

Fermenta Biotech Limited (formerly known as DIL Limited)

CIN: L99999MH1951PLC008485

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Ref: F.No.:808

July 20, 2024

**Corporate Relations
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001**

Dear Sirs,

Sub.: Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') – Submission of Notice of the 72nd Annual General Meeting ('AGM') and Annual Report for the financial year 2023-24

Ref: Scrip Code: 506414

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith enclose the copy of the Annual Report of the Company for the financial year 2023-24 (along with the Notice of 72nd AGM of the Company which is scheduled to be held on Monday, August 12, 2024 at 3:00 p.m. (IST) which is sent to all the members whose email IDs were registered with the Company / Depository Participant(s). The requirement of sending physical copies of the above to the members has been dispensed with in accordance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Annual Report of the Company for the financial year 2023-24 along with the Notice of 72nd AGM would be available on the website of the Company at <https://fermentabiotech.com/annual-report.php>

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Fermenta Biotech Limited

**Srikant Sharma
Company Secretary & Vice President (Legal)
Membership No. FCS3617**

Encl.: as above

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Dist. Mandi - 175 121, Himachal Pradesh, India.
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Dream. Develop. Deliver.

Forward-looking statement

This document contains statements about expected future events and financial and operating results Fermenta Biotech Limited, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the Fermenta Biotech Limited Annual Report 2023-24.

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Dream. Develop. Deliver.

At Fermenta, we focus on the delivery of superior value across the complete product life cycle.

This ensures multi-stage competitiveness and enhanced stakeholder value.

We create products not just based on what is; we **dream** of what can be.

We **develop** an operational discipline that brings concepts to markets.

We **deliver** long-term solutions to customers the world over.

The complement of these building blocks – Dream. Develop. Deliver. – represents a validated platform directed to enhance value for all our stakeholders in a sustainable way.

PART 1

What **we** are



Fermenta Biotech Limited

Fermenta Biotech Limited's (Fermenta / Company) primary activities include manufacturing Vitamin D, producing APIs, enzymes, and offering environmental solutions services.

Drawing upon its extensive expertise in the Vitamin D sector, Fermenta has strengthened its dedication to 'Enhancing lives through sustainable nutrition'.

The Company is expanding its footprint in the nutrition sector to align with societal demands and global priorities aimed at addressing micronutrient deficiency.

Fermenta has developed the capacity and expertise to produce novel items within its growing range of nutritional ingredients, tailored premixes, and fortified rice kernel.

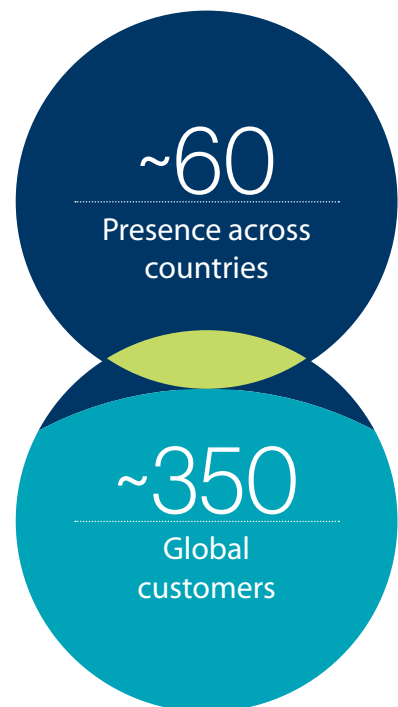
Our ethos

Our vision

To create a system and nurture it to reach a state of functioning, enabling it to acquire a state of timeless stability and growth.

Our mission

To produce high-quality niche products, used in every line of pharmaceutical, food and fine chemical manufacture, through innovative and concentrated research efforts, becoming the most preferred eco-friendly solutions provider in area of bio-catalysis and pharmaceuticals.



Our background

Founded by Dr. D. V. K. Raju in 1951, Fermenta Biotech Limited has created a distinctive recognition in the pharmaceutical, enzyme technology, and environmental solutions industry the world over. Renowned for its adeptness in harmonizing over 70 years of heritage with a progressive outlook, Fermenta commands respect globally.

