | - |
| | 5,826.11 | 1,014.97 |

(ii) Carrying value of right of use of assets at the end of the reporting year by class

| | | |
|--------------------------------------|--------------|----------|
| Balance as at April 1, 2023 | - | - |
| Additions | 95.23 | - |
| Deletions | - | - |
| Deletion of Accumulated Depreciation | - | - |
| Depreciation charge for the year | 19.05 | - |
| Balance as at March 31, 2024 | 76.18 | - |

Lease as lessee

Lease contract entered by the company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitments towards variable rent as per the contract.

(iii) Movement in lease liabilities

| | | |
|-------------------------------------|--------------|----------|
| Balance as at April 1, 2023 | - | - |
| Additions | 95.23 | - |
| Deletions | - | - |
| Interest on lease liabilities | 8.38 | - |
| Payment of lease liabilities | 24.00 | - |
| Balance as at March 31, 2024 | 79.61 | - |

(iv) Maturity analysis of lease liabilities

| | | |
|--------------------------------------------------------------------------|--------------|----------|
| Less than one year | 17.17 | - |
| One to five years | 62.44 | - |
| More than five years | - | - |
| Total undiscounted lease liabilities as at March 31, 2024 | 79.61 | - |
| Current | 17.17 | - |
| Non Current | 62.44 | - |
| Lease liabilities included in the statement of financial position | 79.61 | - |

(v) Amounts recognised in profit and loss

| | | |
|-----------------------------------------------------|--------------|----------|
| Interest on lease liabilities (refer Note 22) | 8.38 | - |
| Depreciation of right-of-use assets (refer Note 23) | 19.05 | - |
| | 27.43 | - |

(vi) Amounts recognised in the statement of cash flows

| | | |
|-------------------------------|-------|---|
| Total cash outflow for leases | 24.00 | - |
|-------------------------------|-------|---|

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

5 INTANGIBLE ASSETS

| | Patents & trademarks | Softwares | Total |
|--------------------------------------------------------|----------------------|---------------|-----------------|
| Year ended March 31, 2023 | | | |
| Gross Carrying Amount | | | |
| Carrying amount as at April 1, 2022 | 1,036.09 | 655.04 | 1,691.13 |
| Additions | - | 7.00 | 7.00 |
| Adjustments* | - | (15.57) | (15.57) |
| Disposals | - | - | - |
| At March 31, 2023 | 1,036.09 | 646.47 | 1,682.56 |
| Accumulated depreciation and impairment, if any | | | |
| As at April 1, 2022 | 481.03 | 514.11 | 995.14 |
| Charge for the year | 68.61 | 23.94 | 92.55 |
| Adjustments* | - | (15.57) | (15.57) |
| Disposals | - | - | - |
| At March 31, 2023 | 549.64 | 522.48 | 1,072.12 |
| Net Block at March 31, 2023 | 486.45 | 123.99 | 610.44 |
| Year ended March 31, 2024 | | | |
| Gross Carrying Amount | | | |
| Carrying amount as at April 1, 2023 | 1,036.09 | 646.48 | 1,682.57 |
| Additions | - | - | - |
| Disposals | - | - | - |
| At March 31, 2024 | 1,036.09 | 646.48 | 1,682.57 |
| Accumulated depreciation and impairment, if any | | | |
| As at April 1, 2023 | 549.63 | 522.48 | 1,072.11 |
| Charge for the year | 68.58 | 26.86 | 95.44 |
| Disposals | - | - | - |
| At March 31, 2024 | 618.21 | 549.34 | 1,167.55 |
| Net Block at March 31, 2024 | 417.88 | 97.14 | 515.02 |

* The adjustment pertains to the gross block and accumulated depreciation to align with the fixed assets register; this does not have any impact on the net block.

6 FINANCIAL ASSETS

(i) a) Investment in Subsidiaries

| | Notes | 31 Mar 24 | 31 Mar 23 |
|------------------------------------------------------------------|---------------|------------------|------------------|
| In equity shares (quoted) | See note (i) | 8,047.89 | - |
| In equity shares (unquoted) | See note (i) | 2.95 | 8,049.84 |
| In 0.1% Non - Cumulative Redeemable preference shares (unquoted) | See note (ii) | 21,300.00 | 21,300.00 |
| | | 29,350.84 | 29,349.84 |

(i) Investment in equity shares of subsidiaries

| | 31 Mar 24 | | 31 Mar 23 | |
|------------------------------------------------|-----------|-----------------|-----------|-----------------|
| | Nos | Amount | Nos | Amount |
| Quoted | | | | |
| Caprihans India Limited (of ₹10 each) | 6,698,325 | 8,047.89 | - | - |
| Unquoted | | | | |
| Bilcare Mauritius Limited (of USD 1000 each) | - | - | 6,943 | 8,048.89 |
| Bilcare Inc (of USD 1 each) | 1,000 | 0.83 | - | - |
| Bilcare GCS Inc (of USD 1 each) | 200 | 0.17 | - | - |
| Bilcare GCS Ireland Limited (of Euro 1 each) | 1 | - | - | - |
| Bilcare GCS Limited, UK (of GBP 1 each) | 1,000 | 0.95 | 1,000 | 0.95 |
| Bilcare Pharma Solutions Limited (of ₹10 each) | 10,000 | 1.00 | - | - |
| | | 8,050.84 | | 8,049.84 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

- (ii) Investment in Caprihans India Limited (CIL) of 21,30,00,000 shares having face value of ₹10 each and redeemable within a period of 20 years (upto 2043).

Notes:

- 1) During the year Bilcare Mauritius Limited (BML) has been liquidated. Consequently, the investments of BML in its subsidiaries viz. Bilcare GCS Inc, Bilcare GCS Ireland Limited, Bilcare Inc and Caprihans India Limited has been transferred to the shareholder viz. Bilcare Limited as part of the liquidation proceeds.
- 2) During the year Bilcare Pharma Solutions Limited has been incorporated.

b) Investments

| | 31 Mar 24 | | 31 Mar 23 | |
|------------------------------------------------------------|-----------|-------------|-----------|-------------|
| | Nos | Amount | Nos | Amount |
| Non-Current | | | | |
| Investment in equity shares (unquoted) | | | | |
| Janata Sahakari Bank Limited (of ₹100 each) | 100 | 0.10 | - | - |
| Cosmos Bank (of ₹100 each) | 1,000 | 1.00 | 1,000 | 1.00 |
| | | 1.10 | | 1.00 |
| Aggregate amount of unquoted investments | | 1.10 | | 1.00 |
| Aggregate amount of impairment in the value of investments | | - | | - |
| Investments (a+b) | | 29,351.94 | | 29,350.84 |

(ii) (a) Other financial assets

| | 31 Mar 24 | 31 Mar 23 |
|---------------------------------------------------------|-----------------|---------------|
| Non-Current | | |
| Security deposits - Considered good | 3.60 | 54.42 |
| | 3.60 | 54.42 |
| Current | | |
| Security deposits - Considered good | 53.42 | - |
| Other receivables - Considered good | 1,264.21 | 564.13 |
| | 1,317.63 | 564.13 |
| (b) Trade Receivables - Billed - Current | | |
| Trade receivables - Billed | 440.08 | 947.00 |
| Less: Allowance for doubtful trade receivables - Billed | (19.18) | (2.25) |
| Considered good | 420.90 | 944.75 |
| Trade receivables - Credit impaired | 68.04 | - |
| | 488.94 | 944.75 |

Above balances of trade receivables - billed include balances with related parties (Refer Note 36).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

Ageing for trade receivables – Billed - current outstanding as at March 31, 2024:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---------------------------------------------------------|---------|---------------------------------------------------------------|----------------------|----------------|----------------|-------------------------|---------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Undisputed trade receivables | | | | | | | |
| – considered good | 244.54 | 149.73 | 9.06 | 0.57 | 0.56 | 0.47 | 404.92 |
| – which have significant increase in credit risk | 11.91 | 1.05 | 8.76 | 9.54 | 0.43 | - | 31.69 |
| – credit impaired | 16.03 | 19.42 | 19.45 | 5.31 | 5.44 | 2.38 | 68.03 |
| Disputed trade receivables | | | | | | | |
| – considered good | - | - | - | - | - | - | - |
| – which have significant increase in credit risk | - | 1.23 | - | 0.51 | 1.74 | - | 3.48 |
| – credit impaired | - | - | - | - | - | - | - |
| | 272.48 | 171.43 | 37.27 | 15.93 | 8.17 | 2.85 | 508.12 |
| Less: Allowance for doubtful trade receivables - Billed | | | | | | | (19.18) |
| | | | | | | | 488.94 |

Ageing for trade receivables – Billed - current outstanding as at March 31, 2023:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---------------------------------------------------------|---------|---------------------------------------------------------------|----------------------|----------------|----------------|-------------------------|--------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Undisputed trade receivables | | | | | | | |
| – considered good | 676.58 | 209.04 | 35.51 | 8.47 | 10.95 | 0.01 | 940.57 |
| – which have significant increase in credit risk | - | 1.08 | 0.38 | - | 2.88 | 2.09 | 6.43 |
| – credit impaired | - | - | - | - | - | - | - |
| Disputed trade receivables | | | | | | | |
| – considered good | - | - | - | - | - | - | - |
| – which have significant increase in credit risk | - | - | - | - | - | - | - |
| – credit impaired | - | - | - | - | - | - | - |
| | 676.58 | 210.12 | 35.89 | 8.47 | 13.83 | 2.10 | 947.00 |
| Less: Allowance for doubtful trade receivables - Billed | | | | | | | (2.25) |
| | | | | | | | 944.75 |

(c) Cash and Cash Equivalents

| | 31 Mar 24 | 31 Mar 23 |
|----------------------------|---------------|-----------------|
| Balances with banks | | |
| In current accounts | 115.31 | 1,012.77 |
| Cash on hand | 0.79 | 100.18 |
| Funds in Transit | 3.32 | - |
| | 119.42 | 1,112.95 |

(d) Other balances with banks

| | | |
|-------------------------------|--------------|--------------|
| Deposit accounts | - | 2.40 |
| Earmarked deposits with banks | 85.72 | 82.22 |
| | 85.72 | 84.62 |

Earmarked deposits include margin money for guarantees, advance license etc.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

7 OTHER ASSETS

| | 31 Mar 24 | 31 Mar 23 |
|------------------------------------------------|---------------|------------------|
| Non-current | | |
| Capital advances (refer table below) | 747.45 | 11,445.87 |
| Gratuity (See Note 29) | 20.93 | 35.78 |
| | 768.38 | 11,481.65 |
| Current | | |
| Advance to suppliers | 15.44 | 38.16 |
| Advance to employees | 0.79 | 3.42 |
| Advance to related parties (refer table below) | - | 3.29 |
| Balance with Government authorities | 416.54 | - |
| Prepaid expenses | 19.27 | 5.31 |
| Other advances | 90.00 | - |
| | 542.04 | 50.18 |

| Loans or advances to specified persons (without any terms or period of repayment) | 31 Mar 24 | | 31 Mar 23 | |
|-----------------------------------------------------------------------------------|-------------------|---------------------|-------------------|---------------------|
| | Amount of advance | % to total advances | Amount of advance | % to total advances |
| Type of Borrower | | | | |
| Promoters | - | - | 11,378.16 | 99.4% |
| Directors | - | - | - | - |
| KMPs | - | - | - | - |
| Related Parties (refer Note 36) | 747.45 | 100.0% | 3.29 | 0.0% |

8 DEFERRED TAX (Net)

| | Deferred tax assets | | Deferred tax liabilities | | Net deferred tax asset / (liabilities) | |
|---------------------------------------------------------------|---------------------|--------------|--------------------------|-----------------|----------------------------------------|----------------|
| | 31 Mar 24 | 31 Mar 23 | 31 Mar 24 | 31 Mar 23 | 31 Mar 24 | 31 Mar 23 |
| Property, plant and equipment | - | - | (131.00) | (114.00) | (131.00) | (114.00) |
| Provision for gratuity & leave encashment | 4.00 | - | - | - | 4.00 | - |
| Disallowances u/s 43B of Income Tax Act & other disallowances | - | 19.76 | - | - | - | 19.76 |
| | 4.00 | 19.76 | (131.00) | (114.00) | (127.00) | (94.24) |

(i) Movement in temporary differences for the year ended March 31, 2023

| | 31 Mar 22 | Recognised in | | | 31 Mar 23 |
|---------------------------------------------------------------|------------------|--------------------|-------------|----------|----------------|
| | | Profit or loss | OCI | Equity | |
| Property, plant and equipment | (7,684.00) | 7,570.00 | - | - | (114.00) |
| Provision for gratuity & leave encashment | 185.00 | (185.90) | 0.90 | - | - |
| Investments | 8,145.00 | (8,145.00) | - | - | - |
| Receivables and advances / payables | 10,427.55 | (10,427.55) | - | - | - |
| Disallowances u/s 43B of Income Tax Act & other disallowances | - | 19.76 | - | - | 19.76 |
| | 11,073.55 | (11,168.69) | 0.90 | - | (94.24) |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

(ii) Movement in temporary differences for the year ended March 31, 2024

| | 31 Mar-23 | Recognised in | | | 31 Mar 24 |
|---------------------------------------------------------------|----------------|----------------|-------------|----------|-----------------|
| | | Profit or loss | OCI | Equity | |
| Property, plant and equipment | (114.00) | (17.00) | - | - | (131.00) |
| Provision for gratuity & leave encashment | - | 0.99 | 3.01 | - | 4.00 |
| Disallowances u/s 43B of Income Tax Act & other disallowances | 19.76 | (19.76) | - | - | - |
| | (94.24) | (35.77) | 3.01 | - | (127.00) |

(iii) Unrecognised deferred tax assets

| | 31 Mar 24 | 31 Mar 23 |
|-------------------------|-----------|-----------|
| Unabsorbed loss* | 19,839.34 | 18,975.95 |
| Unabsorbed depreciation | 27,252.08 | 26,822.06 |

*Includes long term capital losses of ₹15,255.72 lacs available for set off upto AY 2024-25

The losses can be carried forward for a period of 8 years and unabsorbed depreciation without any time limit.

9 INVENTORIES

| | 31 Mar 24 | 31 Mar 23 |
|--------------------------------------------|--------------|--------------|
| (at cost) | | |
| Raw materials | 21.53 | 38.94 |
| Stores and consumables | 18.67 | 31.45 |
| (at lower of cost or net realisable value) | | |
| Work-in-progress | 10.59 | 11.78 |
| Finished goods | 0.09 | 0.01 |
| | 50.88 | 82.18 |

10 NON CURRENT TAX ASSETS

Non-Current

| | | |
|---------------------------------|---------------|---------------|
| Opening balance | 631.08 | 571.63 |
| Add: Taxes paid during the year | 345.23 | 138.49 |
| Less: Refund of earlier years | (403.39) | (79.04) |
| Closing balance | 572.92 | 631.08 |

11 SHARE CAPITAL

[a] Authorised share capital

| | Equity shares of ₹10 each (PY ₹10 each) | | Redeemable preference shares of ₹10 each (PY ₹10 each) | |
|----------------------------|--------------------------------------------|----------|-----------------------------------------------------------|--------|
| | No. of shares | Amount | No. of shares | Amount |
| As at 31-Mar-2022 | 40,000,000 | 4,000.00 | 5,000,000 | 500.00 |
| Increase during the year | - | - | - | - |
| As at 31-Mar-2023 | 40,000,000 | 4,000.00 | 5,000,000 | 500.00 |
| Increase during the year | - | - | - | - |
| As at 31-March-2024 | 40,000,000 | 4,000.00 | 5,000,000 | 500.00 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

[b] Issued equity share capital

| | Equity shares of ₹10 each (PY ₹10 each) | |
|----------------------------|--------------------------------------------|----------|
| | No. of shares | Amount |
| As at 31-Mar-2022 | 23,545,231 | 2,354.52 |
| Change during the year | - | - |
| As at 31-Mar-2023 | 23,545,231 | 2,354.52 |
| Change during the year | - | - |
| As at 31-March-2024 | 23,545,231 | 2,354.52 |

Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. During the year ended 31 March 2024, the amount of per share dividend recognized as distributions to equity shareholders was NIL (31 March 2023: NIL). 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.

[c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Equity shares (face value: ₹10 each)

| | 31 Mar 24 | | 31 Mar 23 | |
|-------------------------|---------------|--------------------------|---------------|--------------------------|
| | No. of shares | % of total equity shares | No. of shares | % of total equity shares |
| Mohan H. Bhandari | 5,856,489 | 24.9% | 5,856,489 | 24.9% |
| Monument Pte. Ltd. | 3,871,428 | 16.4% | 3,871,428 | 16.4% |
| Guttikonda Vara Lakshmi | 1,948,754 | 8.3% | 1,876,525 | 8.0% |
| Nutan M. Bhandari | 1,205,122 | 5.1% | 1,205,122 | 5.1% |

[d] Disclosure of Shareholding of Promoters

| Name of Promoter | Mohan H. Bhandari | Nutan M. Bhandari | Ankita J. Kariya | Total |
|--------------------------------|-------------------|-------------------|------------------|-----------|
| As at 31-03-2024 | | | | |
| No. of shares | 5,856,489 | 1,205,122 | 5,000 | 7,066,611 |
| % of shares (a) | 24.9% | 5.1% | 0.0% | 30.0% |
| As at 31-03-2023 | | | | |
| No. of shares | 5,856,489 | 1,205,122 | 5,000 | 7,066,611 |
| % of shares (b) | 24.9% | 5.1% | 0.0% | 30.0% |
| % change during the year (a-b) | 0.0% | 0.0% | 0.0% | 0.0% |
| As at 31-03-2022 | | | | |
| No. of shares | 5,856,489 | 1,205,122 | 5,000 | 7,066,611 |
| % of shares (c) | 24.9% | 5.1% | 0.0% | 30.0% |
| % change during the year (b-c) | 0.0% | 0.0% | 0.0% | 0.0% |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

12 OTHER EQUITY

| | 31 Mar 24 | 31 Mar 23 |
|----------------------------|------------------|------------------|
| Securities premium reserve | 51,034.41 | 51,034.41 |
| Capital redemption reserve | 271.63 | 271.63 |
| General Reserve | 11,622.47 | 11,622.47 |
| Retained earnings | (23,717.41) | (24,242.58) |
| | 39,211.10 | 38,685.93 |

(i) Securities premium reserve

Security Premium Reserve has been created in earlier years on issue of shares at a premium and is utilised in accordance with the provisions of the Act.

| | | |
|---------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 51,034.41 | 51,034.41 |
| Movement during the year | - | - |
| Balance at the end of the year | 51,034.41 | 51,034.41 |

(ii) Capital redemption reserve

Capital redemption reserve has been created on account of redemption of cumulative preference shares in earlier years.

| | | |
|---------------------------------------|---------------|---------------|
| Balance at the beginning of the year | 271.63 | 271.63 |
| Movement during the year | - | - |
| Balance at the end of the year | 271.63 | 271.63 |

(iii) General Reserve

General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the securities.

| | | |
|---------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 11,622.47 | 11,622.47 |
| Movement during the year | - | - |
| Balance at the end of the year | 11,622.47 | 11,622.47 |

(iv) Retained earnings

This reserve represents the cumulative profits of the Company and the effects of remeasurement of defined benefits obligations.

| | | |
|-------------------------------------------------------------------------------------|--------------------|--------------------|
| Balance at the beginning of the year | (24,242.48) | (60,942.21) |
| Net profit/(loss) from continuing operation | 534.02 | 39,078.63 |
| Net profit/(loss) from discontinued operation | - | (2,376.43) |
| <i>Items of other comprehensive income recognised directly in retained earnings</i> | | |
| - Remeasurements of post-employment benefit obligation, net of tax | (8.95) | (2.57) |
| Balance at the end of the year | (23,717.41) | (24,242.58) |

13 FINANCIAL LIABILITIES

13(a) Non Current Borrowings

| | 31 Mar 24 | 31 Mar 23 |
|------------------------------|---------------|---------------|
| Unsecured | | |
| Rupee Term loans - From CSIR | 949.79 | 751.97 |
| | 949.79 | 751.97 |

Payable from 01.10.2014 in 10 yearly installments, rate of simple interest 3.00% p.a.; default in payment - repayable on demand.
The penal interest as per the agreement terms for CSIR loan of ₹1,035.44 lacs is considered under Contingent Liability (refer Note 32).
The matter is currently sub-judice.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

13(b) Other Financial Liabilities

| | 31 Mar 24 | 31 Mar 23 |
|-------------------------------------------------------|-----------------|-----------------|
| Current | | |
| Interest accrued on MSME | 18.62 | 0.49 |
| Share subscription payable for shares in subsidiaries | 0.95 | 0.95 |
| Salaries and wages payable | 94.72 | 66.01 |
| Outstanding liabilities for expenses | 115.51 | 177.63 |
| Other payables and acceptances | 1,559.28 | 1,985.39 |
| | 1,789.08 | 2,230.47 |

13(c) Trade Payables

| | | |
|-------------------------------------------------------|-----------------------|---------------|
| Current | | |
| Trade Payables | 84.05 | 575.52 |
| Trade Payables to Micro, Small and Medium Enterprises | See Note 31 134.57 | 23.95 |
| | 218.62 | 599.47 |

Ageing for trade payables outstanding as at March 31, 2024:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--------------|---------------------------------------------------------------|-------------|-------------|----------------------|---------------|
| | | Less than 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Trade payables | | | | | | |
| MSME | 57.10 | 29.01 | - | - | - | 86.11 |
| Others | 1.87 | 58.16 | 7.20 | 1.51 | 15.31 | 84.05 |
| Disputed dues - MSME | - | 48.46 | - | - | - | 48.46 |
| Disputed dues - Others | - | - | - | - | - | - |
| | 58.97 | 135.63 | 7.20 | 1.51 | 15.31 | 218.62 |

Ageing for trade payables outstanding as at March 31, 2023:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|---------------|---------------------------------------------------------------|-------------|-------------|----------------------|---------------|
| | | Less than 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Trade payables | | | | | | |
| MSME | 7.69 | 3.01 | - | - | - | 10.70 |
| Others | 371.11 | 189.13 | 0.05 | 1.15 | 14.08 | 575.52 |
| Disputed dues - MSME | - | 13.04 | 0.21 | - | - | 13.25 |
| Disputed dues - Others | - | - | - | - | - | - |
| | 378.80 | 205.18 | 0.26 | 1.15 | 14.08 | 599.47 |

14 PROVISIONS

| | Notes | 31 Mar 24 | 31 Mar 23 |
|--------------------------------|-------|--------------|-------------|
| Non-current | | | |
| Provision for leave encashment | | 11.47 | 9.97 |
| | | 11.47 | 9.97 |
| Current | | | |
| Provision for leave encashment | | 2.09 | 3.21 |
| | | 2.09 | 3.21 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

15 OTHER LIABILITIES

| | Notes | 31 Mar 24 | 31 Mar 23 |
|-------------------------------------|-------------|-----------------|-----------------|
| Current | | | |
| Advance from customers | | 6.64 | 86.74 |
| Advance from related parties | See Note 36 | 1,263.86 | 1,061.17 |
| Balance with Government authorities | | - | 43.24 |
| Statutory liabilities | | 35.86 | 61.28 |
| | | 1,306.36 | 1,252.43 |

16 REVENUE FROM OPERATIONS

| | For the year ended on | For the year ended on |
|----------------------------------------|-----------------------|-----------------------|
| | 31-Mar-24 | 31-Mar-23 |
| Revenue from sale of products | | |
| Domestic | 223.46 | 14.67 |
| Export | 380.85 | 99.32 |
| | 604.31 | 113.99 |
| Revenue from rendering services | | |
| Domestic | 840.25 | 978.88 |
| Export | 315.79 | 305.49 |
| | 1,156.04 | 1,284.37 |
| | 1,760.35 | 1,398.36 |

17 OTHER INCOME

| | | |
|----------------------------------|---------------|---------------|
| Interest on deposits and others | 67.22 | 10.95 |
| Rental Income | 165.12 | 90.14 |
| Dividend income | 3.18 | - |
| Profit on assets sold / disposed | 560.61 | - |
| Liabilities written back | - | 271.68 |
| Corporate Guarantee Fee | 50.00 | - |
| Miscellaneous income* | 11.09 | 0.16 |
| | 857.22 | 372.93 |

*includes ₹3.32 lacs received from BML as liquidation proceeds in cash.

18 COST OF MATERIALS CONSUMED

| | | |
|----------------------------------------|---------------|---------------|
| Inventory at the beginning of the year | 38.94 | 35.01 |
| Add: Purchases | 856.54 | 381.41 |
| Less: Inventory at the end of the year | (21.53) | (38.94) |
| Cost of raw materials consumed | 873.95 | 377.48 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

19 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

| | Notes | For the year ended on | For the year ended on |
|-------------------------------------------------|-------|--------------------------|--------------------------|
| | | 31 Mar 24 | 31 Mar 23 |
| Inventory at the end of the year | | | |
| - Finished goods | | 0.09 | 0.01 |
| - Work-in-progress | | 10.59 | 11.78 |
| | | 10.68 | 11.79 |
| Inventory at the beginning of the year | | | |
| - Finished goods | | 0.01 | 132.60 |
| - Work-in-progress | | 11.78 | - |
| | | 11.79 | 132.60 |
| Net (increase) / decrease in inventories | | 1.11 | 120.81 |

20 EMPLOYEE BENEFITS EXPENSE

| | | |
|-------------------------------------------|---------------|---------------|
| Salaries, wages and bonus | 495.69 | 532.17 |
| Contribution to provident and other funds | 30.44 | 37.20 |
| Job work charges | 24.87 | 22.42 |
| Gratuity expense | 12.16 | (24.50) |
| Staff welfare expenses | 33.84 | 30.52 |
| | 597.00 | 597.81 |

21 OTHER EXPENSES

Manufacturing Expenses

| | | |
|-------------------------------------|---------------|--------------|
| Consumables, spares and loose tools | 95.93 | 9.64 |
| Power and fuel | 53.67 | 31.82 |
| Freight & forwarding charges | 4.43 | - |
| Sub-contracting expenses | 3.36 | 1.12 |
| | 157.39 | 42.58 |

Selling and Distribution Expenses

| | | |
|----------------------------------|---------------|--------------|
| Sales commission | 0.62 | - |
| Advertising and sales promotion | 5.85 | 6.04 |
| Bad debts / advances written off | 180.12 | 77.98 |
| | 186.59 | 84.02 |

Other Expenses

| | | |
|-----------------------|--------|--------|
| Rent | 97.26 | 128.03 |
| Rates and taxes | 6.19 | 4.16 |
| Repairs | | |
| - Building | 241.83 | 4.63 |
| - Plant and machinery | 3.61 | 7.61 |
| - Others | 39.98 | 59.06 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | Notes | For the year | For the year |
|------------------------------------------|-------|------------------------|------------------------|
| | | ended on | ended on |
| | | 31 Mar 24 | 31 Mar 23 |
| Insurance | | 26.82 | 19.99 |
| Communication expenses | | 13.40 | 16.99 |
| Travelling and conveyance | | 97.82 | 68.22 |
| Printing & Stationery | | 10.91 | 23.66 |
| Brokerage & Commission | | 7.66 | - |
| Legal and professional expenses | | 237.76 | 303.94 |
| Payment to auditor (refer details below) | | 10.57 | 14.90 |
| License & Registration expenses | | 4.93 | 0.14 |
| Exchange differences (net) | | 8.60 | 193.27 |
| Miscellaneous expenses | | 48.15 | 44.97 |
| | | <u>855.49</u> | <u>889.57</u> |
| | | <u>1,199.47</u> | <u>1,016.17</u> |
| Payment to auditors (net of GST) | | | |
| As auditor | | | |
| Audit Fee | | 4.75 | 10.00 |
| Tax Audit Fee | | - | 2.50 |
| Limited Review and other matters | | 5.25 | 2.00 |
| Reimbursement of expenses | | 0.57 | 0.40 |
| | | <u>10.57</u> | <u>14.90</u> |

22 FINANCE COSTS

| | | | |
|-----------------------------|--|---------------|--------------|
| Interest | | 228.12 | 36.69 |
| Lease Interest | | 8.38 | - |
| Bank charges and commission | | 12.28 | 8.27 |
| | | <u>248.78</u> | <u>44.96</u> |

23 DEPRECIATION AND AMORTIZATION EXPENSE

| | | | |
|-----------------------------------------------|--|---------------|---------------|
| Depreciation on property, plant and equipment | | 100.77 | 359.68 |
| Depreciation of Right of use assets (lease) | | 19.05 | - |
| Amortisation of intangible assets | | 95.45 | 92.55 |
| | | <u>215.27</u> | <u>452.23</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

24 EXCEPTIONAL ITEMS GAIN /(LOSS)

| | Notes | For the year ended on 31 Mar 24 | For the year ended on 31 Mar 23 |
|------------------------------------------------------------------|--------------|------------------------------------|------------------------------------|
| Gain on One Time Settlement (OTS) with Banks | | - | 18,140.55 |
| Present value loss on OTS | | - | (4,717.28) |
| Liabilities for advances and others written back / (written off) | See note (a) | 1,507.03 | (231.50) |
| Assets Impaired | | - | (3,119.66) |
| Interest on delayed payment of TDS | See note (b) | (419.13) | - |
| Slump Sale Gain | | - | 41,057.62 |
| | | 1,087.90 | 51,129.73 |

a Includes liabilities pertaining to BML no longer payable written back

b Is the amount of penal interest on delayed payment of TDS earlier considered under contingent liabilities

25 INCOME TAX

[a] Income tax expense is as follows:

Statement of profit and loss

Current tax:

| | | |
|---------------------------------------------|---|-------|
| Current tax on profits for the year | - | - |
| Total current tax expense | - | - |
| Adjustment of Tax relating to earlier years | - | 44.23 |

Deferred tax:

| | | |
|----------------------------------------------|--------------|------------------|
| Deferred tax expense / (income) | 35.77 | 11,168.70 |
| Total deferred tax expense / (income) | 35.77 | 11,168.70 |

Income tax expense

35.77 **11,212.93**

Other comprehensive income

Deferred tax related to OCI items:

| | | |
|---------------------------------------------------------------|-------------|-------------|
| - On loss / (gain) on remeasurements of defined benefit plans | 3.01 | 0.90 |
| | 3.01 | 0.90 |

Total Tax expense / (income)

32.76 **11,212.03**

[b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

| | | |
|-------------------------------------------------------------------------------------|-----------------|------------------|
| Profit/(loss) before exceptional items and tax | (518.01) | (838.17) |
| Other comprehensive income before tax | (11.96) | (3.47) |
| Total comprehensive income before tax | (529.97) | (841.64) |
| Tax rate in India (%) | 25.17% | 26.00% |
| Expected Income Tax expense | (133.39) | (218.82) |
| Tax effect of adjustments in calculating taxable income: | | |
| Timing difference for effect of tax for temporary differences | (141.09) | - |
| Expenses not deductible | (54.05) | 84.51 |
| Loss in respect of Deferred tax assets not recognised for the year | 325.52 | 133.42 |
| Effect of tax rate difference of earlier year temporary difference | 32.76 | 3,022.79 |
| Reversal of deferred tax on account of change in earlier year temporary differences | - | 8,145.00 |
| Income tax adjustments (earlier years) | - | 44.23 |
| Effect of income tax on OCI | 3.01 | 0.90 |
| Income tax expense | 32.76 | 11,212.03 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

26 EARNING PER SHARE

| | For the year ended on | For the year ended on |
|--------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| | 31 Mar 24 | 31 Mar 23 |
| Basic earning per share (face value of ₹10 each) | 2.27 | 165.97 |
| Diluted earning per share (face value of ₹10 each) | 2.27 | 165.97 |
| - Profit attributable to the equity share holders of the Company used in calculating basic earning per share | 534.02 | 39,078.73 |
| - Weighted average number of shares used as denominator in calculating basic earning per share (in Nos.) | 23,545,231 | 23,545,231 |

27 FINANCIAL RISK MANAGEMENT

The Company's financial liabilities include borrowings, lease liabilities, trade and other payables. The Company's financial assets include investments, trade and other receivables, cash and cash equivalents and other bank balances. The Company also holds FVTPL investments. The Company is exposed to credit risk, liquidity risk and market risk. The Board of Directors of the Company oversee the management of these financial risks on an on-going basis.

| Risk | Exposure arising from | Measurement | Management |
|----------------|-----------------------|------------------------|-------------------|
| Credit Risk | Financial Assets | Carrying amount | Credit worthiness |
| | Trade Receivables | Bad and doubtful debts | As per policy |
| Liquidity Risk | Borrowings | Carrying amount | Rolling forecasts |
| | Trade Payables | Carrying amount | Rolling forecasts |
| Market Risk | Foreign Currency | Exchange rate | Natural hedge |
| | Interest rate | Interest rate | Bank rate |

1) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The assumptions for analysing Expected Credit Losses (ECL) are based on the current prevailing market scenarios. The Company only deals with parties which have good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹30,878.31 lacs and ₹31,166.96 lacs as at March 31, 2024 and 2023, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments excluding trade receivables. The maximum credit exposure on financial guarantees given by the Company for the Group and various financial facilities is disclosed in Note 32 Contingent liabilities.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivable as at March 31, 2024 and March 31, 2023.

The reconciliation of allowance for lifetime expected credit loss on trade receivables for reporting period is as follows:

| | 31-Mar-24 | 31-Mar-23 |
|--------------------------------------|-----------|-----------|
| Balance at the beginning of the year | 2.25 | 39.09 |
| Change during the year | 197.05 | 41.13 |
| Bad debts / advances written off | (180.12) | (77.98) |
| Balance at the end of the year | 19.18 | 2.25 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

2) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities by monitoring the rolling forecasts to assess its cash flow requirements to meet operational needs and matching the maturity profiles of financial assets and liabilities. The Company is not able to generate adequate revenues to meet its obligations in a timely manner.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments.

| | Less than 1 year | More than 1 year | Total |
|--------------------------------------|------------------|------------------|----------|
| 31-Mar-24 | | | |
| Non-derivative financial liabilities | | | |
| Borrowings* | 949.79 | - | 949.79 |
| Lease Liabilities | 17.17 | 62.44 | 79.61 |
| Trade payables | 218.62 | - | 218.62 |
| Other Financial Liabilities | 1,789.08 | - | 1,789.08 |
| Total | 2,974.66 | 62.44 | 3,037.10 |
| 31-Mar-23 | | | |
| Non-derivative financial liabilities | | | |
| Borrowings | 751.97 | - | 751.97 |
| Lease Liabilities | - | - | - |
| Trade payables | 599.47 | - | 599.47 |
| Other Financial Liabilities | 2,230.47 | - | 2,230.47 |
| Total | 3,581.91 | - | 3,581.91 |

* Maturity amount of borrowings is including interest.

3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, price and other market changes. The Company is not exposed to price risk, since the Company's investment is in equity instruments of subsidiaries and it carries no other external investments. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risks are managed within the approved policy parameters. The Company has a natural hedge as it imports raw material and exports goods.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets (including cash and bank balances) and liabilities are as follows:

| Currency | Assets | | | | Liabilities | | | |
|----------------------------|------------------|----------|------------------|----------|------------------|----------|------------------|----------|
| | 31-Mar-24 | | 31-Mar-23 | | 31-Mar-24 | | 31-Mar-23 | |
| | Foreign Currency | (₹) Lacs | Foreign Currency | (₹) Lacs | Foreign Currency | (₹) Lacs | Foreign Currency | (₹) Lacs |
| United States Dollar (USD) | 116,034.52 | 96.74 | 93,418.89 | 76.81 | 66,455.21 | 55.41 | 48,275.39 | 39.69 |
| Euro (EUR) | 300,627.03 | 271.22 | 307,227.03 | 275.30 | 16,373.35 | 14.77 | 8,121.17 | 7.28 |
| Great British Pound (GBP) | 25,951.96 | 27.33 | 50,896.76 | 51.85 | - | - | - | - |
| Swiss Franc (CHF) | - | - | - | - | - | - | 777,000.00 | 698.76 |

The following tables demonstrate the sensitivity of outstanding foreign currency denominated monetary items to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of financial assets and liabilities:

| | Effect on Profit before tax | |
|------------------------------------------------------|-----------------------------|-----------|
| | 31-Mar-24 | 31-Mar-23 |
| + 10% on Financial Assets less Financial Liabilities | 32.51 | (34.18) |
| - 10% on Financial Assets less Financial Liabilities | (32.51) | 34.18 |

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings are primarily fixed rate borrowings.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

28 FINANCIAL INSTRUMENTS

1) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

| | Fair value through profit or loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortised Cost | Total carrying value |
|------------------------------|-------------------------------------------------|--------------------------------------------------------------|-------------------|----------------------------|
| Financial assets | | | | |
| Investments* | 1.10 | - | - | 1.10 |
| Other financial assets | - | - | 1,321.23 | 1,321.23 |
| Trade receivables - billed | - | - | 488.94 | 488.94 |
| Cash and cash equivalents | - | - | 119.42 | 119.42 |
| Bank balances | - | - | 85.72 | 85.72 |
| | 1.10 | - | 2,015.31 | 2,016.41 |
| Financial liabilities | | | | |
| Borrowings | - | - | 949.79 | 949.79 |
| Trade payables | - | - | 218.62 | 218.62 |
| Lease liabilities | - | - | 79.61 | 79.61 |
| Other financial liabilities | - | - | 1,789.08 | 1,789.08 |
| | - | - | 3,037.10 | 3,037.10 |

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

| | Fair value through profit or loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortised Cost | Total carrying value |
|------------------------------|-------------------------------------------------|--------------------------------------------------------------|-------------------|----------------------------|
| Financial assets | | | | |
| Investments* | 1.00 | - | - | 1.00 |
| Other financial assets | - | - | 618.55 | 618.55 |
| Trade receivables - billed | - | - | 944.75 | 944.75 |
| Cash and cash equivalents | - | - | 1,112.95 | 1,112.95 |
| Bank balances | - | - | 84.62 | 84.62 |
| | 1.00 | - | 2,760.87 | 2,761.87 |
| Financial liabilities | | | | |
| Borrowings | - | - | 751.97 | 751.97 |
| Trade payables | - | - | 599.47 | 599.47 |
| Lease liabilities | - | - | - | - |
| Other financial liabilities | - | - | 2,230.47 | 2,230.47 |
| | - | - | 3,581.91 | 3,581.91 |

Management has assessed that Cash and cash equivalents, Other balances with banks, Trade receivables, Other financial assets, Trade payables, Borrowings, Lease liabilities and Other financial liabilities carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

2) Fair Value Hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation techniques:

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.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- The fair value of quoted equity investment and mutual funds are based on price quotations at the reporting date.
- The fair value of unquoted equity investments are based on market multiple approach. Market multiple of EV/EBITDA are considered after applying suitable discounts for size, liquidity and other company specific discounts.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The model incorporates various inputs including the credit quality of counter parties, foreign exchange spot and forward rates. However Company doesnot have any derivative financial instruments.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active markets. The investment included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

| | | 31 Mar 24 | 31 Mar 23 |
|-------------------------|---------|-----------|-----------|
| Financial assets | | | |
| Investments* | Level 1 | - | - |
| | Level 2 | 1.10 | 1.00 |
| | Level 3 | - | - |

*The above Investments does not include equity investments in associates and joint ventures which are accounted as per equity method and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures".

29 EMPLOYEE BENEFITS

Defined Contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits, such as provident fund.

Defined Benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides gratuity benefit to its employees which is treated as defined benefit plans.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. 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 recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Employee benefit plans consist of the following:

Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust and the fair value of the plan assets is deducted from the gross obligation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

| | 31 Mar 24 | 31 Mar 23 |
|----------------------------------------------------------------------------------------------------|---------------|-----------------|
| Change in benefit obligations | | |
| Present value of obligation as at the beginning of the year | 103.89 | 757.62 |
| Transfer in/(out)# | - | (761.29) |
| Interest expense | 7.40 | 52.79 |
| Current service cost | 15.19 | 79.20 |
| Benefits paid | (10.55) | (28.07) |
| Remeasurements on obligation - (Gain) / Loss | 12.13 | 3.63 |
| Present value of obligation as at the end of the year | <u>128.06</u> | <u>103.89</u> |
| <i># 212 employees have been transferred to Caprihans India Limited as on 27th March 2023</i> | | |
| Change in plan assets | | |
| Fair value of plan assets at the beginning of the year | 139.67 | 148.27 |
| Interest income | 10.43 | 9.87 |
| Contributions | 2.92 | 0.05 |
| Benefits paid | (4.20) | (18.68) |
| Return on plan assets, excluding amount recognized in interest income - Gain / (Loss) | 0.17 | 0.16 |
| Fair value of plan assets at the end of the year | <u>148.99</u> | <u>139.67</u> |
| Actual return on plan assets | 10.60 | 10.02 |
| Funded status | | |
| Deficit of plan assets over obligations | - | - |
| Surplus of plan assets over obligations | 20.93 | 35.78 |
| Category of assets | | |
| Government bonds and securities | - | - |
| Insurer managed funds | 148.99 | 139.67 |
| Others | - | - |
| | <u>148.99</u> | <u>139.67</u> |
| Net periodic gratuity cost, included in employee cost consists of the following components: | | |
| Service Cost | 15.19 | 79.20 |
| Net interest (Income) / Expense | (3.03) | 42.93 |
| Transfer in/(out) | - | (761.29) |
| Net periodic benefit cost recognised in the statement of profit & loss at the end of year | <u>12.16</u> | <u>(639.16)</u> |
| Remeasurement of the net defined benefit (asset) / liability: | | |
| Actuarial (gains) and losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains) and losses arising from changes in financial assumptions | 2.08 | (2.68) |
| Actuarial (gains) and losses arising from changes in experience adjustments | 10.05 | 6.30 |
| Remeasurement of the net defined benefit liability | 12.13 | 3.63 |
| Remeasurement (gains)/losses - return on plan assets | <u>0.17</u> | <u>0.16</u> |
| | 11.96 | 3.47 |
| The assumptions used in accounting for the defined benefit plan are set out below: | | |
| Discount rate | 7.20% | 7.50% |
| Rate of increase in compensation levels of covered employees | 10.00% | 10.00% |
| Withdrawal rate | 5.00% | 5.00% |
| Expected rate of return on plan assets | 7.50% | 7.10% |
| Expected average remaining working lives of employee (in years) | 13 | 12 |

Future mortality assumptions are taken in accordance with the Indian Assured Lives Mortality (2012-14) ultimate (IALM ult).

Sensitivity Analysis

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

A quantitative sensitivity analysis for significant assumptions are as follow:

| Projected benefit obligations on current assumptions | | |
|------------------------------------------------------|--------|--------|
| + 1% increase in discount rate | 135.74 | 97.86 |
| -1% decrease in discount rate | 121.46 | 110.91 |
| + 1% increase in salary growth | 123.61 | 108.72 |
| - 1% decrease in salary growth | 133.06 | 99.50 |
| +1% increase in withdrawal rate | 128.96 | 103.18 |
| -1% decrease in withdrawal rate | 127.27 | 104.71 |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Further, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Expected future benefits payments

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2024. The Company's expected contributions to post-employment benefit plans for the year ending 31 March 2025 is ₹5.00 lacs. The defined benefit obligations shall mature after the year ended March 31, 2024 as follows:

| Year ending March 31, | Defined benefit obligations |
|-----------------------|-----------------------------|
| 2025 | 61.63 |
| 2026 | 11.78 |
| 2027 | 3.42 |
| 2028 | 3.97 |
| 2029 | 4.90 |
| 2030-2034 | 58.12 |

Risk Analysis

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

1) Liability Risks

a. Asset-Liability Mismatch Risk-

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk -

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk -

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

2) Asset Risks

- a. All plan assets are maintained in a trust fund managed by a public sector insurer viz; LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years.
- b. The company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured. Also interest rate and inflation risk are taken care of.