Our state-of-the-art infrastructure

The Company's manufacturing facilities comprise certified pedigrees, integrating advanced technologies that reinforce its position as a quality-driven leader. Its manufacturing units are strategically located in Kullu (Himachal Pradesh), Dahej (Gujarat), and Pennepalli (Andhra Pradesh). The Company has a well-established research and development center in Thane (Maharashtra).

Our global footprint

The Company's quality products, prompt service, and excellent manufacturing prowess have earned recognition in around 60 countries, addressing more than 350 international clients. Following the launch of subsidiaries in the United States and Germany, the Company has broadbased its global distribution reach including across America and Europe.

Our overseas subsidiaries

Fermenta Biotech GmbH (Hamburg, Germany)

Fermenta Biotech GmbH, a fully owned subsidiary of Fermenta Biotech Limited (FBL) India, plays a crucial role in the production of Vitamin D3 500 feed grade powder for animal nutrition in Germany. This initiative enhances the Company's commitment to effectively serve Western customers. Fermenta Biotech GmbH collaborates with a toll manufacturer in Germany to support feed-grade powder production. By leveraging products manufactured in Europe, the Company aims to capitalize on geographical advantages for the benefit of its global clientele.

Fermenta USA, LLC (Texas, USA)

In 2020, Fermenta Biotech USA, LLC, a wholly owned subsidiary of Fermenta Biotech Limited, acquired a majority stake in AGD Nutrition, LLC, which was subsequently renamed Fermenta USA, LLC (FUSA). Located in Texas, USA, FUSA is enhancing Fermenta's operations by tapping into the world's largest

healthcare market. FUSA specializes in animal nutrition (feed ingredients) and human nutrition (dietary and nutritional supplements). With a robust distribution network spanning North America, FUSA is poised to contribute significantly to the Company's growth.

Our range of products

Fermenta stands out as a leading global producer of Vitamin D, offering a diverse array of Vitamin D variants utilized in the pharmaceutical, dietary/nutritional supplement, food and beverage, veterinary, feed, and rodenticide sectors. Fermenta also provides a range of nutritional ingredients, such as Vitamin K1, fish oil-derived cholesterol for aquaculture, natural astaxanthin, Vitamin AD2 premix for oil and milk fortification, and fortified rice kernel, among others. Beyond its Vitamin D line, Fermenta manufactures enzymes crucial for ingredient production across multiple industries, including pharmaceuticals, food and fragrance, oleochemicals, biodiesel, leather, and fine chemicals. The Company specializes in providing wastewater management and treatment solutions.

Our talent

The Company's human resource strength stood at 558 as on March 31, 2024.

Our listing

The Company's equity shares are actively traded on the Bombay Stock Exchange. As of March 31, 2024, the Company's market capitalization was ₹445.59 Crore.

Awards and recognitions, FY 2023-24

The Company received award in Institute of Supply Chain Management Awards 2023 for Excellence in Pharma Supply Chain Management.

How we have grown over the years

1951

Established International Franchises Private Ltd. to focus on the toll manufacturing of pharmaceutical products.

1963

Formed joint venture with Philips Duphar SV.

1967

Commenced the commercial manufacture of Vitamin D.

1980

After Solvay acquired Philips Duphar SV, it became the new joint venture partner.

1986

Established Fermenta Biotech Limited to manufacture enzymes used as catalyst in antibiotic manufacturing.

2002

Demerged the pharmaceutical business to Solvay.

2003

Consolidated all manufacturing at kullu by expanding the facility to include Vitamin D and other products.

2011

Commenced the second plant for manufacturing Vitamin D at Dahej.

2012

The Company introduced its latest catalyst Fermase PA 850 for Penicillin G Acylase and enhanced the production capacity of Vitamin D resin in Dahej.

2014

Launched Vitamin D 100 CWD to cater to the food and dietary nutraceutical supplements market.

2016

Enhanced Vitamin D capacity at Dahej. Launched a new version of Vitamin D 500 feed grade powder.

2017

Obtained EDQM's CEP certification for its Vitamin D manufacturing facility in Dahej; and received FSSC 22000 and BRC food safety approvals for both plants.