30 LEASES

As a lessee

The Company has lease contracts for its facility usage with lease term between 1 year to 5 years. Details of carrying amount of right-of-use assets and movement during the period is disclosed under Note 4.

Footnotes:

- (a) The maturity analysis of lease liabilities are disclosed in Note 4 (iv) and Note 27 (2) Liquidity Risk.
- (b) The effective interest rate for lease liabilities is 9.50%, with maturity between 2023-2028 on a renewable basis thereafter.

31 MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (as amended):

| | 31 Mar 24 | 31 Mar 23 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| i) (a) Principal amount remaining unpaid | 134.57 | 23.95 |
| (b) Interest on (i)(a) above | 18.62 | 0.49 |
| ii) The amount of interest paid along with the principal payment made to the supplier | 11.50 | - |
| iii) Amount of interest due and payable on delayed payments | - | - |
| iv) Amount of further interest remaining due and payable for the earlier years | - | - |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 and subsequent amendments from time to time | 7.12 | 0.49 |

Note: Identification of micro and small enterprises is on the basis of intimation received from vendors

32 CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts:

| | | |
|--------------------------------------------------------------------------------------------|-----------|-----------|
| - Income Tax matters | 330.04 | 33.15 |
| - Service Tax matters | - | 33.91 |
| - Penal interest on delayed payment of TDS | - | 726.45 |
| - Disputed matters on account of pending legal cases | 2,492.41 | 2,457.82 |
| - Penal interest as per the agreement terms for CSIR loan on account of pending legal case | 1,035.44 | - |
| - Corporate guarantees given | 67,000.00 | 62,000.00 |

33 SEGMENT INFORMATION

The Company is engaged mainly in Pharma Packaging Research Solutions & its products are covered under a one business segment as the primary segment.

The geographical information as per Ind AS 108 of revenues from operations and non current assets other than financial instruments, deferred tax assets, post employment benefit assets is as under:

a) Revenue from operations*

| | | |
|---------------|-----------------|-----------------|
| India | 1,063.71 | 993.55 |
| Outside India | 696.64 | 404.81 |
| | 1,760.35 | 1,398.36 |

b) Non-current assets

| | | |
|---------------|-----------------|------------------|
| India | 7,661.50 | 13,702.36 |
| Outside India | - | - |
| | 7,661.50 | 13,702.36 |

*No single customer represents 10% or more of the Company's total revenue for the year ended March 31, 2024 and 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

34 CAPITAL MANAGEMENT

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital structure to maximise shareholder value with an optimum mix of debt and equity within the overall capital structure.

| | 31 Mar 24 | 31 Mar 23 |
|---------------------------------|------------------|------------------|
| Total borrowings | 949.79 | 751.97 |
| Less: Cash and cash equivalents | 119.42 | 1,112.95 |
| Other Bank Balances | 85.72 | 84.62 |
| Net debt | 744.65 | (445.60) |
| Equity share capital | 2,354.52 | 2,354.52 |
| Other equity | 39,211.10 | 38,685.93 |
| Total equity | 41,565.62 | 41,040.45 |

35 ASSETS HELD FOR SALE

The Company had a capital advance for purchase of land parcels and building vide an agreement to sell with the promoters. In terms of the agreements, the said land parcels and building have been capitalized in the books during the year against the capital advance which has become nil. As there are potential buyers for sale of these land parcels thus in accordance with Ind AS 105, these land parcels are classified as "Assets Held for Sale" as at March 31, 2024.

The Company has given the effect of the above and presented the Standalone Financial Statements as at 31 March 2024 in accordance -refer to statement below.

Assets held for Sale

| | As at March 31, 2024 |
|-----------------------------------|----------------------|
| Assets | |
| (1) Non-Current Assets | |
| (a) Property, Plant and Equipment | |
| - Freehold Land | 6,407.05 |

36 RELATED PARTY DISCLOSURES

Subsidiaries

Ultimate holding Company
Wholly owned subsidiaries

Bilcare Limited
Bilcare GCS Limited, UK
Bilcare GCS Inc., USA
Bilcare GCS Ireland Limited
Bilcare Inc., USA
Bilcare Pharma Solutions Limited, India (incorporated during the year)
Bilcare Mauritius Limited, Mauritius (liquidated during the year)

Subsidiaries

Caprihans India Limited

Key Management Personnel

Shreyans M. Bhandari (Chairman & Managing Director)
Mohan H. Bhandari (Chief Executive Officer)
Deepa Mathur (Chief Financial Officer) (wef 06.09.2023)
Sagar R. Baheti (Company Secretary) (wef 31.01.2024)
Nilesh Tiwari (Chief Financial Officer) (till 31.08.2023)
Prabhavi Mungee (Company Secretary) (till 10.11.2023)

Executive Directors

Kavita Bhansali (wef 14.10.2023)
Abhigyan Upadhyay (wef 29.12.2023)

Non-executive Independent Directors

Rajesh Devene
Madhuri Vaidya
Pramod Toshniwal (wef 29.12.2023)
Ashwani Singh (till 04.10.2023)
Diksha Tomar (till 30.12.2023)
Vijesh Mehra (till 30.12.2023)

Close member of Key Management Personnel

Ankita J. Kariya
Nutan M. Bhandari
Ruchi Gothi

Entities in which Key Management Personnel has substantial interest

Juniper Health LLP

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

Transactions with related parties

| Name of the party | Nature | March 31, 2024 | March 31, 2023 |
|---------------------------------------------------------------------------------------------|---------------------------------------------------------|----------------|----------------|
| Caprihans India Limited (Subsidiary) | Advance received towards Brand Value | 1,263.86 | - |
| | Corporate Guarantee Fee | 50.00 | - |
| | Investment in subsidiary - Redeemable preference shares | - | 21,300.00 |
| | Sale of Goods | - | 74.71 |
| | Purchase of goods | - | 223.55 |
| | Rent & Infrastructure Income | 132.20 | - |
| | Rent & Infrastructure Expenses | 55.13 | 30.00 |
| Juniper Health LLP (Entities in which Key Management Personnel has substantial interest) | Advance against purchase of Machinery | 747.45 | - |
| Key Management Personnel & Directors | Remuneration (short term employee benefits) | 145.63 | 48.05 |
| | Close member of Key Management Personnel | 4.00 | 39.69 |
| Directors | Sitting fees | 18.90 | 9.90 |
| Promoters | Capital advances | - | 283.50 |

Balances at the end of the year

| Name of the party | Nature | (Payable)/ Receivable as at March 31, 2024 | (Payable)/ Receivable as at March 31, 2023 |
|---------------------------------------------------------------------------------------------|---------------------------|--------------------------------------------------|--------------------------------------------------|
| Subsidiaries | | | |
| Caprihans India Limited | Trade / other payables | (2,802.35) | (1,622.36) |
| | Trade / other receivables | - | 88.08 |
| Bilcare GCS Limited | Trade / other payables | (0.95) | (0.95) |
| | Trade / other receivables | - | 13.18 |
| Bilcare GCS Inc | Trade / other receivables | 51.21 | 28.31 |
| Bilcare GCS Ireland Limited | Trade / other receivables | 3.51 | 13.22 |
| Bilcare Mauritius Limited | Trade / other payables | - | (1,594.84) |
| | Trade / other receivables | - | 3.30 |
| Juniper Health LLP (Entities in which Key Management Personnel has substantial interest) | Trade / other receivables | 747.45 | - |
| Promoters | Capital advances | - | 11,378.16 |

During the current year, the Company has given Corporate Guarantee on behalf of its subsidiary viz. Caprihans India Limited (refer Note 32).

| Particulars | Purpose | 31 Mar 24 | 31 Mar 23 |
|----------------------------|----------------------|------------------|------------------|
| Corporate guarantees given | Term Loan | 62,000.00 | 62,000.00 |
| | Working Capital Loan | 5,000.00 | - |
| | | <u>67,000.00</u> | <u>62,000.00</u> |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

37 ADDITIONAL REGULATORY INFORMATION

A Ratios

| Sr. No. | Ratio | Numerator | Denominator | Current year | Previous year | % Change | Remarks for variance for more than 25% |
|---------|---------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------|---------------|----------|------------------------------------------------------------------------------------|
| 1 | Current ratio (in times) | Current assets | Current liabilities | 0.78 | 0.69 | 12.5% | -- |
| 2 | Debt-Equity ratio (in times) | Borrowings | Total equity | 0.02 | 0.02 | 24.7% | -- |
| 3 | Debt service coverage ratio (in times) | Net Profit After taxes + Non-cash operating expenses + Finance Cost + Other non-cash adjustments | Interest + Lease payments + Principal repayments | (0.38) | (0.27) | 39.0% | Improvement due to reduction in loss and no principal repayment |
| 4 | Return on equity ratio (%) | Net Profit for the year | Total equity | 0.01 | 0.95 | -98.7% | Reduction in profit due to one time exceptional gain in previous year |
| 5 | Inventory turnover ratio (in times) | Revenue from operations | Inventories | 34.60 | 17.02 | 103.3% | Improvement due to higher revenue from operations and reduction in inventory level |
| 6 | Trade receivables turnover ratio (in times) | Revenue from operations | Trade receivables | 3.60 | 1.48 | 143.2% | Improvement due to efficient collections |
| 7 | Trade payables turnover ratio (in times) | Total Purchases | Trade payables | 3.92 | 0.64 | 515.8% | Improvement due to effective payments |
| 8 | Net capital turnover ratio (in times) | Revenue from operations | Net working capital | (2.42) | (1.12) | 115.4% | Improvement due to revenue growth and profitability |
| 9 | Net profit ratio (%) | Net Profit for the year | Revenue from operations | 0.30 | 27.95 | -98.9% | Reduction in profit due to one time exceptional gain in previous year |
| 10 | Return on capital employed (%) | Profit before tax + finance costs | Capital employed = Net worth + Borrowings + Deferred Tax Liabilities | 0.02 | 1.20 | -98.4% | Reduction in profit due to one time exceptional gain in previous year |
| 11 | Return on investment (%) | Income generated from treasury investment | Invested funds in treasury investments | 2.89 | - | - | -- |

B OTHER DISCLOSURES

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any transactions with companies struck off.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (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,
- (g) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (h) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013.
- (i) The Company has not made any donation to political parties.
- (j) Except for the instances mentioned below, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
 - (i) The feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting software relating to 'Salesforce' for the period 1 April 2023 to 31 March 2024.
 - (ii) The feature of recording audit trail (edit log) facility was not operated at the application layer of the accounting software relating to 'GCS-related' activity for the period from 1 April 2023 to 31 March 2024.
 - (ii) The feature of recording audit trail (edit log) facility was not operated at the application layer of the accounting software relating to 'GCS-related' activity for the period from 1 April 2023 to 31 March 2024.
 - (iii) The Company uses the services of a third-party service provider for payroll processing, however, the Service Organisation Control Type 2 report i.e. SOC 2, was not available.
 - (iv) The feature of recording audit trail (edit log) facility was not operated at the database level throughout the reporting year to log any direct data changes for the accounting software used for maintaining the books of account.

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the feature of recording audit trail (edit log) facility was not enabled at the database level in relation to SAP accounting software throughout the reporting year to log any direct data changes. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.
- (k) During the year the company has not been declared as a wilful defaulter.
- (l) No material fraud by the Company and on the Company has been noticed or reported during the year.

38 Bilcare Mauritius Limited (BML) has been liquidated and the investment of BML in its subsidiaries viz. Caprihans India Limited, Bilcare GCS Inc, Bilcare GCS Ireland Limited, Bilcare Inc and cash equivalent has been transferred to the shareholder viz. Bilcare Limited as part of the liquidation proceeds. There is no financial impact of the same in the financial statements.

39 Consequent to the slump-sale that was effected on 27.03.2023 wherein the PPI division was sold to Caprihans India Limited, there was a transition period wherein some business transactions were done in the name of Bilcare Limited in the capacity of "facilitator" which mainly pertained to sales and purchases and are not reflected in the financial statements.

40 In respect of the public fixed deposit liability taken over by the Caprihans India Limited as per the Business Transfer Agreement, the statutory compliances is the responsibility of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

- 41** The Company is focussing on the GCS business vertical and given the positive prospects going forward, including management's strategic projection plan for the foreseeable future, cashflow projection etc. the accounts are prepared on a going concern basis.
- 42** Disclosure pursuant to Schedule V read with Regulations 34 (3) and 53 (F) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
- Loans and advances in the nature of loans for working capital requirements to a subsidiary: NIL
 - Loans and advances in the nature of loans to firms/companies in which directors are interested: NIL
 - Investment by the loanee (borrower) in the shares of the Company or its subsidiary: NIL
- 43** Previous year figures have been regrouped / reclassified wherever necessary.

CONSOLIDATED IND AS FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the members of Bilcare Limited

Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Bilcare Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to consolidated financial statements, including a summary of material accounting policies as well as other explanatory information (hereinafter referred to as "the Statements" or "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on financial statements (separate statements) of subsidiaries as was audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including and Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, of consolidated state of affairs (financial position) of the Group as at 31 March 2024, the consolidated loss (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year then ended.

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. 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred to in "Other matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Material Uncertainty Related to Going Concern

With reference to Note No. 41 to the Consolidated financial statements, post the slump sale the operations of the Holding Company now pertain only to the Global Clinical Supplies ("GCS") business. As such, subject to fulfilment of the liabilities, the Holding Company's ability to continue as a going concern is dependent on factors including Holding Company's management's strategic projection plan for the foreseeable future, cashflow projection etc. With the positive prospects going forward for the GCS business as informed to us by the Holding Company, the accounts are prepared on a going concern basis.

Our opinion is not modified with respect of this above matter.

Emphasis of matters

We would like to bring your attention to

Note No. 30 to the consolidated financial statements regarding Bilcare Mauritius Limited (BML), which was a wholly-owned subsidiary of the Holding Company liquidated during the year and transferred the shares of wholly owned subsidiaries of BML i.e. Bilcare GCS Inc., Bilcare GCS Ireland Limited and Bilcare Inc. on 18 December 2023 and Caprihans India Limited on 22 March 2024 to the Holding Company.

Note No. 31 to the consolidated financial statements regarding the financial contingency related to a loan taken from the Council of Scientific & Industrial Research ('CSIR').

Note No. 39 to the standalone financial statements regarding the Holding Company engaging in transactions in the capacity of the facilitator with Caprihans India Limited ('CIL').

Note No. 13(b) to the consolidated financial statements, we reproduce hereunder the following paragraph issued by independent auditor of a subsidiary viz. Caprihans India Limited, a material Subsidiary "Caprihans" vide their respective audit report dated 25 May, 2024 on

the audited financial statements of Caprihans which also forms part of the 'Emphasis of Matters' paragraph in our audit report on the accompanying consolidated audited financial statements of the Group.

"We draw attention to note 46 of the Statement pertaining to the arrangement and agreement with Bilcare Limited ("the Bilcare") in respect of repayment of principal and interest on the Public Fixed Deposit liability taken over by the Company, having carrying amount of ₹109.60 crores as at March 27, 2023 as per the Slump Sale Agreement, which had matured but remained unpaid by the Pharma Packaging Innovation (PPI) division of Bilcare. As per the agreement the statutory compliances related to Public Fixed Deposit under the Companies Act, 2013 is the responsibility of Bilcare. As on March 31, 2024 the total outstanding amount of the aforesaid Public Fixed Deposit liability (including interest) is ₹79.69 crores.

Our opinion on the Financial Statements is not modified in respect of this matter."

Note No. 35 to the consolidated financial statements which states that the Holding Company plans to sell certain capital assets in the FY 2024-25, accordingly, these assets are classified as 'assets held for sale' in the statement.

Our opinion is not modified with respect of these matters of emphasis.

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. This matter is addressed in the context of our audit of the consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the key audit matters as described below:

| Key Audit Matter | How our audit addressed the key audit matter |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Provisions and contingent liabilities relating to taxation, litigations, and claims - refer note 31 of the consolidated financial statements:</p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties etc. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, and other eventualities arising in the regular course of business.</p> <p>As at the year ended 31 March 2024, the amounts involved are significant. The computation of a provision or contingent liability requires judgment by the Holding Company because of the inherent complexity in estimating future costs. The amount recognized as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Holding Company as it involves judgment and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgments previously made by authorities.</p> | <p>Our key audit procedures included:</p> <ul style="list-style-type: none"> • Testing the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of contingent liabilities and its development. • To assess the value of significant provisions and contingent liabilities, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities, if any. • Inquiring about the status in respect of significant provisions and contingent liabilities with the Holding Company's internal tax and legal team. We assessed the assumptions and critical judgments made by the Holding Company which impacted the computation of the provisions and inspected the computation and estimates of outcome and financial effect. • Evaluating agreements, other documentation and judgments made by the Holding Company by comparing the prior years' outstanding to the actual outcome during the year. • Assessing the Holding Company's disclosures in the financial statements regarding provisions and contingent liabilities. |

Information other than the consolidated financial statements and auditor's 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 Board's report and management discussion and analysis included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

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 identified above 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.

Management's and Board of Director'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 and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS. The respective management and Board of Directors of the companies included in the consolidated financial statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements/consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company 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 Company 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 are responsible for overseeing the financial reporting process of each Company.

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:

- A. 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.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statement and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits 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 consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

- A. We did not audit/review the annual financial statements / financial information of two domestic subsidiaries and three foreign subsidiaries included in the Statement, whose financial information reflects total assets of ₹1,430.06 crores as at 31 March, 2024, total revenue of ₹729.58 crores, total net loss after tax ₹49.88 crores, other comprehensive income of ₹0.72 crores and cash inflow (net) ₹3.20 crores for the year ended 31 March 2024 as considered in the Statement. These annual financial statements / financial information have been audited by other respective auditors whose audit reports have been furnished to us by the Holding Company's management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the audit / review reports of such other auditors, and the procedures performed by us as stated in paragraph above.
- B. The Statement includes the annual financial statements/ financial information of two foreign subsidiaries, which have not been audited, whose annual financial statements / financial information reflect total assets of ₹0.93crores as at 31 March 2024, total revenue of ₹ Nil, total net loss after tax of ₹5.92crores, other comprehensive income of ₹0.73 crores and cash outflow (net) ₹0.82 crores for the year ended 31 March 2024, as considered in the Statement. These financial statements / financial information have been certified and furnished to us by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of aforesaid subsidiaries is based solely on such unaudited financial statements / financial information certified by the Holding Company's management. In our opinion, and according to the information and explanations given to us by the management, this financial statements/ financial information is not material to the Group.
- C. Further, these subsidiaries, which are located outside India, whose annual financial statements / financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management has converted the annual financial statements / financial information of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion, in so far as it relates to the balances and affairs of these subsidiaries is based on such unaudited financial statements / financial information and the conversion adjustments prepared by the management of the Holding Company.
- D. The consolidated financial statements also include the financial statement for the year ended 31 March 2023 which have been audited by the predecessor auditor who issued their unmodified opinion vide their report dated 30 May 2023.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the other matter paragraph and financial statements certified by the Holding Company's management, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on other legal and regulatory requirements

1. As required by section 143 (3) of the Act, based on our audit and on the consideration of report of other auditors on financial statements (separate/consolidated) of such companies as was audited by them and as mentioned in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - B. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.
 - C. The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated cash flow statement and consolidated statement of changes in equity 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 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies which are companies incorporated in India, none of the directors of the subsidiary companies, which are companies incorporated in India, is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
 - F. With respect to the adequacy of internal financial controls over financial reporting of the Group which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.

- 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 Group, which are companies incorporated in India, where applicable, 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, in our opinion and to the best of our information and according to the explanations given to us:
- i. the consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group - refer note 31 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31 March 2024.
 - iv. Reporting on rule 11(e):
 - (a) the Management has represented that, to the best of its knowledge and belief, as stated in note no. 40 (e), 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 Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) the Management has represented, that, to the best of its knowledge and belief, as stated in note no. 40 (f), no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company 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 and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors 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. During the year, the Holding Company and its subsidiary companies have not declared/paid any dividend. Accordingly, reporting under section 123 of the Act is not applicable;
 - vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks of Holding Company and as communicated by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding company and subsidiaries have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of the audit trail feature being tampered with.

The feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting software relating to 'SAP ECC' for the period 1 April 2023 to 31 October 2023 of the Holding Company.

The feature of recording audit trail (edit log) facility was not enabled at the application layer of the accounting software relating to 'Salesforce' for the period 1 April 2023 to 31 March 2024.

The feature of recording audit trail (edit log) facility was not operated at the application layer of the accounting software relating to 'GCS-related' activity for the period from 1 April 2023 to 31 March 2024.

The Holding Company uses the services of a third-party service provider for payroll processing and in the absence of a Service Organisation Control Type 2 report i.e. SOC 2, specifically covering the maintenance of the audit trail, we are unable to comment on whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there are any instances of the audit trail feature been tampered with.

The feature of recording audit trail (edit log) facility was not operated at the database level throughout the reporting year to log any direct data changes for the accounting software used for maintaining the books of account of the Holding Company.

In case of one subsidiary, as communicated by the auditor of such subsidiary audit trail feature was not enabled in the accounting software and at database level to log any direct data changes for the accounting software used accordingly, the feature of recording audit trail (edit log) facility did not operate during the year. - Refer to note no. 40(j) to the consolidated financial statements.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 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. As required by paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the management of the Holding Company, we report that in respect of those companies incorporated in India, there are no qualifications or adverse remarks, except we draw attention to the following points as mentioned by the respective auditors in the CARO reports of the said company.

| Name of the company | CIN | Holding Company/Subsidiary Company | Clause number of the CARO report |
|-------------------------|-----------------------|------------------------------------|------------------------------------------------------|
| Bilcare Limited | L28939PN1987PLC043953 | Holding | i (c), v, vii (a), ix (a), (b), xi (a), xix |
| Caprihans India Limited | L29150PN1946PLC232362 | Subsidiary | ii (b), iii (c), iii (d), iii (e), v, ix (c), xx (a) |

For **Sharp & Tannan Associates**
Chartered Accountants
Firm's Registration no. 109983W
by the hand of

CA Arnob Choudhuri
Partner
Membership no.(F) 156378
UDIN:24156378BKHHFV7844

Pune, 27 May 2024

Annexure A to the Independent Auditor's Report

Referred to in paragraph (F) under the heading, "Report on Other Legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls

Under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the Internal Financial Controls over Financial Reporting of **Bilcare Limited** (hereinafter referred as "the Holding Company"), its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of 31 March 2024 in conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors referred to in other matters paragraph below, the Group, which are companies 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 31 March 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's responsibility for internal financial controls

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

Auditors' responsibility

Our responsibility is to express an opinion on the Group's which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and issued by the ICAI. 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 and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's which are companies incorporated in India, internal financial controls system over financial reporting.

Other matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to two subsidiaries, which are companies incorporated in India, is solely based on corresponding reports of the auditors of such Companies.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls 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.

For **Sharp & Tannan Associates**
Chartered Accountants
Firm's Registration no. 109983W
by the hand of

CA Arnob Choudhuri
Partner
Membership no.(F) 156378
UDIN:24156378BKHHFV7844

Pune, 27 May 2024

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

(₹ lacs)

| | Notes | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------------------------|-------|----------------------|----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment (net) | 3 | 1,01,826.62 | 1,02,386.18 |
| Capital work-in-progress | 3 | 53.30 | 72.97 |
| Right of Use Assets | 3(a) | 109.72 | 142.46 |
| Investment properties | 4 | - | - |
| Other Intangible assets | 5 | 1,890.49 | 2,019.15 |
| Intangible Assets under Development | | 74.50 | - |
| Financial assets | 6 | | |
| (i) Investments | | 766.15 | 245.93 |
| (ii) Loans | | 8.40 | 4.46 |
| (iii) Other financial assets | | 8,765.24 | 7,927.26 |
| Other non-current assets | 7 | 1,306.73 | 11,521.64 |
| Non-current tax assets | | 854.63 | 682.52 |
| Deferred tax assets (net) | 8 | - | - |
| Total non-current assets | | 115,655.78 | 125,002.57 |
| Current assets | | | |
| Inventories | 9 | 10,625.04 | 8,409.10 |
| Financial assets | 6 | | |
| (i) Trade receivables | | 14,982.08 | 18,787.03 |
| (ii) Cash and cash equivalents | | 1,699.86 | 2,447.08 |
| (iii) Bank balances other than (ii) above | | 1,942.36 | 636.12 |
| (iv) Loans | | 1,440.34 | 24.47 |
| (v) Other financial assets | | 1,614.49 | 592.40 |
| Current tax asset, net | | 2.02 | 3.69 |
| Other current assets | 7 | 2,406.33 | 3,436.48 |
| Assets held for sale | 35 | 6,407.05 | - |
| Total current assets | | 41,119.57 | 34,336.37 |
| TOTAL ASSETS | | 1,56,775.35 | 1,59,338.94 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity share capital | 10 | 2,354.52 | 2,354.52 |
| Other equity | 11 | 47,429.46 | 50,710.36 |
| Equity attributable to owners of Bilcare Limited | | 49,783.98 | 53,064.88 |
| Non-controlling interests | 12 | 14,832.91 | 17,333.72 |
| Total Equity | | 64,616.89 | 70,398.60 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | 13 | | |
| (i) Borrowings | | 54,447.28 | 51,450.95 |
| (ii) Other financial liabilities | | | |
| (iii) Lease Liabilities | | 93.58 | 123.59 |
| Deferred tax liability (net) | 8 | 2,249.92 | 3,122.96 |
| Provisions | 14 | 362.55 | 370.47 |
| Total non-current liabilities | | 57,153.33 | 55,067.97 |
| Current liabilities | | | |
| Financial liabilities | 13 | | |
| (i) Borrowings | | 21,033.93 | 12,261.60 |
| (ii) Trade payables | | 9,657.74 | 15,557.26 |
| (iii) Other financial liabilities | | 282.50 | 640.78 |
| (iv) Lease Liabilities | | 30.01 | 25.06 |
| Provisions | 14 | 1,073.45 | 1,126.48 |
| Other current liabilities | 15 | 2,894.36 | 3,864.49 |
| Current tax liabilities | | 33.14 | 396.70 |
| Total current liabilities | | 35,005.13 | 33,872.37 |
| Total liabilities | | 92,158.46 | 88,940.34 |
| TOTAL EQUITY AND LIABILITIES | | 1,56,775.35 | 1,59,338.94 |

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

Firm Registration Number: 109983W

CA Arnob Choudhuri

Partner

Membership No.: 156378

Place: Pune

Date: 27 May 2024

Shreyans M. Bhandari

Chairman & Managing Director

DIN: 07737337

Sagar R. Baheti

Company Secretary

Rajesh Devene

Director

DIN: 05320201

Deepa Mathur

Chief Financial Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | Notes | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|------------------------------------------------------------|-------|--------------------------------------|--------------------------------------|
| INCOME | | | |
| Revenue from operations | 16 | 74,717.92 | 98,162.19 |
| Other income | 17 | 2,252.47 | 1,021.88 |
| Total income | | 76,970.39 | 99,184.07 |
| EXPENSES | | | |
| Cost of materials consumed | 18 | 52,036.44 | 73,032.08 |
| Change in inventory of finished goods and work in progress | 19 | (1,929.80) | 712.77 |
| Employee benefits expense | 20 | 7,187.16 | 7,125.50 |
| Other expenses | 21 | 13,510.28 | 11,614.35 |
| Finance costs | 22 | 8,179.19 | 6,000.42 |
| Depreciation and amortisation expense | 23 | 4,494.59 | 3,781.48 |
| Total expenses | | 83,477.86 | 102,266.60 |
| Loss before exceptional items and tax | | (6,507.47) | (3,082.53) |
| Exceptional items gain / (loss) | 24 | (663.43) | 22,690.46 |
| Profit / (Loss) before tax | | (7,170.90) | 19,607.93 |
| Tax Expense | | | |
| Current tax | 25 | 18.96 | 17.39 |
| Adjustment of Tax relating to earlier years | | (447.90) | 56.14 |
| Deferred tax | | (887.74) | 14,513.56 |
| Total tax expense | | (1,316.68) | 14,587.09 |
| Profit/(Loss) for the year | | (5,854.22) | 5,020.83 |
| Other comprehensive income | | | |
| (i) Items that will not be reclassified to profit or loss | | | |
| - Remeasurements of defined benefit obligations | | 65.45 | (96.58) |
| - Income tax relating to the above items | 25 | (14.70) | 0.90 |
| (ii) Items that will be reclassified to profit or loss | | | |
| - Exchange difference on Translation of foreign operation | | 40.45 | 159.48 |
| Other comprehensive income for the year, net of tax | | 91.20 | 63.80 |
| Total comprehensive income for the year | | (5,763.02) | 5,084.64 |
| Profit / (Loss) is attributable to: | | | |
| Owners of equity | | (3,324.15) | 1,504.62 |
| Non-controlling interests | | (2,530.07) | 3,516.21 |
| | | (5,854.22) | 5,020.83 |
| Other comprehensive income is attributable to: | | | |
| Owners of equity | | 61.95 | 109.43 |
| Non-controlling interests | | 29.25 | (45.62) |
| | | 91.20 | 63.80 |
| Total comprehensive income is attributable to: | | | |
| Owners of equity | | (3,262.20) | 1,614.05 |
| Non-controlling interests | | (2,500.82) | 3,470.59 |
| | | (5,763.02) | 5,084.64 |
| Earning per equity share of ₹10 each (PY ₹10 each) | | | |
| Basic earnings per share | 26 | (14.12) | 6.39 |
| Diluted earnings per share | 26 | (14.12) | 6.39 |

Material Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

Firm Registration Number: 109983W

CA Arnob Choudhuri

Partner

Membership No.: 156378

Place: Pune

Date: 27 May 2024

Shreyans M. Bhandari

Chairman & Managing Director

DIN: 07737337

Sagar R. Baheti

Company Secretary

Rajesh Devene

Director

DIN: 05320201

Deepa Mathur

Chief Financial Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| A. Equity Share Capital | | Notes | Amount | Attributable to owners | | | | | | | Non controlling interest | Total |
|------------------------------------------------------------|-------------------------------------------------|-------|-----------|--------------------------|-----------------|---------------------|-------------------------------------------------------------|-------------------|--------------------|--------------------------|--------------------------|-------|
| Reserves and Surplus | | | | Reserve on consolidation | General Reserve | Revaluation reserve | Exchange difference on foreign exchange translation reserve | Retained Earnings | Total other equity | | | |
| As at April 1, 2022 | Changes in equity share capital during the year | 10 | 2,354.52 | | | | | | | | | |
| As at March 31, 2023 | Changes in equity share capital during the year | 10 | 2,354.52 | | | | | | | | | |
| As at March 31, 2024 | | | 2,354.52 | | | | | | | | | |
| B. Other Equity | | | | | | | | | | | | |
| Particulars | | | | Reserve on consolidation | General Reserve | Revaluation reserve | Exchange difference on foreign exchange translation reserve | Retained Earnings | Total other equity | Non controlling interest | Total | |
| Balance as at April 1, 2022 | Profit for the year | | 51,034.41 | 2,585.18 | 11,748.39 | - | 387.68 | (60,867.59) | 5,159.70 | 8,616.56 | 13,776.26 | |
| | Other comprehensive income | | - | - | - | - | - | 1,504.62 | 1,504.62 | 3,516.21 | 5,020.83 | |
| | Adjustments effected in retained earnings | | - | - | - | - | 159.48 | (50.05) | 109.43 | (45.62) | 63.80 | |
| Total comprehensive income for the year | | | - | - | - | - | 0.00 | 11,508.58 | 43,936.61 | 5,246.57 | 49,183.18 | |
| Transaction with owners in their capacity as owners | Transfer to general reserve | | - | - | - | - | 159.48 | 12,963.15 | 45,550.65 | 8,717.16 | 54,267.81 | |
| Balance at March 31, 2023 | Profit for the year | | 51,034.41 | 2,585.18 | 11,748.39 | 32,428.03 | 547.16 | (47,904.44) | 50,710.36 | 17,333.72 | 68,044.08 | |
| | Other comprehensive income | | - | - | - | - | - | (3,324.13) | (3,324.15) | (2,530.07) | (5,854.22) | |
| | Adjustments effected in retained earnings | | - | - | - | - | 40.45 | 21.49 | 61.94 | 29.25 | 91.19 | |
| Total comprehensive income for the year | | | - | 4,805.26 | - | (32,428.03) | (498.82) | 28,104.87 | (16.72) | (0.00) | (16.72) | |
| Transaction with owners in their capacity as owners | Transfer to general reserve | | - | 4,805.26 | - | (32,428.03) | (458.37) | 24,802.21 | (3,278.93) | (2,500.82) | (5,779.75) | |
| Balance at March 31, 2024 | | | 51,034.41 | 7,390.44 | 11,746.43 | - | 88.79 | (23,102.23) | 47,429.46 | 14,832.91 | 62,262.37 | |

For and on behalf of the Board of Directors

As per our report of even date
For Sharp & Tannan Associates
Chartered Accountants
Firm Registration Number: 109983W

CA Arnob Choudhuri
Partner
Membership No.: 156378
Place: Pune
Date: 27 May 2024

Shreyans M. Bhandari
Chairman & Managing Director
DIN: 07737337
Sagar R. Baheti
Company Secretary

Rajesh Devene
Director
DIN: 05320201
Deepa Mathur
Chief Financial Officer

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Profit / (Loss) before exceptional items and tax | (6,507.47) | (3,082.53) |
| Adjustments for: | | |
| Depreciation and amortisation expenses | 4,494.59 | 3,781.48 |
| Interest and Dividend income from financial assets | (981.33) | (93.03) |
| Other equity (including retained earnings) | (18.68) | (14,401.19) |
| Gain on one time settlement with Banks | - | 14,177.04 |
| Exchange difference on translation of foreign currency | 40.45 | 159.48 |
| (Profit)/ Loss on disposal of property, plant and equipment (Net) | (712.71) | 711.35 |
| Remittances in transit (subsidiary liquidation proceeds) | (3.32) | - |
| Assets Impaired | - | (3,119.66) |
| Interest on delayed payment of TDS | (419.13) | - |
| Interest expenses | 8,179.19 | 6,000.42 |
| Liabilities & advances written back/(written off) | (84.52) | (453.35) |
| Provision for doubtful debts, advances, deposits and others | 2,055.43 | 120.69 |
| | 6,042.50 | 3,800.70 |
| Changes in working capital: | | |
| (Increase)/Decrease in inventories | (2,215.94) | 5,233.27 |
| (Increase)/Decrease in trade receivables | 1,749.52 | 3,093.06 |
| (Increase)/Decrease in other financial assets | (3,221.64) | (7,925.95) |
| (Increase)/Decrease in other non-current assets | 10,214.91 | (103.84) |
| (Increase)/Decrease in other current assets | 1,030.12 | (1,083.98) |
| Increase/(Decrease) in trade payables | (5,899.52) | (1,253.32) |
| Increase/(Decrease) in other financial liabilities | (383.33) | (5,309.17) |
| Increase/(Decrease) in other current liabilities | (970.12) | 2,939.56 |
| Increase/(Decrease) in provisions | 4.51 | 243.73 |
| Cash generated from / (used in) operations | 6,351.01 | (365.93) |
| Income taxes paid | (105.06) | (332.34) |
| Net cash generated from / (used in) operating activities (A) | 6,245.95 | (698.27) |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of property, plant and equipment and intangible assets (net) * | (11,956.69) | 1,020.17 |
| Proceeds from sale of property, plant and equipment | 2,274.11 | 770.00 |
| Interest received | 917.91 | 118.97 |
| Dividend received | 5.18 | 0.08 |
| Remittances in transit (subsidiary liquidation proceeds) | 3.32 | - |
| Investment in bank deposits (net) | (1,306.24) | 1,955.21 |
| (Investment in)/proceeds from shares | (520.22) | (244.93) |
| Net cash generated from / (used in) investing activities (B) | (10,582.63) | 3,619.50 |
| C CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Borrowings (repaid) / taken including interest and gain on restructuring | 11,768.65 | 5,973.35 |
| Other borrowings (repaid) / taken including interest and gain on restructuring | - | (1,862.94) |
| Interest expenses | (8,179.19) | (6,000.42) |
| Net cash generated from / (used in) financing activities (C) | 3,589.46 | (1,890.02) |
| Net Increase/(Decrease) in cash and cash equivalents (A+B+C) | (747.22) | 1,031.21 |
| Cash and cash equivalents at the beginning of the year | 2,447.08 | 1,415.87 |
| Cash and cash equivalents at the end of the year | 1,699.86 | 2,447.08 |
| Cash and cash equivalents comprise of the following: | | |
| Cash on hand | 2.24 | 103.26 |
| Balances with banks | | |
| In current accounts | 1,694.30 | 2,342.42 |
| Remittances in transit | 3.32 | 1.40 |
| | 1,699.86 | 2,447.08 |

* includes Assets held for sale ₹6,407.05 lacs

Previous year's figures have been re-grouped / re-classified wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

For Sharp & Tannan Associates

Chartered Accountants

Firm Registration Number: 109983W

CA Arnob Choudhuri

Partner

Membership No.: 156378

Place: Pune

Date: 27 May 2024

Shreyans M. Bhandari

Chairman & Managing Director

DIN: 07737337

Sagar R. Baheti

Company Secretary

Rajesh Devene

Director

DIN: 05320201

Deepa Mathur

Chief Financial Officer

1 Corporate information

Bilcare Limited and its subsidiaries (collectively referred to as "the Group") is in the business of Pharmaceutical Packaging, Global Clinical Services, R& D services with manufacturing facilities at Nashik, Pune and Thane. The address of registered office is 1028, Shirol, Rajgurunagar, Pune - 410505.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2024 and authorised for issue on May 27, 2024.

1.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

1.2 Basis of preparation

The financial statement has been prepared on a historical cost basis except for the following items:

- Certain financial assets and liabilities which are measured at fair value.
- Assets held for sale measured at lower of carrying amount or fair value less cost to sell
- Defined benefit plans - plan assets measured at fair value.

1.3 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of consolidated financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1.4 Basis of Consolidation

(a) Subsidiaries

- Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of a subsidiary and assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.
- The Group combines the financial statements of the Parent and its subsidiaries, line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.
- The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the subsidiary's separate financial statements. If, however, any subsidiary uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to ensure conformity with the Group's accounting policies.
- The excess of cost to the Company of its investment in the subsidiary is recognised in the financial statements as goodwill, which has been amortised over a period.
- If the difference of the aggregate of the consideration transferred, the amount recognised for noncontrolling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed is a deficit then the said deficit is recognized as a capital reserve.

(b) Consolidation procedure

- i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- iii) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements.

- iv) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(c) Changes in ownership interests

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in the statement of profit and loss
- Reclassifies the parent's share of components previously recognised in OCI to the statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2(a) Material Accounting Policies

The Company uses the following accounting policies in preparation of its consolidated financial statements:

2.1 Current versus non-current classification

The Group presents its assets and liabilities in the Balance Sheet based on current and non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in the 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 classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) 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.

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

Operating cycle: Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its Operating cycle.

2.2 Foreign currencies

(i) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional and presentation currency. The Group determines its own functional currency (the currency of the primary economic environment in which the Group operates) and items included in the consolidated financial statements of the Group are measured using that functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the Group's functional currency of the entity at the rates prevailing on the reporting date. Exchange differences that arise are recognised as income or expenses in the Statement of Profit and Loss.

(iii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, and on disposal, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

2.3 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

(a) Sale of goods

Revenue is recognised when significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

(b) Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

(c) Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability.

2.4 Income recognition

(a) Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original effective interest rate.

(b) Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

(c) Government Grants

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

Government grants relating to income are deferred and recognised 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.

(d) Export Incentives

Export Incentives under various schemes are recognised as other operating income in the Statement of profit or loss, if the entitlements can be estimated and conditions precedents to the claim are fulfilled.

2.5 Taxes

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). 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.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of Goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items outside the statement of profit and loss are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

2.6 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

(a) Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the same is in line with inflation.

(i) Right of use of assets (ROU)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

(ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(b) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.7 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If these amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as capital reserve, provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

Investments in Subsidiaries

The Group has accounted for its investment in subsidiaries, at cost less accumulated impairment as per Ind AS 27 wherein Consolidated financial statements are the financial statements of a Group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

2.8 Impairment of assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets under development is tested for impairment annually.

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For Investments, the Group assesses the fair value, if any, at each reporting date and recognizes the impairment loss in the event it is so required.

2.9 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

2.10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.11 Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares and loose tools are valued at lower of cost and net realizable value. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at the lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Traded goods are valued at lower of the cost on a weighted average basis or net realisable value.

Scrap is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.12 Financial instruments

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

(i) Financial assets

(a) Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

1. Financial assets at amortised cost

Financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

2. Financial assets at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. After initial measurement, such financial assets are subsequently measured at amortised cost.

3. Equity Investments measured at fair value through other comprehensive income (FVTOCI)

Equity investment is classified as the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Equity investments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the movements of interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(c) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

(d) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(e) Impairment

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Lease receivables under Ind AS 17
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- d) Financial assets that are measured at FVTOCI

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

(ii) Financial liabilities

(a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an ineffective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Classification

The financial liabilities are classified in the following measurement categories:

1. Financial liabilities at fair value through profit or loss

All financial liabilities are recognised initially at fair value and are subsequently measured at amortized cost using the EIR method.

2. Financial liabilities at amortized cost

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

This is the category most relevant to the Group and generally applies to borrowings.

(c) Derecognition

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

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.13 Property, plant and equipment

Property, plant and equipment are stated at fair value/deemed costs less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the group and the cost of the asset can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases higher and in some cases lower than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets.

Depreciation is provided using the straight line method (SLM) over the estimated useful lives of the assets is based on a technical evaluation and estimated by the Management is as follows:

| Class of asset | Life of the asset |
|------------------------|--------------------------|
| Leasehold Land | upto 99 years |
| Buildings | 30-60 years |
| Plant and equipment | 10-20 years |
| Vehicles | 8 years |
| Electric fittings | 15 years |
| Furniture and fixtures | 10-15 years |
| Office equipment | 3-6 years |
| Computers | 3 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in profit and loss account.

2.14 Intangible assets

(i) Recognition and measurement

Intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Intangible assets are stated at fair value/deemed cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

(ii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

| Class of asset | Life of the asset |
|-------------------|-------------------|
| Computer software | 5-10 years |
| Patent | 3/15 years |

2.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.16 Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

(a) Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(b) Defined contribution plan

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.17 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.18 Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary, the Group makes a disclosure of the nature and amount of such items separately under the head Exceptional Items.

2.19 Provision and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

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

2.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Internal Management and the Board of Directors of the separate Companies who are responsible for allocating the resources, assess the financial performance and position of the Group and makes strategic decisions. The Group has identified one reportable segment "Pharma Packaging Research Solutions". Refer Note 39 for segment information presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

3. PROPERTY, PLANT AND EQUIPMENT

| | Leasehold land | Buildings | Plant and machinery | Vehicles | Electric Fitting | Furniture and fixtures | Office equipment | Total |
|--------------------------------------------------------|------------------|------------------|---------------------|--------------|------------------|------------------------|------------------|--------------------|
| Year ended March 31, 2023 | | | | | | | | |
| Gross Carrying Amount | | | | | | | | |
| Carrying amount as at April 1, 2022 | 4,934.17 | 8,585.63 | 81,353.05 | 32.08 | 972.41 | 475.94 | 528.98 | 96,882.27 |
| Additions | - | 22.14 | 1,166.36 | - | - | 8.20 | 20.11 | 1,216.81 |
| Adjustment* | - | - | (2,258.00) | - | - | (46.65) | (31.42) | (2,336.07) |
| Disposals | - | - | (6,619.65) | - | - | (0.17) | (3.30) | (6,623.12) |
| Revaluation | 29,349.45 | 36,801.67 | 47,108.99 | 10.44 | - | 1,174.85 | 509.23 | 114,954.64 |
| At March 31, 2023 | 34,283.62 | 45,409.44 | 120,750.76 | 42.52 | 972.41 | 1,612.17 | 1,023.60 | 204,094.53 |
| Accumulated depreciation and impairment, if any | | | | | | | | |
| As at April 1, 2022 | 13.09 | 2,321.73 | 47,622.60 | 24.23 | 876.21 | 392.75 | 428.37 | 51,678.98 |
| Charge for the year | 0.37 | 170.86 | 3,341.72 | 1.00 | 1.16 | 29.13 | 36.57 | 3,580.80 |
| Adjustment* | - | - | (2,258.00) | - | - | (46.65) | (31.42) | (2,336.07) |
| Disposals | - | - | (3,499.89) | - | - | - | - | (3,499.89) |
| Acc.Dep.on Revaluation | 16,391.84 | 29,682.97 | 5,753.07 | - | - | 222.52 | 234.12 | 52,284.53 |
| At March 31, 2023 | 16,405.30 | 32,175.56 | 50,959.50 | 25.23 | 877.37 | 597.75 | 667.64 | 101,708.35 |
| Net Block at March 31, 2023 | 17,878.32 | 13,233.88 | 69,791.25 | 17.29 | 95.05 | 1,014.42 | 355.96 | 1,02,386.18 |
| Year ended March 31, 2024 | | | | | | | | |
| Gross Carrying Amount | | | | | | | | |
| Carrying amount as at April 1, 2023 | 34,283.62 | 45,409.44 | 120,750.76 | 42.52 | 972.41 | 1,612.17 | 1,023.60 | 204,094.53 |
| Additions | 6,407.05 | 5,111.57 | 343.18 | 27.66 | - | 13.64 | 59.31 | 11,962.42 |
| Assets held for sale | (6,407.05) | - | - | - | - | - | - | (6,407.05) |
| Disposals | - | (6,934.54) | (4.44) | (14.91) | (62.63) | (93.38) | (24.67) | (7,134.57) |
| Revaluation | - | - | - | - | - | - | - | - |
| At March 31, 2024 | 34,283.62 | 43,586.47 | 121,089.50 | 55.27 | 909.78 | 1,532.43 | 1,058.24 | 202,515.33 |
| Accumulated depreciation and impairment, if any | | | | | | | | |
| As at April 1, 2023 | 16,405.30 | 32,175.56 | 50,959.50 | 25.23 | 877.37 | 597.75 | 667.64 | 101,708.35 |
| Charge for the year | 116.51 | 259.75 | 3,575.34 | 2.68 | 0.00 | 191.35 | 90.08 | 4,235.71 |
| Disposals | - | (5,075.10) | (2.94) | (7.16) | (59.50) | (88.66) | (21.99) | (5,255.35) |
| Acc.Dep.on Revaluation | - | - | - | - | - | - | - | - |
| At March 31, 2024 | 16,521.81 | 27,360.21 | 54,531.91 | 20.75 | 817.87 | 700.44 | 735.73 | 1,00,688.71 |
| Net Block at March 31, 2024 | 17,761.81 | 16,226.26 | 66,557.59 | 34.53 | 91.92 | 832.00 | 322.51 | 1,01,826.62 |

* The adjustment pertains to the gross block and accumulated depreciation to align with the fixed assets register, this does not have any impact on the net block.

(i) Capital work-in-progress

The carrying value of capital work-in progress as at 31 March 2024 is ₹ 53.30 lacs (31 March 2023: ₹72.97 lacs)

(ii) Assets pledged as security

Refer Note 13(a) and 13(b) for details of the assets pledged as security.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

3(a) RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|-------------------------|-------------------------|
| Property, plant and equipment | 101,826.61 | 102,386.17 |
| Right-of-use assets | 109.72 | 142.46 |
| | 101,936.33 | 102,528.63 |

(ii) Carrying value of right of use of assets at the end of the reporting year by class

| | | |
|-------------------------------------|---------------|---------------|
| Balance as at April 1, 2023 | 142.46 | 17.87 |
| Additions | - | 143.17 |
| Depreciation charge for the year | 32.74 | 18.58 |
| Balance as at March 31, 2024 | 109.72 | 142.46 |

Lease as lessee

Lease contract entered by the Group majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitments towards variable rent as per the contract.

(iii) Movement in lease liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Balance as at April 1, 2023 | 148.65 | 18.63 |
| Additions | 39.87 | 152.63 |
| Deletions | 25.06 | - |
| Interest on lease liabilities | 14.81 | 9.44 |
| Payment of lease liabilities | 54.68 | 32.05 |
| Balance as at March 31, 2024 | 123.59 | 148.65 |

(iv) Maturity analysis of lease liabilities

| | | |
|--------------------------------------------------------------------------|---------------|---------------|
| Less than one year | 30.01 | 25.06 |
| One to five years | 93.58 | 123.59 |
| More than five years | - | - |
| Total undiscounted lease liabilities as at March 31, 2024 | 123.59 | 148.65 |
| Current | 30.01 | 25.06 |
| Non Current | 93.58 | 123.59 |
| Lease liabilities included in the statement of financial position | 123.59 | 148.65 |

(v) Amounts recognised in profit and loss

| | | |
|-------------------------------------|--------------|--------------|
| Interest on lease liabilities | 14.81 | 9.44 |
| Depreciation of right-of-use assets | 32.74 | 18.58 |
| | 47.55 | 28.02 |

(vi) Amounts recognised in the statement of cash flows

| | | |
|-------------------------------|-------|-------|
| Total cash outflow for leases | 54.68 | 32.05 |
|-------------------------------|-------|-------|

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

4 INVESTMENT PROPERTY

| | Building |
|--------------------------------------------------------|-----------------|
| Year ended March 31, 2023 | |
| Gross carrying amount | |
| Carrying amount as at April 1, 2022 | 84.70 |
| Additions | - |
| Disposals | 84.70 |
| At March 31, 2023 | - |
| Accumulated depreciation and impairment, if any | |
| As at April 1, 2022 | 24.61 |
| Charge for the year | 1.20 |
| Disposals | 25.81 |
| At March 31, 2023 | - |
| Net block at March 31, 2023 | - |
| Year ended March 31, 2024 | |
| Gross carrying amount | |
| Carrying amount as at April 1, 2023 | - |
| Additions | - |
| Disposals | - |
| At March 31, 2024 | - |
| Accumulated depreciation and impairment, if any | |
| As at April 1, 2023 | - |
| Charge for the year | - |
| Disposals | - |
| At March 31, 2024 | - |
| Net Block at March 31, 2024 | - |

Notes:

(i) Information regarding income and expenditure of investment property:

| | March 31, 2024 | March 31, 2023 |
|---------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Rental income derived from investment properties | - | - |
| Direct operating expenses (including repairs and maintenance) generating rental income | - | - |
| Direct operating expenses (including repairs and maintenance) that did not generate rental income | - | (1.36) |
| (Loss)/Profit arising from investment properties before depreciation and indirect expenses | - | (1.36) |
| Less : Depreciation | - | (1.20) |
| (Loss)/Profit arising from investment properties before indirect expenses | - | (2.56) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

5 INTANGIBLE ASSETS

| | Patents & trademarks | Software | Total |
|--------------------------------------------------------|----------------------|-----------------|-----------------|
| Year ended March 31, 2023 | | | |
| Gross Carrying Amount | | | |
| Carrying amount as at April 1, 2022 | 1,965.73 | 1,359.43 | 3,325.16 |
| Additions | - | 9.09 | 9.09 |
| Adjustments* | - | (15.57) | (15.57) |
| Disposals | 1.53 | - | 1.53 |
| Revaluation | 622.69 | 557.26 | 1,179.96 |
| At March 31, 2023 | 2,589.95 | 1,910.21 | 4,500.17 |
| Accumulated depreciation and impairment, if any | | | |
| As at April 1, 2022 | 1,037.06 | 1,012.95 | 2,050.01 |
| Charge for the year | 135.33 | 45.56 | 180.89 |
| Adjustments* | - | (15.57) | (15.57) |
| Disposals | - | - | - |
| Acc.Dep.on Revaluation | - | 265.69 | 265.69 |
| At March 31, 2023 | 1,172.39 | 1,308.63 | 2,481.02 |
| Net Block at March 31, 2023 | 1,417.56 | 601.59 | 2,019.15 |
| Year ended March 31, 2024 | | | |
| Gross Carrying Amount | | | |
| Carrying amount as at April 1, 2023 | 2,589.95 | 1,910.21 | 4,500.17 |
| Additions | 82.97 | 14.50 | 97.47 |
| Disposals | - | - | - |
| Revaluation | - | - | - |
| At March 31, 2024 | 2,672.92 | 1,924.71 | 4,597.64 |
| Accumulated depreciation and impairment, if any | | | |
| As at April 1, 2023 | 1,172.39 | 1,308.63 | 2,481.02 |
| Charge for the year | 140.43 | 85.70 | 226.13 |
| Disposals | - | - | - |
| Acc.Dep.on Revaluation | - | - | - |
| At March 31, 2024 | 1,312.82 | 1,394.33 | 2,707.15 |
| Net Block at March 31, 2024 | 1,360.10 | 530.38 | 1,890.49 |

* The adjustment pertains to the gross block and accumulated depreciation to align with the fixed assets register; this does not have any impact on the net block.

(i) Intangible Assets under development:

The carrying value of intangible assets under development as at 31 March 2024 is ₹74.50 lacs (31 March 2023: NIL)

Intangible assets under development comprises cost of assets that are not yet installed and ready for their intended use at the balance sheet date and which are less than one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

6 FINANCIAL ASSETS

(a) INVESTMENTS

| | March 31, 2024 | | March 31, 2023 | |
|-----------------------------------------------------------------|----------------|---------------|----------------|---------------|
| | Nos. | Amount | Nos. | Amount |
| Non-Current | | | | |
| Investment in equity shares (unquoted) (fully paid-up) | | | | |
| The Cosmos Co-operative Bank Limited (of ₹100 each) | 46000 | 46.00 | 21000 | 21.00 |
| Janata Sahakari Bank Limited (of ₹100 each) | 10100 | 10.10 | 10000 | 10.00 |
| The Vishweshwar Sahakari Bank Limited (of ₹50 each) | 19900 | 9.95 | 19900 | 9.95 |
| The Maharashtra State Co-operative Bank Limited (of ₹1000 each) | 70010 | 700.10 | 20000 | 200.00 |
| Share application money with Cosmos Bank | - | - | - | 4.98 |
| | | 766.15 | | 245.93 |
| Aggregate amount of unquoted investments | | 766.15 | | 245.93 |
| Aggregate amount of impairment in the value of investments | | - | | - |

(b) TRADE RECEIVABLES - BILLED - CURRENT

| | March 31, 2024 | March 31, 2023 |
|--------------------------------------------------------------------|------------------|------------------|
| Trade receivables - Billed | 15,319.19 | 19,038.48 |
| Less: Allowance for doubtful trade receivables - Billed | (826.54) | (727.72) |
| Considered good | 14,492.65 | 18,310.76 |
| Trade receivables - which have significant increase in credit risk | 395.50 | 202.41 |
| Trade receivables - Credit impaired | 93.94 | 273.87 |
| | 14,982.08 | 18,787.03 |

Ageing for trade receivables – Billed - current outstanding as at March 31, 2024:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---------------------------------------------------------|-----------------|------------------------------------------------------------|-------------------|---------------|--------------|-------------------|------------------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Undisputed trade receivables | | | | | | | |
| – considered good | 9,206.44 | 5,007.99 | 992.16 | 95.90 | 14.61 | 2.09 | 15,319.19 |
| – which have significant increase in credit risk | 11.91 | 1.05 | 11.86 | 128.22 | 22.41 | 216.58 | 392.02 |
| – credit impaired | 16.03 | 19.42 | 19.45 | 5.31 | 6.39 | 27.33 | 93.93 |
| Disputed trade receivables | | | | | | | |
| – considered good | - | - | - | - | - | - | - |
| – which have significant increase in credit risk | - | 1.23 | - | 0.51 | 1.74 | - | 3.48 |
| – credit impaired | - | - | - | - | - | - | - |
| | 9,234.38 | 5,029.69 | 1,023.47 | 229.94 | 45.15 | 246.00 | 15,808.62 |
| Less: Allowance for doubtful trade receivables - Billed | | | | | | | (826.54) |
| | | | | | | | 14,982.08 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

Ageing for trade receivables – Billed - current outstanding as at March 31, 2023:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------------------------------------|-----------|---------------------------------------------------------------|----------------------|----------------|----------------|----------------------|-----------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Undisputed trade receivables | | | | | | | |
| – considered good | 11,146.97 | 6,926.68 | 862.75 | 55.99 | 15.06 | 20.77 | 19,028.21 |
| – which have significant increase in credit risk | - | 177.27 | 4.37 | 4.94 | 6.09 | 9.73 | 202.41 |
| – credit impaired | - | 2.48 | 2.53 | 14.73 | 11.29 | 22.17 | 53.19 |
| Disputed trade receivables | | | | | | | |
| – considered good | - | - | - | 9.82 | 0.44 | - | 10.27 |
| – which have significant increase in credit risk | - | - | - | - | - | - | - |
| – credit impaired | - | - | - | - | 129.47 | 91.20 | 220.67 |
| | 11,146.97 | 7,106.43 | 869.65 | 85.48 | 162.35 | 143.87 | 19,514.75 |
| Less: Allowance for doubtful trade receivables - Billed | | | | | | | (727.72) |
| | | | | | | | 18,787.03 |

(c) CASH AND CASH EQUIVALENTS

| | March 31, 2024 | March 31, 2023 |
|----------------------------|-------------------|-------------------|
| Balances with banks | | |
| In current accounts | 1,694.30 | 2,342.42 |
| Cash on hand | 2.24 | 103.26 |
| Remittances in transit | 3.32 | 1.40 |
| | 1,699.86 | 2,447.08 |

(d) OTHER BALANCES WITH BANKS

| | | |
|--------------------------------------------------|-----------------|---------------|
| Deposit accounts (maturity less than 12 months) | 1,853.91 | 2.40 |
| Earmarked deposits with banks | 83.31 | 626.01 |
| Earmarked balances on unclaimed dividend account | 5.14 | 7.71 |
| | 1,942.36 | 636.12 |

Earmarked deposits include margin money for guarantees, advance license etc.

(e) Loans

Non-Current

Unsecured, considered good

| | | |
|---------------------|-------------|-------------|
| Advance to Employee | 8.40 | 4.46 |
| | 8.40 | 4.46 |

Current

Unsecured, considered good

| | | |
|-------------------------|-----------------|--------------|
| Advance to employees | 40.34 | 24.47 |
| Intercorporate Deposits | 1,400.00 | - |
| | 1,440.34 | 24.47 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

(f) OTHER FINANCIAL ASSETS

| | March 31, 2024 | March 31, 2023 |
|---------------------------------------------------|-------------------|-------------------|
| Non-Current | | |
| Interest receivable | - | - |
| Security deposits | 470.38 | 406.38 |
| Term deposits (with maturity more than 12 months) | 8,294.86 | 7,520.88 |
| | 8,765.24 | 7,927.26 |
| Current | | |
| Interest receivable | 81.22 | 22.99 |
| Other receivable | 1,533.27 | 569.41 |
| | 1,614.49 | 592.40 |

7 OTHER ASSETS

| | Notes | March 31, 2024 | March 31, 2023 |
|-----------------------------------------------------|--------------|-------------------|-------------------|
| Non-current | | | |
| Capital advances | See note (i) | 747.45 | 11,445.87 |
| Gratuity | | 20.92 | 35.78 |
| Prepaid expenses | | 8.52 | 34.60 |
| Other receivables | | 529.84 | 5.39 |
| | | 1,306.73 | 11,521.64 |
| Current | | | |
| Advance to suppliers | | 214.92 | 1,803.69 |
| Advance to employees | | 0.79 | 3.42 |
| Balance with customs, GST and sales tax authorities | | 1,784.64 | 1,359.83 |
| Prepaid expenses | | 315.98 | 269.54 |
| Other receivables | | 90.00 | 0.00 |
| | | 2,406.33 | 3,436.48 |

(i) Capital advances to related parties are disclosed as part of note 37 - Related party disclosures and refer note 7 of standalone financial statements.

8 DEFERRED TAX (net)

| | Deferred tax assets | | Deferred tax liabilities | | Net deferred tax asset / (liabilities) | |
|------------------------------------------------------------------|---------------------|-------------------|--------------------------|-------------------|-------------------------------------------|-------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Property, plant and equipment | - | 10.80 | (4,606.31) | (3,545.62) | (4,606.31) | (3,534.82) |
| Unabsorbed loss / depreciation | 1,541.43 | - | - | - | 1,541.43 | - |
| Provisions | 311.97 | 315.00 | - | - | 311.97 | 315.00 |
| Receivables and advances / payables | 503.00 | 77.10 | - | - | 503.00 | 77.10 |
| Disallowances u/s 43B of Income Tax Act & other disallowances | - | 19.76 | - | - | - | 19.76 |
| | 2,356.40 | 422.66 | (4,606.31) | (3,545.62) | (2,249.91) | (3,122.96) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

(i) Movement in temporary differences for the year ended March 31, 2023

| | 01-Apr-22 | Recognised in | | | March 31, 2023 |
|---------------------------------------------------------------|------------------|--------------------|-------------|------------------------------------|-------------------|
| | | Profit or loss | OCI | Exchange differences / Adjustments | |
| Property, plant and equipment | (7,718.30) | 4,183.48 | - | - | (3,534.82) |
| Provisions | 293.21 | 20.89 | 0.90 | - | 315.00 |
| Investments | 8,145.00 | (8,145.00) | - | - | - |
| Receivables and advances / payables | 10,669.79 | (10,592.69) | - | - | 77.10 |
| Disallowances u/s 43B of Income Tax Act & other disallowances | - | 19.76 | - | - | 19.76 |
| | 11,389.70 | (14,513.56) | 0.90 | - | (3,122.96) |

(ii) Movement in temporary differences for the year ended March 31, 2024

| | 01-Apr-23 | Recognised in | | | March 31, 2024 |
|---------------------------------------------------------------|-------------------|----------------|----------------|------------------------------------|-------------------|
| | | Profit or loss | OCI | Exchange differences / Adjustments | |
| Property, plant and equipment | (3,534.82) | (1,071.50) | - | - | (4,606.31) |
| Unabsorbed loss | - | 1,541.43 | - | - | 1,541.43 |
| Provisions | 315.00 | 11.67 | (14.70) | - | 311.97 |
| Receivables and advances / payables | 77.10 | 425.90 | - | - | 503.00 |
| Disallowances u/s 43B of Income Tax Act & other disallowances | 19.76 | (19.76) | - | - | - |
| | (3,122.96) | 887.74 | (14.70) | - | (2,249.91) |

(iii) Unrecognised deferred tax assets

| | March 31, 2024 | March 31, 2023 |
|-------------------------|----------------|----------------|
| Unabsorbed loss* | 19,839.34 | 19,484.87 |
| Unabsorbed depreciation | 32,280.75 | 26,822.06 |

*Includes long term capital losses of ₹15,255.72 lacs available for set off upto AY 2024-25
The losses can be carried forward for a period of 8 years and unabsorbed depreciation without any time limit.

9 INVENTORIES

(at lower of cost or net realisable value)

| | | |
|------------------------|------------------|-----------------|
| Raw materials | 4,985.05 | 4,607.69 |
| Stores and consumables | 374.94 | 466.16 |
| Work-in-progress | 2,018.12 | 1,580.13 |
| Finished goods | 3,246.93 | 1,755.12 |
| | 10,625.04 | 8,409.10 |
| Finished goods | 1,998.84 | 719.18 |
| | 1,998.84 | 719.18 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

10 SHARE CAPITAL

[a] Authorised share capital

| | Equity shares of ₹ 10 each (PY ₹ 10 each) | | Redeemable preference shares of ₹ 10 each (PY ₹ 10 each) | |
|--------------------------|----------------------------------------------|----------|----------------------------------------------------------------|--------|
| | No. of shares | Amount | No. of shares | Amount |
| As at 1-Apr-2022 | 40,000,000 | 4,000.00 | 5,000,000 | 500.00 |
| Increase during the year | - | - | - | - |
| As at 31-Mar-2023 | 40,000,000 | 4,000.00 | 5,000,000 | 500.00 |
| Increase during the year | - | - | - | - |
| As at 31-Mar-2024 | 40,000,000 | 4,000.00 | 5,000,000 | 500.00 |

[b] Issued equity share capital

| | Equity shares of ₹ 10 each (PY ₹ 10 each) | |
|--------------------------|----------------------------------------------|----------|
| | No. of shares | Amount |
| As at 1-Apr-2022 | 23,545,231 | 2,354.52 |
| Change during the year | - | - |
| As at 31-Mar-2023 | 23,545,231 | 2,354.52 |
| Change during the year | - | - |
| As at 31-Mar-2024 | 23,545,231 | 2,354.52 |

Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. During the year ended 31 March 2024, the amount of per share dividend recognized as distributions to equity shareholders was NIL (31 March 2023 : NIL). 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.

[c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Equity shares (face value: ₹10 each)

| | March 31, 2024 | | March 31, 2023 | |
|-------------------------|----------------|-----------------------------|----------------|-----------------------------|
| | No. of shares | % of total equity shares | No. of shares | % of total equity shares |
| Mohan H. Bhandari | 5,856,489 | 24.9% | 5,856,489 | 24.9% |
| Monument Pte. Ltd. | 3,871,428 | 16.4% | 3,871,428 | 16.4% |
| Guttikonda Vara Lakshmi | 1,948,754 | 8.3% | 1,876,525 | 8.0% |
| Nutan M. Bhandari | 1,205,122 | 5.1% | 1,205,122 | 5.1% |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

[d] Disclosure of Shareholding of Promoters

| Name of Promoter | Mohan H. Bhandari | Nutan M. Bhandari | Ankita J. Kariya | Total |
|--------------------------------|-------------------|-------------------|------------------|-----------|
| As at 31-03-2024 | | | | |
| No. of shares | 5,856,489 | 1,205,122 | 5,000 | 7,066,611 |
| % of shares (a) | 24.9% | 5.1% | 0.0% | 30.0% |
| As at 31-03-2023 | | | | |
| No. of shares | 5,856,489 | 1,205,122 | 5,000 | 7,066,611 |
| % of shares (b) | 24.9% | 5.1% | 0.0% | 30.0% |
| % change during the year (a-b) | 0.0% | 0.0% | 0.0% | 0.0% |
| As at 31-03-2022 | | | | |
| No. of shares | 5,856,489 | 1,205,122 | 5,000 | 7,066,611 |
| % of shares (c) | 24.9% | 5.1% | 0.0% | 30.0% |
| % change during the year (b-c) | 0.0% | 0.0% | 0.0% | 0.0% |

11 OTHER EQUITY

| | March 31, 2024 | March 31, 2023 |
|-------------------------------------------------------------|-------------------|-------------------|
| Securities premium reserve | 51,034.41 | 51,034.41 |
| Capital redemption reserve | 271.63 | 271.63 |
| Reserve on consolidation | 7,390.44 | 2,585.18 |
| General reserve | 11,746.42 | 11,748.39 |
| Revaluation Reserve | - | 32,428.03 |
| Exchange difference on foreign exchange translation reserve | 88.78 | 547.16 |
| Retained earnings | (23,102.22) | (47,904.44) |
| | 47,429.46 | 50,710.36 |

(i) Securities premium reserve

Security Premium Reserve has been created in earlier years on issue of shares at a premium and is utilised in accordance with the provisions of the Act.

| | | |
|---------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 51,034.41 | 51,034.41 |
| Movement during the year | - | - |
| Balance at the end of the year | 51,034.41 | 51,034.41 |

(ii) Capital redemption reserve

Capital redemption reserve has been created on account of redemption of cumulative preference shares in earlier years.

| | | |
|---------------------------------------|---------------|---------------|
| Balance at the beginning of the year | 271.63 | 271.63 |
| Movement during the year | - | - |
| Balance at the end of the year | 271.63 | 271.63 |

(iii) Reserve on consolidation

Reserve on consolidation is the reserve created on acquisition / disposal of any of the subsidiaries by the holding company.

| | | |
|---------------------------------------|-----------------|-----------------|
| Balance at the beginning of the year | 2,585.18 | 2,585.18 |
| Movement during the year | 4,805.26 | - |
| Transferred to retained earnings | - | - |
| Balance at the end of the year | 7,390.44 | 2,585.18 |

Due to liquidation of BML, ₹2,585.18 lacs has become NIL and post transfer of shares of CIL to BIL, reserves on consolidation ₹7390.44 lacs has been created

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | March 31, 2024 | March 31, 2023 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| (iv) General reserve | | |
| General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the securities. | | |
| Balance at the beginning of the year | 11,748.39 | 11,748.39 |
| Movement during the year | (1.96) | - |
| Balance at the end of the year | 11,746.42 | 11,748.39 |
| (v) Revaluation reserve | | |
| This reserve represents the cumulative gain and losses arising on the revaluation on Property, Plant and Equipment (PPE) as on the balance sheet date measured at fair value. | | |
| Balance at the beginning of the year | 32,428.03 | - |
| Movement during the year* | (32,428.03) | 32,428.03 |
| Balance at the end of the year | - | 32,428.03 |
| * 51% eliminated & Reserves on consolidation created | | |
| (vi) Exchange difference on foreign currency translation reserve | | |
| Balance at the beginning of the year | 547.16 | 387.68 |
| Movement during the year | 40.44 | 159.48 |
| Transferred to retained earnings | (498.82) | 0.00 |
| Balance at the end of the year | 88.78 | 547.16 |
| (vii) Retained earnings | | |
| This reserve represents the cumulative profits of the Group and the effects of remeasurment of defind benefits obligations. | | |
| Balance at the beginning of the year | (47,904.34) | (60,867.59) |
| Net profit for the year | (3,324.23) | 1,504.62 |
| Other comprehensive income for the year | 21.50 | (50.05) |
| Adjustments effected in retained earnings | 28,104.87 | 11,508.58 |
| Less: Appropriation | | |
| Non controlling interest | - | - |
| Balance at the end of the year | (23,102.22) | (47,904.44) |

12 Non Controlling interest (NCI)

The Group has only one subsidiary that has NCI which is Caprihans India Limited (51%). Refer Note 38 for the financials.

13 FINANCIAL LIABILITIES

(a) NON-CURRENT BORROWINGS

| | Notes | March 31, 2024 | March 31, 2023 |
|-----------------------------------|-------------------------------|-------------------|-------------------|
| Secured | | | |
| (i) Rupee term loans - From banks | See note (i) | 53,497.49 | 50,539.70 |
| Unsecured | | | |
| (i) Rupee Term loans - From CSIR | See note (i) See note (ii) | 949.79 | 751.97 |
| (ii) Deferred sales tax loan | | - | 159.28 |
| | | 54,447.28 | 51,450.95 |

(i) Refer Annexure A to the Notes to the Consolidated financial statements.

(ii) The penal interest as per the agreement terms for CSIR loan of ₹1,035.44 lacs is considered under Contingent Liability (refer Note 31). The matter is currently sub-judice.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

(b) CURRENT BORROWINGS

| | Notes | March 31, 2024 | March 31, 2023 |
|------------------------------|----------------|-------------------|-------------------|
| Secured | | | |
| - Rupee Term Loan from bank | See note (i) | 2,914.60 | 1,253.08 |
| - Working capital loans | See note (ii) | 10,150.36 | 48.73 |
| Unsecured | | | |
| - Fixed deposits from Public | See note (iii) | 7,968.97 | 10,959.79 |
| | | 21,033.93 | 12,261.60 |

(i) Represents term loan repayments within next 12 months

(ii) Refer Annexure A to the Notes to the Consolidated financial statements for details of securities given and maturity profile of borrowings.

(iii) Fixed deposits from public carries interest @ 9.55 to 11.75% p.a. In respect of the public fixed deposit liability taken over by the Caprihans India Limited as per the Business Transfer Agreement, the statutory compliances is the responsibility of Bilcare Limited.

(c) OTHER FINANCIAL LIABILITIES

Current

| | | | |
|------------------------------------|--|---------------|---------------|
| Interest accrued on borrowings | | 18.62 | 0.49 |
| Employees payables | | 94.72 | 349.03 |
| Unpaid dividend | | 5.14 | 7.71 |
| Deposits received | | 18.50 | 13.00 |
| Outstanding liability for expenses | | 115.52 | 177.62 |
| Other payables and acceptances | | 30.00 | 92.93 |
| | | 282.50 | 640.78 |

(d) LEASE LIABILITIES

Non - current

| | | | |
|--------|--|--------------|---------------|
| Godown | | 93.58 | 123.59 |
| | | 93.58 | 123.59 |

Current

| | | | |
|--------|--|--------------|--------------|
| Godown | | 30.01 | 25.06 |
| | | 30.01 | 25.06 |

(e) TRADE PAYABLES

Current

| | | | |
|-------------------------------------------------------|-------------|-----------------|------------------|
| Trade Payables | | 8,375.98 | 14,382.29 |
| Trade Payables to Micro, Small and Medium Enterprises | See note 34 | 1,281.76 | 1,174.97 |
| | | 9,657.74 | 15,557.26 |

Ageing for trade payables outstanding as at March 31, 2024:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|-----------------|---------------------------------------------------------------|---------------|-------------|----------------------|-----------------|
| | | Less than 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Trade payables | | | | | | |
| MSME | 840.66 | 390.08 | 2.56 | - | - | 1,233.30 |
| Others | 3,665.58 | 3,983.91 | 708.20 | 2.98 | 15.31 | 8,375.98 |
| Disputed dues - MSME | - | 48.46 | - | - | - | 48.46 |
| Disputed dues - Others | - | - | - | - | - | - |
| | 4,506.24 | 4,422.45 | 710.76 | 2.98 | 15.31 | 9,657.74 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

Ageing for trade payables outstanding as at March 31, 2023:

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|-----------------|---------------------------------------------------------------|--------------|--------------|----------------------|------------------|
| | | Less than 1 year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| Trade payables | | | | | | |
| MSME | 373.43 | 531.47 | 0.01 | - | 0.14 | 905.06 |
| Others | 8,190.10 | 6,064.84 | 13.57 | 12.59 | 101.20 | 14,382.29 |
| Disputed dues - MSME | 89.17 | 180.54 | 0.21 | - | - | 269.91 |
| Disputed dues - Others | - | - | - | - | - | - |
| | <u>8,652.70</u> | <u>6,776.85</u> | <u>13.79</u> | <u>12.59</u> | <u>101.34</u> | <u>15,557.26</u> |

14 PROVISIONS

| | 31-Mar-24 | 31-Mar-23 |
|---------------------------------|-----------------|-----------------|
| Non-current | | |
| Provision for employee benefits | 362.55 | 370.47 |
| | 362.55 | 370.47 |
| Current | | |
| Provision for employee benefits | 997.01 | 1,016.86 |
| Other provisions | 76.44 | 109.62 |
| | 1,073.45 | 1,126.48 |

15 OTHER LIABILITIES

| | | |
|--------------------------------|-----------------|-----------------|
| Current | | |
| Advance from customers | 313.76 | 681.39 |
| Statutory & others liabilities | 2,580.60 | 3,183.10 |
| | 2,894.36 | 3,864.49 |

16 REVENUE FROM OPERATIONS

| | For the year ended on | |
|----------------------------------------|-----------------------|------------------|
| | 31-Mar-24 | 31-Mar-23 |
| Revenue from sale of products | | |
| Sale of products | 71,888.85 | 94,942.16 |
| | 71,888.85 | 94,942.16 |
| Revenue from rendering services | | |
| Sale of services | 1,862.89 | 1,521.69 |
| | 1,862.89 | 1,521.69 |
| Other operating income | | |
| Sale of scrap and others | 882.01 | 1,688.53 |
| Duty Drawback | 84.17 | 9.80 |
| | 966.18 | 1,698.33 |
| | 74,717.92 | 98,162.19 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

17 OTHER INCOME

| | Notes | For the year ended on | |
|-----------------------------------|-------|-----------------------|-----------------|
| | | 31-Mar-24 | 31-Mar-23 |
| Interest on deposits and others | | 976.15 | 92.95 |
| Dividend income | | 5.18 | 0.08 |
| Other non-operating income | | | |
| Profit on Assets Sold / Discarded | | 561.65 | - |
| Profit on sale of investment | | - | - |
| Rental Income | | 33.12 | 90.98 |
| Exchange differences (net) | | 428.60 | 54.21 |
| Liabilities written back | | 232.49 | 779.13 |
| Miscellaneous income | | 15.28 | 4.53 |
| | | 2,252.47 | 1,021.88 |

18 COST OF MATERIALS CONSUMED

| | | |
|----------------------------------------|------------------|------------------|
| Inventory at the beginning of the year | 4,607.69 | 9,229.11 |
| Add: Purchases | 52,413.80 | 68,410.67 |
| Less: Inventory at the end of the year | (4,985.05) | (4,607.69) |
| Cost of raw materials consumed | 52,036.44 | 73,032.08 |

19 CHANGE IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS

| | Notes | For the year ended on | |
|-------------------------------------------------|-------|-----------------------|-----------------|
| | | 31-Mar-24 | 31-Mar-23 |
| Inventory at the end of the year | | | |
| - Finished goods | | 3,246.93 | 1,755.12 |
| - Work-in-progress | | 2,018.12 | 1,580.13 |
| | | 5,265.05 | 3,335.25 |
| Inventory at the beginning of the year | | | |
| - Finished goods | | 1,755.12 | 2,760.87 |
| - Work-in-progress | | 1,580.13 | 1,287.14 |
| | | 3,335.25 | 4,048.01 |
| Net (increase) / decrease in inventories | | (1,929.80) | 712.77 |

20 EMPLOYEE BENEFITS EXPENSE

| | | |
|-------------------------------------------|-----------------|-----------------|
| Salaries, wages and bonus | 6,411.60 | 6,331.03 |
| Contribution to provident and other funds | 433.96 | 380.59 |
| Staff welfare expenses | 341.60 | 413.88 |
| | 7,187.16 | 7,125.50 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

21 OTHER EXPENSES

| | Notes | For the year ended on | |
|--------------------------------------------|--------------|-----------------------|------------------|
| | | 31-Mar-24 | 31-Mar-23 |
| Manufacturing Expenses | | | |
| Consumables, spares and loose tools | | 515.66 | 513.40 |
| Power and fuel | | 3,963.54 | 4,284.48 |
| Freight & forwarding charges | | 2,668.33 | 1,311.05 |
| Sub-contracting expenses | | 278.03 | 695.30 |
| Factory expenses | | - | 248.78 |
| | | <u>7,425.56</u> | <u>7,053.01</u> |
| Selling and Distribution Expenses | | | |
| Sales commission | | 622.28 | 1,032.92 |
| Advertising and sales promotion | | 36.94 | 84.15 |
| Allowances for doubtful debts and advances | | 1,869.25 | 38.94 |
| Bad debts / advances written off | | 186.18 | 81.75 |
| | | <u>2,714.65</u> | <u>1,237.76</u> |
| Other Expenses | | | |
| Rent | | 116.02 | 146.30 |
| Rates and taxes | | 88.89 | 45.66 |
| Repairs & Maintenance | | | |
| - Building | | 286.03 | 84.70 |
| - Plant and machinery | | 265.33 | 384.51 |
| - Others | | 109.67 | 100.60 |
| Insurance | | 226.77 | 247.97 |
| Communication expenses | | 50.34 | 61.50 |
| Travelling and conveyance | | 383.70 | 305.84 |
| Printing and stationery | | 69.48 | 60.47 |
| Legal and professional expenses | | 871.96 | 1,003.20 |
| Payment to Auditors | See note (i) | 74.70 | 74.08 |
| License & Registration expenses | | 4.93 | 124.60 |
| Miscellaneous expenses | | 813.53 | 683.91 |
| Net Loss on disposal of Assets | | 8.72 | 0.24 |
| | | <u>3,370.07</u> | <u>3,323.58</u> |
| | | <u>13,510.28</u> | <u>11,614.35</u> |

(i) Includes ₹64.14 lacs (31 March 2023: ₹59.20 lacs) paid to subsidiary auditors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

22 FINANCE COSTS

| | Notes | For the year ended on | |
|-------------------------------------------------------------------|-------|-----------------------|-----------------|
| | | 31-Mar-24 | 31-Mar-23 |
| Interest | | 7,675.04 | 5,699.03 |
| Interest on lease liability | | 23.19 | 9.44 |
| Unwinding of present value and effect of changes in discount rate | | 288.18 | 3.02 |
| Bank charges and commission | | 207.70 | 288.94 |
| | | 8,179.19 | 6,000.42 |

23 DEPRECIATION AND AMORTIZATION EXPENSE

| | | | |
|-----------------------------------------------|--|-----------------|-----------------|
| Depreciation on property, plant and equipment | | 4,235.70 | 3,580.81 |
| Amortisation of intangible assets | | 226.13 | 180.89 |
| Depreciation on investment property | | - | 1.20 |
| Lease depreciation | | 32.74 | 18.58 |
| | | 4,494.59 | 3,781.48 |

24 EXCEPTIONAL ITEMS GAIN / (LOSS)

| | | | |
|------------------------------------------------------------------|--------------|-----------------|------------------|
| Gain on One Time Settlement (OTS) with Banks | | - | 16,237.15 |
| Present value loss on OTS | | - | (4,717.28) |
| Liabilities for advances and others written back / (written off) | | (84.52) | (453.35) |
| Assets Impaired | | - | (3,119.66) |
| Interest on delayed payment of TDS | See note (a) | (419.13) | - |
| Gain/(loss) on settlement with capital creditors | | - | (144.55) |
| Gain on sale of property plant and equipment | | (159.78) | 711.12 |
| Gain on One Time Settlement (OTS) with Banks | | - | 14,177.04 |
| | | (663.43) | 22,690.46 |

(a) Is the amount of penal interest on delayed payment of TDS earlier considered under contingent liabilities

25 INCOME TAX

[a] Income tax expense is as follows:

Statement of profit and loss

Current tax:

| | | | |
|-------------------------------------|--|--------------|--------------|
| Current tax on profits for the year | | 18.96 | 17.39 |
| Total current tax expense | | 18.96 | 17.39 |

Adjustment in tax relating to earlier years

(447.90) 56.14

Deferred tax:

| | | | |
|----------------------------------------------|--|-----------------|------------------|
| Deferred tax expense / (income) | | (887.74) | 14,513.56 |
| Total deferred tax expense / (income) | | (887.74) | 14,513.56 |

Income tax expense

(1,316.68) 14,587.09

Deferred tax related to OCI items:

| | | | |
|---------------------------------------------------------------|--|----------------|-------------|
| - On loss / (gain) on remeasurements of defined benefit plans | | (14.70) | 0.90 |
| | | (14.70) | 0.90 |

Total Tax expense / (benefit)

(1,301.98) 14,586.19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | For the year ended on | |
|--------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|
| | 31-Mar-24 | 31-Mar-23 |
| [b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate: | | |
| Profit/(loss) before exceptional items and tax | (6,507.47) | (3,082.53) |
| Other comprehensive income before tax | 65.45 | (96.58) |
| Total comprehensive income before tax | (6,442.02) | (3,179.11) |
| Tax rate in India (%) | 25.17% | 26.00% |
| Expected Income Tax expense | (1,621.33) | (826.57) |
| Tax effect of adjustments in calculating taxable income: | | |
| Timing difference for effect of tax considered in earlier year | (141.09) | - |
| Income tax adjustments (earlier years) | (447.90) | 56.14 |
| Expenses not deductible | (54.05) | 84.51 |
| Loss in respect of Deferred tax assets not recognised for the year | 474.50 | 180.18 |
| Effect of tax rate difference of earlier year temporary difference | 206.00 | 2,906.25 |
| Reversal of deferred tax on account of change in earlier year temporary differences | - | 8,145.00 |
| Other adjustments | (237.41) | 3,322.53 |
| Other tax allowances | 534.00 | 717.22 |
| Effect of income tax on OCI | (14.70) | 0.90 |
| Income tax expense | (1,301.98) | 14,586.17 |

26 EARNING PER SHARE

| | | |
|--------------------------------------------------------------------------------------------------------------|----------------|-------------|
| Basic earning per share (face value of ₹10 each) | (14.12) | 6.39 |
| Diluted earning per share (face value of ₹10 each) | (14.12) | 6.39 |
| - Profit attributable to the equity share holders of the Company used in calculating basic earning per share | (3,324.13) | 1,504.62 |
| - Weighted average number of shares used as denominator in calculating basic earning per share (in Nos.) | 23,545,231 | 23,545,231 |

27 FINANCIAL RISK MANAGEMENT

The Group's financial liabilities include borrowings, lease liabilities, trade and other payables. The Group's financial assets include investments, trade and other receivables, cash and cash equivalents and other bank balances. The Group also holds FVTPL investments.

The Group is exposed to credit risk, liquidity risk and market risk. The Board of Directors of the Group oversee the management of these financial risks on an on-going basis.

| Risk | Exposure arising from | Measurement | Management |
|----------------|-----------------------|------------------------|-------------------|
| Credit Risk | Financial Assets | Carrying amount | Credit worthiness |
| | Trade Receivables | Bad and doubtful debts | As per policy |
| Liquidity Risk | Borrowings | Carrying amount | Rolling forecasts |
| | Trade Payables | Carrying amount | Rolling forecasts |
| Market Risk | Foreign Currency | Exchange rate | Natural hedge |
| | Interest rate | Interest rate | Bank rate |

1) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The assumptions for analysing Expected Credit Losses (ECL) are based on the current prevailing market scenarios. The Group only deals with parties which have good credit rating/ worthiness given by external rating agencies or based on Group's internal assessment.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹16,236.84 lacs and ₹11,877.71 lacs as at March 31, 2024 and 2023, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments excluding trade receivables. The maximum credit exposure on financial guarantees given by the Holding Company for subsidiary and various financial facilities is disclosed in Note 31 Contingent liabilities.

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivable as at March 31, 2024 and March 31, 2023.

The reconciliation of allowance for lifetime expected credit loss on trade receivables for reporting period is as follows:

| | 31-Mar-24 | 31-Mar-23 |
|--------------------------------------------|------------------|------------------|
| Balance at the beginning of the year | 727.72 | 1,108.94 |
| Change during the year | 2,154.25 | (260.53) |
| Allowances for doubtful debts and advances | (1,869.25) | (38.94) |
| Bad debts / advances written off | (186.18) | (81.75) |
| Balance at the end of the year | 826.54 | 727.72 |

2) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities by monitoring the rolling forecasts to assess its cash flow requirements to meet operational needs and matching the maturity profiles of financial assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

| | Due in 1 year | Due in 1 to 5 years | Due after 5 years | Total |
|--------------------------------------|------------------|------------------------|----------------------|------------------|
| 31-Mar-24 | | | | |
| Non-derivative financial liabilities | | | | |
| Borrowings* | 3,864.40 | 27,587.37 | 25,910.12 | 57,361.89 |
| Trade payables | 9,657.74 | - | - | 9,657.74 |
| Lease liability | 30.01 | 93.58 | - | 123.59 |
| Other Financial Liabilities | 282.50 | - | - | 282.50 |
| Total | 13,834.65 | 27,680.95 | 25,910.12 | 67,425.72 |
| 31-Mar-23 | | | | |
| Non-derivative financial liabilities | | | | |
| Borrowings* | 2,005.05 | 20,115.79 | 36,884.21 | 59,005.05 |
| Trade payables | 15,557.26 | - | - | 15,557.26 |
| Lease liability | 25.06 | 123.59 | - | 148.65 |
| Other Financial Liabilities | 640.78 | - | - | 640.78 |
| Total | 18,228.15 | 20,239.38 | 36,884.21 | 75,351.74 |

*Borrowings do not include the effect of PV unwinding

3) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, price and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risks are managed within the approved policy parameters. The Group has a natural hedge as it imports raw material and exports goods.

As at the end of the reporting period, the carrying amounts of the material foreign currency denominated monetary assets (including cash and bank balances) and liabilities are as follows:

| Currency | Assets | | | | Liabilities | | |
|----------------------------|---------------------|----------|---------------------|----------|---------------------|----------|----------|
| | 31-Mar-24 | | 31-Mar-23 | | 31-Mar-24 | | |
| | Foreign Currency | ₹ Lacs | Foreign Currency | ₹ Lacs | Foreign Currency | ₹ Lacs | ₹ Lacs |
| United States Dollar (USD) | 52,89,431.11 | 4,409.83 | 52,00,532.98 | 4,277.15 | 49,33,586.10 | 4,117.33 | 4,397.68 |
| Euro (EUR) | 7,13,265.45 | 643.49 | 5,37,238.75 | 481.41 | 16,373.35 | 14.77 | 459.29 |
| Great British Pound (GBP) | 2,42,193.66 | 255.01 | 2,98,520.11 | 304.11 | - | - | 3.01 |
| Emirati Dirham (AED) | - | - | 33,854.12 | 7.60 | - | - | - |
| Swiss Franc (CHF) | - | - | - | - | - | - | 698.76 |

The following tables demonstrate the sensitivity of outstanding foreign currency denominated monetary items to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of financial assets and liabilities:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | Effect on Profit before tax | |
|--------------------------------------------------------|-----------------------------|-----------|
| | 31-Mar-24 | 31-Mar-23 |
| +10% on Financial Assets less Financial Liabilities | 117.62 | (48.85) |
| -10% on Financial Assets less Financial Liabilities | (117.62) | 48.85 |

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

28 FAIR VALUE MEASUREMENTS

(1) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2024 is as follows:

| | Fair value through profit or loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortised Cost | Total carrying value |
|---------------------------------------------------|----------------------------------------------------|--------------------------------------------------------------------|-------------------|-------------------------|
| Financial assets | | | | |
| Investments | 1.10 | 765.05 | - | 766.15 |
| Other financial assets - Security deposit | - | - | 470.38 | 470.38 |
| Term deposits (with maturity more than 12 months) | - | - | 8,294.86 | 8,294.86 |
| Interest and other receivable | - | - | 1,614.49 | 1,614.49 |
| Trade receivables - billed | - | - | 14,982.08 | 14,982.08 |
| Cash and cash equivalents | - | - | 1,699.87 | 1,699.87 |
| Bank balances | - | - | 1,942.36 | 1,942.36 |
| | 1.10 | 765.05 | 29,004.04 | 29,770.19 |
| Financial liabilities | | | | |
| Borrowings | - | - | 75,481.20 | 75,481.20 |
| Trade payables | - | - | 9,657.74 | 9,657.74 |
| Lease liabilities | - | - | 123.59 | 123.59 |
| Other financial liabilities | - | - | 282.50 | 282.50 |
| | - | - | 85,545.03 | 85,545.03 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

The carrying value of financial instruments by categories as at March 31, 2023 is as follows:

| | Fair value through profit or loss (FVTPL) | Fair value through other comprehensive income (FVTOCI) | Amortised Cost | Total carrying value |
|---------------------------------------------------|-------------------------------------------|--------------------------------------------------------|------------------|----------------------|
| Financial assets | | | | |
| Investments | 1.00 | 244.93 | - | 245.93 |
| Other financial assets - Security deposit | - | - | 406.38 | 406.38 |
| Term deposits (with maturity more than 12 months) | - | - | 7,520.88 | 7,520.88 |
| Interest and other receivable | - | - | 592.40 | 592.40 |
| Trade receivables - billed | - | - | 18,787.03 | 18,787.03 |
| Cash and cash equivalents | - | - | 2,447.08 | 2,447.08 |
| Bank balances | - | - | 636.12 | 636.12 |
| | 1.00 | 244.93 | 30,389.89 | 30,635.82 |
| Financial liabilities | | | | |
| Borrowings | | | | |
| | - | - | 63,712.55 | 63,712.55 |
| Trade payables | - | - | 15,557.26 | 15,557.26 |
| Lease liabilities | - | - | 148.65 | 148.65 |
| Other financial liabilities | - | - | 640.78 | 640.78 |
| | - | - | 80,059.25 | 80,059.25 |

Group has assessed that Cash and cash equivalents, Other balances with banks, Trade receivables, Other financial assets, Trade payables, Borrowings, Lease liabilities and Other financial liabilities carried at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

(2) Fair Value Hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation techniques:

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.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

- The fair value of quoted equity investment and mutual funds are based on price quotations at the reporting date.
- The fair value of unquoted equity investments are based on market multiple approach. Market multiple of EV/EBITDA are considered after applying suitable discounts for size, liquidity and other company specific discounts.
- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The model incorporates various inputs including the credit quality of counter parties, foreign exchange spot and forward rates. However Group doesnot have any derivative financial instruments.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active markets. The investment included in level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

| | | 31-Mar-24 | 31-Mar-23 |
|-------------------------|---------|-----------|-----------|
| Financial assets | | | |
| Investments | Level 1 | - | - |
| | Level 2 | 1.10 | 1.00 |
| | Level 3 | 765.05 | 244.93 |

29 EMPLOYEE BENEFIT OBLIGATIONS

Defined Contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits, such as provident fund. Out of the total expenses recognised ₹ 223.65 lacs pertains to contribution to PF and ESIC which have been expensed under employee benefit expenses.

Defined Benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides gratuity benefit to its employees which is treated as defined benefit plans.

Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. 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 recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Employee benefit plans consist of the following:

Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust and the fair value of the plan assets is deducted from the gross obligation.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

| | 31-Mar-24 | 31-Mar-23 |
|-------------------------------------------------------------|-----------------|-----------------|
| Change in benefit obligations | | |
| Present value of obligation as at the beginning of the year | 1,597.25 | 2,073.14 |
| Transfer in/(out)# | - | (761.29) |
| Interest expense | 118.89 | 144.78 |
| Contributions | - | - |
| Current service cost | 103.07 | 173.47 |
| Benefits paid | (181.74) | (104.13) |
| Gain/loss from change in demographic assumption | - | - |
| Gain/loss from change in financial assumption | 28.30 | (23.90) |
| Experience gain/loss | (101.14) | 91.56 |
| Remeasurements on obligation - (Gain) / Loss | 12.13 | 3.63 |
| Present value of obligation as at the end of the year | 1,576.76 | 1,597.26 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

| | 31-Mar-24 | 31-Mar-23 |
|---------------------------------------------------------------------------------------|-----------|-----------|
| Change in plan assets | | |
| Fair value of plan assets at the beginning of the year | 756.04 | 796.55 |
| Interest income | 56.44 | 54.57 |
| Contributions | 2.92 | 24.97 |
| Mortality charges and taxes | - | - |
| Benefits paid | (153.81) | (94.75) |
| Return on plan assets, excluding amount recognized in interest income - Gain / (Loss) | 4.75 | (25.29) |
| Fair value of plan assets at the end of the year | 666.34 | 756.04 |
| Actual return on plan assets | 61.19 | 29.27 |

Funded status

| | | |
|-----------------------------------------|----------|----------|
| Deficit of plan assets over obligations | (910.42) | (841.22) |
| Surplus of plan assets over obligations | - | - |

Category of assets

| | | |
|---------------------------------|--------|--------|
| Government bonds and securities | - | - |
| Insurer managed funds | 666.34 | 756.04 |
| Others | - | - |
| | 666.34 | 756.04 |

Net periodic gratuity cost, included in employee cost consists of the following components:

| | | |
|-------------------------------------------------------------------------------------------|--------|----------|
| Service Cost | 103.07 | 173.47 |
| Net interest (Income) / Expense | 62.44 | 90.22 |
| Transfer in/(out) | - | (761.29) |
| Net periodic benefit cost recognised in the statement of profit & loss at the end of year | 165.51 | (497.60) |

Remeasurement of the net defined benefit (asset) / liability:

| | | |
|------------------------------------------------------------------------------|---------|---------|
| Actuarial (gains) and losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains) and losses arising from changes in financial assumptions | 30.39 | (26.58) |
| Actuarial (gains) and losses arising from changes in experience adjustments | (91.09) | 97.87 |

Remeasurement of the net defined benefit liability

| | | |
|---------------------------------------|---------|---------|
| Remeasurement - return on plan assets | 4.75 | (25.29) |
| | (65.45) | 96.58 |

The assumptions used in accounting for the defined benefit plan are set out below:

| | Bilcare Limited - Standalone | | Caprihans India Limited | |
|-----------------------------------------------------------------|------------------------------|-------------|---------------------------------------------------|----------------------------------------------------|
| | 31 Mar 2024 | 31 Mar 2023 | 31 Mar 2024 | 31 Mar 2023 |
| Discount rate | 7.20% | 7.50% | 7.15% | 7.45% |
| Rate of increase in compensation levels of covered employees | 10.00% | 10.00% | 10% p.a. for first two years 6.5% p.a. thereafter | 10% p.a. for first two years, 6.5% p.a. thereafter |
| Withdrawal rate | 5.00% | 5.00% | Upto 44 years 5%, above 44 years 7% | Upto 44 years 5%, above 44 years 7% |
| Expected rate of return on plan assets | 7.50% | 7.10% | - | - |
| Expected average remaining working lives of employee (in years) | 13 | 12 | 16 | 16 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

Future mortality assumptions are taken in accordance with the Indian Assured Lives Mortality (2012-14) ultimate (IALM ult).

Sensitivity Analysis

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

If the discount rate increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

| | Bilcare Limited - Standalone | | Caprihans India Limited | |
|----------------|------------------------------|-------------|-------------------------|-------------|
| | 31 Mar 2024 | 31 Mar 2023 | 31 Mar 2024 | 31 Mar 2023 |
| Increase by 1% | 135.74 | 97.86 | 1,357.54 | 1,402.68 |
| Decrease by 1% | 121.46 | 110.91 | 1,550.80 | 1,594.83 |

If the expected salary growth increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

| | | | | |
|----------------|--------|--------|----------|----------|
| Increase by 1% | 123.61 | 108.72 | 1,531.46 | 1,576.60 |
| Decrease by 1% | 133.06 | 99.50 | 1,368.05 | 1,413.59 |

If the withdrawal rate increases / decreases by 1%/50%, the defined benefit obligations would increase / (decrease) as follows:

| | | | | |
|-----------------|--------|--------|----------|----------|
| Increase by 1% | 128.96 | 103.18 | - | - |
| Decrease by 1% | 127.27 | 104.71 | - | - |
| Increase by 50% | - | - | 1,436.06 | 1,491.71 |
| Decrease by 50% | - | - | 1,464.55 | 1,494.34 |

If the mortality rate increases / decreases by 10%, the defined benefit obligations would increase / (decrease) as follows:

| | | | | |
|-----------------|---|---|----------|----------|
| Increase by 10% | - | - | 1,448.55 | 1,493.28 |
| Decrease by 10% | - | - | 1,448.87 | 1,493.45 |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Expected future benefits payments

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2024. The Company's expected contributions to post-employment benefit plans for the year ending 31 March 2025 is ₹1029.83 lacs.

The defined benefit obligations shall mature after the year ended March 31, 2024 as follows:

| Year ending March 31, | Defined benefit obligations |
|---------------------------|-----------------------------|
| Within the next 12 months | 207.85 |
| 2-5 years | 697.66 |
| More than 5 years | 1,801.93 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

30 BUSINESS COMBINATIONS

Subsidiaries:

The Group's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by Group. The country of incorporation or registration is also their principal place of business.

| Name of the Subsidiaries | Place of business / country of incorporation | Ownership interest held by the Group | | Ownership interest held by the non-controlling interest | |
|---------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------|-----------|------------------------------------------------------------|-----------|
| | | 31-Mar-24 | 31-Mar-23 | 31-Mar-24 | 31-Mar-23 |
| | | % | % | % | % |
| Bilcare GCS Limited | United Kingdom | 100.00 | 100.00 | - | - |
| Bilcare GCS Inc. | United States of America | 100.00 | 100.00 | - | - |
| Bilcare GCS Ireland Limited | Ireland | 100.00 | 100.00 | - | - |
| Bilcare Inc. | United States of America | 100.00 | 100.00 | - | - |
| Bilcare Pharma Solutions Limited, India (incorporated during the year) | India | 100.00 | - | - | - |
| Bilcare Mauritius Limited, Mauritius (liquidated during the year) # | Mauritius | - | 100.00 | - | - |
| Caprihans India Limited | India | 51.00 | 51.00 | 49.00 | 49.00 |

During the year Bilcare Mauritius Limited (BML) has been liquidated. Consequently, the investments of BML in its subsidiaries viz. Bilcare GCS Inc, Bilcare GCS Ireland Limited, Bilcare Inc and Caprihans India Limited and cash equivalents has been transferred to the shareholder viz. Bilcare Limited as part of the liquidation proceeds.

31 CONTINGENT LIABILITIES

| | 31-Mar-24 | 31-Mar-23 |
|--------------------------------------------------------------------------------------------|-----------|-----------|
| (a) Claims against the Company not acknowledged as debts: | | |
| -Income Tax matters | 859.40 | 562.51 |
| - Penal interest as per the agreement terms for CSIR loan on account of pending legal case | 1,035.44 | - |
| - Penal interest on delayed payment of TDS | - | 726.45 |
| - Excise Duty & Service Tax matters | 233.23 | 267.23 |
| - Rental / labour legal disputed cases | 512.08 | 499.61 |
| - Disputed matters on account of pending legal cases | 2,492.41 | 2,457.82 |
| - Corporate guarantees given | 67,000.00 | 62,000.00 |

32 COMMITMENTS

Capital commitments

| | | |
|------------------------------------------------------------------------------------------------------------------|--------|--------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 152.90 | 168.79 |
|------------------------------------------------------------------------------------------------------------------|--------|--------|

33 RESEARCH AND DEVELOPMENT EXPENDITURE

| | | |
|---------------------|--------|--------|
| Capital expenditure | 15.60 | 12.18 |
| Revenue expenditure | 141.96 | 169.83 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

34 MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (as amended):

| | 31-Mar-24 | 31-Mar-23 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| i) (a) Principal amount remaining unpaid | 1,281.77 | 1,174.97 |
| (b) Interest on (i)(a) above | 128.24 | 23.16 |
| ii) The amount of interest paid along with the principal payment made to the supplier | 11.50 | - |
| iii) Amount of interest due and payable on delayed payments | 56.30 | 46.68 |
| iv) Amount of further interest remaining due and payable for the earlier years | 75.52 | 65.90 |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 and subsequent amendments from time to time | 82.64 | 66.39 |

Note: Identification of micro and small enterprises is on the basis of intimation received from vendors

35 ASSETS HELD FOR SALE

The Company had a capital advance for purchase of land parcels and building vide an agreement to sell with the promoters. In terms of the agreements, the said land parcels and building have been capitalized in the books during the year against the capital advance which has become nil. As there are potential buyers for sale of these land parcels thus in accordance with Ind AS 105, these land parcels are classified as "Assets Held for Sale" as at March 31, 2024.

The Group has given the effect of the above and presented the Financial Statements as at 31 March 2024 in accordance -refer to statement below.

Assets held for Sale

As at March 31, 2024

Assets

(1) Non-Current Assets

(a) Property, Plant and Equipment

- Freehold Land

6,407.05

36 CAPITAL MANAGEMENT

The capital structure of the Group consists of net debt and total equity of the Group. The Group manages its capital structure to maximise shareholder value with an optimum mix of debt and equity within the overall capital structure.

| | 31-Mar-24 | 31-Mar-23 |
|---------------------------------|------------------|------------------|
| Total borrowings | 75,481.20 | 63,712.55 |
| Less: Cash and cash equivalents | 1,699.86 | 2,447.08 |
| Bank balances other than above | 1,942.36 | 636.12 |
| Net debt | 71,838.98 | 60,629.35 |
| Equity share capital | 2,354.52 | 2,354.52 |
| Other equity | 47,429.48 | 50,710.36 |
| Total equity | 49,784.00 | 53,064.88 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

37 RELATED PARTY DISCLOSURES

| | |
|---------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ultimate holding Company | Bilcare Limited |
| Key Management Personnel | Shreyans M. Bhandari (Chairman & Managing Director) Mohan H. Bhandari (Chief Executive Officer) Deepa Mathur (Chief Financial Officer) (wef 06.09.2023) Sagar R. Baheti (Company Secretary) (wef 31.01.2024) Nilesh Tiwari (Chief Financial Officer) (till 31.08.2023) Prabhavi Mungee (Company Secretary) (till 10.11.2023) |
| Close member of Key Management Personnel | Ankita J. Kariya Nutan M. Bhandari Ruchi Gothi |
| Entities in which Key Management Personnel has substantial interest | Juniper Health LLP |

Transactions with related parties

| Name of the party | Nature | 31-Mar-24 | 31-Mar-23 |
|---------------------------------------------------------------------------------------------|---------------------------------------------|-----------|-----------|
| Juniper Health LLP (Entities in which Key Management Personnel has substantial interest) | Advance against purchase of machinery | 747.45 | - |
| Key Management Personnel & Directors | Remuneration (short term employee benefits) | 145.63 | 48.05 |
| Close member of Key Management Personnel | Remuneration (short term employee benefits) | 4.00 | 39.69 |
| Directors | Sitting fees | 18.90 | 9.90 |
| Promoters | Capital advances | - | 283.50 |

Balances at the end of the year

| Name of the party | Nature | (Payable)/ Receivable as at March 31, 2024 | (Payable)/ Receivable as at March 31, 2023 |
|---------------------------------------------------------------------------------------------|---------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Juniper Health LLP (Entities in which Key Management Personnel has substantial interest) | Trade / other receivables | 747.45 | - |
| Promoters | Capital advances | - | 11,378.16 |

During the current year, the Company has given Corporate Guarantee on behalf of its subsidiary viz. Caprihans India Limited (refer Note 31).

| Particulars | Purpose | 31-Mar-24 | 31-Mar-23 |
|----------------------------|----------------------|-----------|-----------|
| Corporate guarantees given | Term Loan | 62,000.00 | 62,000.00 |
| | Working Capital Loan | 5,000.00 | - |
| | | 67,000.00 | 62,000.00 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

38 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES AS PER COMPANIES ACT, 2013

Statement pursuant to Section 129 (3) of the Companies Act, 2013

Part "A": Subsidiaries

| Sr. No. of the Subsidiary | GCS | Date of becoming subsidiary | Reporting Currency | Country | Equity Share Capital | Other Equity | Total Assets | Total Liabilities | Total Investments | Total Income | Profit before Taxation | Provision for Taxation | Profit after Taxation | Other Comprehensive Income | Total Comprehensive Income | % of Share holding |
|---------------------------|------------------------------------|-----------------------------|--------------------|-----------|----------------------|--------------|--------------|-------------------|-------------------|--------------|------------------------|------------------------|-----------------------|----------------------------|----------------------------|--------------------|
| 1 | Bilcare GCS Limited UK | 2015 | GBP | UK | 0.95 | 245.87 | 287.46 | 40.64 | - | 138.55 | 12.26 | 2.76 | 9.50 | 7.82 | 17.32 | 100% |
| 2 | Bilcare Mauritius Limited * | 2010 | USD | Mauritius | - | - | - | - | - | 3.31 | (587.34) | - | (587.34) | 73.21 | (514.14) | 100% |
| 3 | Bilcare GCS Inc | 2021 | USD | USA | 0.17 | 313.30 | 528.73 | 215.26 | - | 1,382.24 | 52.19 | - | 52.19 | 3.96 | 56.15 | 100% |
| 4 | Caprihans India Limited | 2019 | INR | India | 1,313.40 | 47,503.55 | 139,588.86 | 90,771.91 | 765.05 | 72,211.47 | (6,534.82) | (1,371.41) | (5,163.41) | 59.70 | (5,103.71) | 51% |
| 5 | Bilcare GCS Ireland Limited | 2020 | EURO | Ireland | 0.00 | 184.80 | 477.48 | 292.68 | - | 1,011.05 | 129.59 | 16.20 | 113.39 | 1.00 | 114.40 | 100% |
| 6 | Bilcare Inc | 2022 | USD | USA | 0.83 | (4.87) | 93.23 | 97.27 | - | - | (4.19) | - | (4.19) | (0.09) | (4.28) | 100% |
| 7 | Bilcare Pharma Solutions Limited # | 2023 | INR | India | 1.00 | (0.40) | 1.00 | 0.40 | - | - | (0.40) | - | (0.40) | - | (0.40) | 100% |

* Liquidated during the year

Incorporated during the year

Notes:

1 Exchange rates considered:

| Currency | SGD | EURO | GBP | USD |
|--------------|---------|---------|----------|---------|
| Average rate | 61.5430 | 89.8024 | 104.0818 | 82.7958 |
| Closing Rate | 61.7791 | 90.2178 | 105.2935 | 83.3739 |

Part "B": Associates and Joint Ventures - None

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

C ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013 as at 31 March 2024

| Name of the Entity | Net assets (total assets minus total liabilities) | | Share in profit or (loss) | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|-----------------------------------------------------------------------------------------------|---------------------------------------------------|------------------|-------------------------------------|-------------------|-------------------------------------------------|--------------|-------------------------------------------------|-------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| Parent | | | | | | | | |
| Bilcare Limited (India) (including effect of consolidation, elimination and other adjustment) | 23.30% | 15,058.28 | 4.68% | (273.96) | -59.65% | (54.40) | 5.70% | (328.36) |
| Indian Subsidiaries | | | | | | | | |
| Caprihans India Limited (51%) | 52.59% | 33,984.05 | 44.98% | (2,633.34) | 33.39% | 30.45 | 45.17% | (2,602.89) |
| Bilcare Pharma Solutions Limited | 0.00% | 0.60 | 0.01% | (0.40) | 0.00% | - | 0.01% | (0.40) |
| Foreign Subsidiaries | | | | | | | | |
| Bilcare GCS Limited (UK) | 0.38% | 246.82 | -0.16% | 9.50 | 8.57% | 7.82 | -0.30% | 17.32 |
| Bilcare Mauritius Limited (Mauritius) | 0.00% | - | 10.03% | (587.34) | 80.27% | 73.21 | 8.92% | (514.14) |
| Bilcare GCS Inc (USA) | 0.49% | 313.46 | -0.89% | 52.19 | 4.35% | 3.96 | -0.97% | 56.15 |
| Bilcare GCS Ireland Limited (Ireland) | 0.29% | 184.80 | -1.94% | 113.39 | 1.10% | 1.00 | -1.98% | 114.40 |
| Bilcare Inc (USA) | -0.01% | (4.03) | 0.07% | (4.19) | -0.10% | (0.09) | 0.07% | (4.28) |
| Non Controlling Interest in the Subsidiary | | | | | | | | |
| Caprihans India Limited (49%) | 22.96% | 14,832.91 | 43.22% | (2,530.07) | 32.08% | 29.25 | 43.39% | (2,500.82) |
| Total | 100.00% | 64,616.89 | 100.00% | (5,854.22) | 100.00% | 91.20 | 100.00% | (5,763.02) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

39 SEGMENT INFORMATION

The Group is engaged mainly in Pharma Packaging Research Solutions & its products are covered under a one business segment as the primary segment hence, segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. However, in compliance to the said standard the geographical information is as under:

| Particulars | 31-Mar-24 | 31-Mar-23 |
|------------------------------------|-------------------|-------------------|
| a) Revenue from operations* | | |
| Sale of products / services | | |
| Within India | 52,198.28 | 76,548.02 |
| Outside India | 22,519.64 | 21,614.17 |
| | 74,717.92 | 98,162.19 |
| Within India | 106,095.07 | 116,789.15 |
| Outside India | - | - |
| | 106,095.07 | 116,789.15 |

*The Group did not have any revenue from a particular customer which exceeded 10% of total revenue for the year ended March 31, 2024 and 2023.

Non current assets exclude financial assets, deferred tax assets and post employment benefit assets.

40 OTHER DISCLOSURES

- (a) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (b) The Group does not have any transactions with companies struck off.
- (c) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (d) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (e) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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,
- (g) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (h) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013.
 - (i) The Group has not made any donation to political parties.
- (j) The Group has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level in relation to SAP accounting software throughout the reporting year to log any direct data changes. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.
- (k) During the year the Group has not been declared as a wilful defaulter.

41 The Holding Company is focussing on the GCS business vertical and given the positive prospects going forward, including Holding Company's management's strategic projection plan for the foreseeable future, cashflow projection etc. the accounts are prepared on a going concern basis.

42 Disclosure pursuant to Schedule V read with Regulations 34 (3) and 53 (F) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Loans and advances in the nature of loans for working capital requirements to a subsidiary: NIL
- Loans and advances in the nature of loans to firms/companies in which directors are interested: NIL
- Investment by the loanee (borrower) in the shares of the Company or its subsidiary: NIL

43 Previous year figures have been regrouped / reclassified wherever necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

ANNEXURE A TO NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

| | 31 Mar 24 | 31 Mar 23 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Secured Loan | | |
| Rupee Term Loan from Bank | | |
| Non-Current Borrowings | | |
| 1. Janata Sahakari Bank Ltd (JSBL) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 2,850.00 | 2,674.15 |
| 2. Cosmos Co-operative Bank Ltd. (COSMOS) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 5,068.54 | 4,722.38 |
| 3. The Maharashtra State Co-operative Bank Ltd. (MSCL) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 44,154.61 | 41,819.88 |
| 4. The Vishweshwar Sahakari Bank Ltd. (VSBL) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 1,424.34 | 1,323.30 |
| Unsecured | | |
| Term loans - From others | | |
| 1. Council of Scientific & Industrial Research (CSIR) (Payable from 01.10.2014 in 10 yearly installments, rate of simple interest 3.00% p.a.; default in payment - repayable on demand) | 949.79 | 751.97 |
| 2. Deferred sales tax loan (Due in April 2023, interest free) | - | 159.28 |
| Current-Borrowings | | |
| Rupee Term Loan from Bank | | |
| 1. Janata Sahakari Bank Ltd (JSBL) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 177.29 | - |
| 2. Cosmos Co-operative Bank Ltd. (COSMOS) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 302.63 | - |
| 3. The Maharashtra State Co-operative Bank Ltd. (MSCL) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 2,345.39 | - |
| 4. The Vishweshwar Sahakari Bank Ltd (VSBL) (Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031) | 89.29 | - |
| 5. Utkarsh Small Finance Bank Ltd (USFB) (Payable from 25.10.2022 in 36 monthly installments, rate of interest 10.00% p.a., Maturity date 25.09.2025. However, loan repayment schedule has been revised on 28.03.2023 with 9 monthly installments payable from 25.04.2023, rate of interest 10.54%; Maturity date 25.12.2023) | - | 1,253.08 |
| Total | 57,361.88 | 52,704.04 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

(₹ lacs)

Notes:

1) Maturity Profile of Secured loans

| Particulars | Due in 1 year | Due in 1 to 5 years | Due after 5 years | As at 31 March 2024 |
|-------------------------------------------------|------------------|------------------------|----------------------|------------------------|
| | (Current) | | (Non-current) | |
| 1. Janata Sahakari Bank Ltd; Pune | 177.29 | 1,440.00 | 1,410.00 | 2,850.00 |
| 2. Cosmos Co-operative Bank | 302.63 | 2,905.26 | 2,163.28 | 5,068.54 |
| 3. The Maharashtra State Co-operative Bank Ltd. | 2,345.39 | 22,515.79 | 21,638.82 | 44,154.61 |
| 4. The Vishweshwar Sahakari Bank Ltd; Pune | 89.29 | 726.32 | 698.03 | 1,424.35 |
| Total | 2,914.60 | 27,587.37 | 25,910.13 | 53,497.50 |

2) Security

(i) Term loans from consortium banks are secured as under -

MSC bank - secured by exclusive charge on the fixed assets at Nasik plant and pari-passu charge on the fixed assets at Thane and Shirol.

JSBL - secured by exclusive charge on the Fixed Deposits of ₹30 Cr. and pari-passu charge on the fixed assets at Thane and Shirol.

VSBL - secured by exclusive charge on the Fixed Deposits of ₹15 Cr. and pari-passu charge on the fixed assets at Thane and Shirol.

Cosmos Bank - secured by exclusive charge on the Fixed Deposits of ₹30 Cr., Land at Gat No. 321/322 at Pimpri Budruk, sindh society bungalow and pari-passu charge on the fixed assets at Thane and Shirol.

(ii) Guarantees -

1) Personal guarantee from promoters :

a) Mr. Mohan Bhandari

b) Ms. Ankita Kariya

c) Mr. Shreyans Bhandari

2) Corporate guarantee from Bilcare Limited

Current Borrowings

| Particulars | March 31, 2024 | March 31, 2023 |
|-----------------------|------------------|----------------|
| Working Capital Loans | 10,150.35 | 48.74 |
| Total | 10,150.35 | 48.74 |

(i) The working capital loans from bank include cash credit facility which are renewed annually. This facility carries an interest rate ranging from 10% to 15% p.a.

(ii) Working capital loans from banks are secured as under -

Cosmos Bank - secured by exclusive charge on the Fixed Deposits of ₹32 Cr., Land at Gat No. 321/322 at Pimpri Budruk, sindh society bungalow and first pari-passu charge on the current assets of the company.

BOM - secured by first pari-passu charge on the current assets of the company.

The working capital loans are also secured by -

1) Personal guarantee from promoters

a) Mr. Mohan Bhandari

b) Ms. Ankita Kariya

c) Mr. Shreyans Bhandari

2) Corporate guarantee from Bilcare Limited

Bilcare Research

Bilcare Limited
Regd. Office: 1028, Shirol, Rajgurunagar,
Pune 410 505, India Phone: +91 2135 647501
Website: www.bilcare.com
Email: cs@bilcare.com
CIN: L28939PN1987PLC043953

Notice

Notice is hereby given that the 37th Annual General Meeting of the Members of Bilcare Limited will be held on Friday, 27th day of September 2024, at 12.30 p.m. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 including Consolidated Audited Financial Statements on that date together with the Reports of the Board of Directors and Auditors thereon.

SPECIAL BUSINESS

2. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

Appointment of Dr. Abhigyan Upadhyay (DIN 07267470) as Non-Executive Non Independent Director.

"RESOLVED THAT on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (the "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), Dr. Abhigyan Upadhyay (DIN 07267470) be and is hereby appointed as Non-Executive Non Independent Director of the Company for a period of 2 (Two) Years i.e. from July 10, 2024 to July 9, 2026, liable to retire by rotation, in respect of whom the Company has received notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director."

3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

Appointment of Ms. Alka Sagar (DIN 07138477) as an Independent Director.

"RESOLVED THAT on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 made there under, read with Schedule IV to the said Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) Alka Sagar (DIN 07138477), who was appointed as an Additional Director in the Independent Category by the Board of Directors of the Company, in its meeting held on 14th August, 2024 and who holds office only up to the ensuing Annual General Meeting, and who qualifies for being appointed as an Independent Director and who has submitted a declaration that she meets the criteria for Independence as provided in Section 149 (6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom, the Company has received a notice in writing from a member recommending her name as Independent Director, be and is hereby appointed as the Woman Independent Director of the Company, not liable to retire by rotation, to hold office for a term of up to 5 (Five) consecutive years from the date of her original appointment by the Board of Directors i.e. for a period from 14th August, 2024 to 13th August, 2029."

By Order of the Board of Directors

Place: Pune
Date: 4th September 2024

Shreyans Bhandari
Chairman & Managing Director
[DIN: 07737337]

Notes:

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out material facts relating to the special business to be transacted at the Annual General Meeting ("Meeting") under Item Nos. 2 & 3 of the Notice as set out above is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") has, vide its circular dated September 25 2023, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being held through VC / OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to shekhar_fcs1659@yahoo.com with copies marked to the Company at cs@bilcare.com and to its RTA at instameet@linkintime.co.in.
5. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Act.
6. In compliance with the MCA Circulars and SEBI Circular dated October 7, 2023, Notice of the Annual General Meeting along with the Annual Report for the financial year 2023-24 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form). Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2023-24 will also be available on the Company's website www.bilcare-group.com; website of BSE Limited www.bseindia.com.
7. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
8. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
9. The Company's Share Transfer Books and the Register of Members will remain closed from Saturday, 21 September 2024 to Friday, 27 September 2024 (both days inclusive).
10. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depositories Participants and those holding shares in physical form are requested to intimate the above mentioned changes to the Secretarial Department at the Registered Office of the Company/Registrar and Transfer Agent of the Company.
11. Those Members who have not dematerialised their shareholding are advised to dematerialise their shareholding to avoid any inconvenience in future.
12. Non-Resident Indian Members are requested to inform the Company/Depository Participant, immediately of:
 - (i) Change in their residential status on return to India for permanent settlement.
 - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
14. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Share Transfer Agent for assistance in this regard.
15. Shareholders who have not got their e-mail address registered or wish to update a fresh e-mail address may do so by submitting the attached E-mail Registration-Cum Consent Form duly filled and signed along with a self-attested scanned copy of their PAN Card and AADHAAR Card at the company's e-mail address cs@bilcare.com consenting to send the Annual Report and other documents in electronic form and to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company at pune@linkintime.co.in.
16. Since the AGM will be held through VC/OAVM, the Route map of the Venue of the AGM is not annexed to this Notice.

Unclaimed Dividends:

1. Members are hereby informed that under the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ("the Fund") established by the Central Government.
2. Further attention of the members is drawn to the provisions of Section 124(6) of the Act which require a Company to transfer all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of transfer to Unpaid Dividend Account of the Company, in the name of IEPF Authority.
3. In accordance with the aforesaid provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer

and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, the Company has already transferred all shares in respect of which dividend declared for the financial year 2011-12 or earlier financial years has not been paid or claimed by the members for 7 (seven) consecutive years or more. Members are advised to visit the website of the Company to ascertain details of shares transferred to IEPF Authority.

4. The Company has transferred the unpaid or unclaimed dividends declared upto financial years 2011-12, from time to time, to the Fund.
5. Members/Claimants whose shares, unclaimed dividend, sales proceeds of fractional shares etc. have been transferred to the IEPF Authority or the Fund, as the case maybe, may claim the shares or apply for the refund by making an application to the IEPF Authority in Form IEPF-5 (available on iepf.gov.in).

Instructions

Process and manner for members opting for E-voting through electronics means:

- a) In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by LIPL, on all the resolutions set forth in this Notice.
- b) Members are provided with the facility for e-Voting at AGM during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM through electronic means.
- c) Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/ OAVM but shall not be entitled to cast their vote again on such resolution(s).
- d) M/s. Ghatpande and Ghatpande Associates (having Firm Registration No. P2019MH077200 and Peer Review No.: 1503/2021) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The e-voting facility will be available during the following voting period:

| Commencement of e-voting | End of e-voting |
|--------------------------------------------------|-------------------------------------------------|
| Tuesday, 24 September 2024, 9.00 A.M. IST | Thursday, 26 September 2024, 5.00 PM IST |

- f) Members of the Company holding shares either in physical form or electronic form as on the cut-off date of Friday, 20 September 2024, may cast their vote by e-Voting.
- g) Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 24 September 2024.
- h) Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.

- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/ CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
 - A. User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

▶ Click "confirm" (Your password is now generated).

3. Click on 'Login' under 'SHARE HOLDER' tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.

2. E-voting page will appear.

3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

a) Visit URL: <https://instavote.linkintime.co.in>

b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.

f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

a. 'Investor ID' -

i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*

ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*

b. 'Investor's Name - Enter full name of the entity.

c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.

d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.

d) Click on Submit button and investor will be mapped now.

e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

b) Click on 'Votes Entry' tab under the Menu section.

c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote voting.

d) Enter '16-digit Demat Account No.' for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type | Helpdesk details |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on '**Login**' under '**Corporate Body/ Custodian/Mutual Fund**' tab and further Click '**forgot password?**'
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Process and manner for attending the General Meeting through InstaMeet:

Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

- Select the "Company" and 'Event Date' and register with your following details: -
 - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting)

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request from 16 September 2024 (9:00 a.m. IST) to 17 September 2024 (5:00 p.m. IST) with the company on cs@bilcare.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: -
Tel: 022-49186175.

Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting. Notice of the Annual General Meeting and the Annual Report are available on the website of the Company at www.bilcare.com

Address of the Registrar and Transfer Agents:

Link Intime India Pvt. Ltd.

(Unit: Bilcare Limited)

Block No. 202, 2nd Floor, Akshay Complex

Off Dhole Patil Road, Pune-411 001, India

Telefax: +91-20-26163503

E-mail: pune@linkintime.co.in

EXPLANATORY STATEMENT

As required by Section 102 of the Act, the following Explanatory Statement sets out material facts relating to the business under Item Nos. replace with 2 & 3 of the accompanying Notice dated 4th September, 2024.

Item No. 2

Dr. Abhigyan Upadhyay is associated with the Company for the more than 15 years and he is looking after all the functional operations of the GCS Division of the Company including but not limited to Production, Financial, Domestic and International Marketing, Exports, Imports, etc. Due to personal reasons, Dr. Abhigyan Upadhyay has resigned as an Executive Director. However, he has consented to act as Non-Executive, Non Independent Director of the Company.

As recommended by the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 10th July, 2024 after receiving consent, approved the appointment of Dr. Abhigyan Upadhyay (DIN: 07267470) as Non-Executive, Non Independent Director of the Company for a period of two (2) years with effect from 10th July, 2024 to 9th July, 2026 subject to the consent of members.

Except Dr. Abhigyan Upadhyay, no other Director or Key Managerial Personnel or their relative is/are concerned or interested in the said Item No. 2 of this Notice.

The Board accordingly recommends for approval of the members. the Ordinary Resolution as set out in Item No. 2 of the Notice.

Item No. 3

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Ms. Alka Sagar (DIN 07138477) as an Additional Director of the Company in the Independent Category w.e.f. 14th August, 2024 as such, her term of appointment is due to expire at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 161(1) of the Act Ms. Alka Sagar shall hold office up to the date of ensuing Annual General Meeting ("AGM") and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from Member, proposing her candidature for the office of Director.

The Company has received declaration from Ms. Alka Sagar to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director. Further, Ms. Alka Sagar has confirmed that she is registered with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Ms. Alka Sagar fulfill the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and she is independent of the management of the Company. As per the provisions of Section 149 of the Companies Act, 2013 a Company can appoint an Independent Director for a period up to 5 (Five) consecutive years. Accordingly, it is proposed to appoint her as a Woman Independent Director of the Company for the period of up to 5 (Five) consecutive years from the date of her original appointment by the Board of Directors i.e. for a period from 14th August, 2024 to 13th August, 2029. The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday).

Except Ms. Alka Sagar, no other Director or Key Managerial Personnel or their relative is/are concerned or interested in the said Item No. 3 of this Notice.

The Board accordingly recommends for approval of the members the Special Resolution as set out in Item No. 3 of the Notice.

For additional information relating to Dr. Abhigyan Upadhyay and Ms. Alka Sagar members are requested to refer to Annexure A i.e. "Details of Directors seeking appointment/re-appointment in the Notice of Annual General Meeting dated 4th September, 2024.

ANNEXURE A
(To be read with Item No. 2 & 3 of the Notice)

**DETAILS OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT
IN THE ENSUING ANNUAL GENERAL MEETING**

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
and Secretarial Standard - 2 on General Meetings]

| | | |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director | Dr. Abhigyan Upadhyay | Ms. Alka Sagar |
| Director Identification No. (DIN) | 07267470 | 07138477 |
| Date of Birth | 02/10/1974 | 19/02/1979 |
| Age | 49 years | 45 years |
| Date of first appointment | 10 th July, 2024 | 14 th August, 2024 |
| Terms & conditions of appointment | As mentioned in the respective resolution and explanatory statement. | As mentioned in the respective resolution and explanatory statement. |
| Qualification | Bachelors and Masters in Life Sciences from Agra University and a Ph.D. in Biomedical Sciences from Delhi University, India, MBA in Finance from Symbiosis: 2013, Masters in Business Law from National Law University, Bengaluru: 2015, Chartered Financial Analyst, Level 3 from New York, USA: 2018 and M. Tech. in Environmental Engineering from BITS Pilani, 2022. | Bachelor of Law and holds post graduate diploma in Human Resource Management |
| Experience / Expertise in functional field and brief resume | Dr. Abhigyan Upadhyay has 7 international and national research publications and is an invited speaker at a host of international healthcare and technology conferences in Canada, USA, Ireland, Germany, UK, Argentina and Brazil. He is also associated as Visiting faculty/expert with several leading Institutions like Symbiosis, MIT Pune; where he teaches and mentors the future leaders of the world. Dr. Abhigyan Upadhyay also mentors over a dozen startups in diverse technology sectors encompassing Healthcare, Cleantech and Defencetech. He contributes in the continuous development of healthcare initiatives as a technical and business consultant to a host of leading global organizations which includes Cipla, Zydus, Morepen Labs and Nuvisan. | She has more than two decades of experience as private practitioner and court lawyer. She also serves as a board member to various Companies. |
| No. of Shares held in the Company | Nil | NIL |
| No. of Board Meetings attended during the financial year 2024-25 | 3 | 1 |
| Remuneration sought to be paid / last drawn, if any | Remuneration paid as an Executive Director is mentioned in the Corporate Governance Report. He will receive Professional Fees of Rs. 4.00 Lacs pm. | As an Independent Director she is entitled to receive sitting fees only. |
| Other Directorships in listed Companies | Nil | Non-Executive Non Independent Director in Flexituff Ventures International Ltd |
| Chairmanship / Membership of Committees of other Companies | Nil | Member of – <ul style="list-style-type: none"> • Nomination & Remuneration Committee • Stakeholders Relationship Committee in Flexituff Ventures International Ltd. |
| Relationship with other Directors, Manager and Key Managerial Personnel | NIL | NIL |

Bilcare
Research

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