2019

Completed the amalgamation of DIL Limited and Fermenta Biotech Limited (combined entity was renamed as Fermenta Biotech Limited). Incorporated a wholly owned subsidiary called Fermenta Biotech GmbH in Germany. Integrated backwards to manufacture cholesterol, the key starting material of Vitamin D.

2020

Introduced fish oil cholesterol for aquaculture nutrition. Established a wholly owned subsidiary named Fermenta Biotech USA LLC in the USA. Acquired a controlling stake in AGD Nutrition, a US-based vitamin company, through Fermenta Biotech USA LLC and renamed it as Fermenta USA LLC.

2021

Launched Vitamin AD2 for oil fortification.

2022

Signed a binding term sheet with Mextech Property Developers LLP for the development of a land parcel in Thane. Fermenta commissioned its fortified rice kernel manufacturing facility in Pennepalli, Andhra Pradesh.

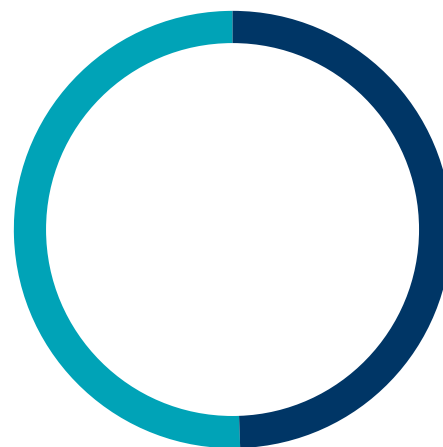
2023

Commissioned its Customised Food Premixing plant in Kullu, Himachal Pradesh.



Fermenta: A widening and deepening presence within India and across the world

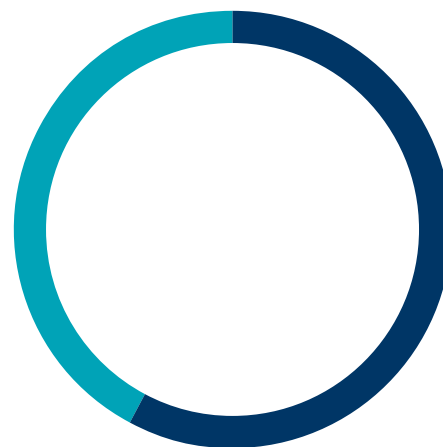
Revenues generated by geography



FY 2022-23

■ India: 49.52%

■ Exports: 50.48%



FY 2023-24

■ India: 57.83%

■ Exports: 42.17%

Our experienced Board of Directors

Mr. Pradeep M. Chandan

Chairman, Non-Executive Independent Director

Mr. Chandan has been appointed as an Independent Director w.e.f. February 12, 2024, and as the Chairman with effect from April 1, 2024. He is a professional with almost 35 years of experience in the corporate sector, he possesses domain expertise in legal, company secretarial, compliance, corporate governance, ESG reporting, corporate restructuring, intellectual property rights, investor relations, real estate, joint ventures and spearheading greenfield projects etc. Besides being a Fellow member of ICSI, he also holds Bachelor's degrees in both commerce (B.Com) and Law (LLB). He has also done his management development programme from S. P. Jain Institute of

Management & Research, Mumbai and masters certificate course in Intellectual Property Rights from IES Institute, Mumbai.

Mr. Pradeep M. Chandan has held leadership positions in various companies and on multiple Boards including with BASF India Ltd. where he was Executive Director-Legal, General Counsel (South Asia) & Company Secretary and has previously worked with leading Corporates/Institutes including Indian Institute of Banking & Finance, Britannia Industries Ltd., ATV Projects Ltd. and Bhoree Industries Ltd.

Ms. Rajeshwari Datla

Non-Executive Director

Ms. Rajeshwari Datla has around five decades of rich experience in management and operations in the pharmaceutical industry. She is a Bachelor of Science by education.

Ms. Rajeshwari Datla has been a member of the Company's Audit Committee since joining in 2005, and with her invaluable contribution in the strategic and decision-making process, she has been instrumental in Company's operations. She also serves as a Director for Dupen Laboratories Private Limited and Lacto-Cosmetics (Vapi) Private Limited.

Ms. Rajashri Ojha

Non-Executive Independent Director

She has more than 34 years of experience in the pharmaceutical, medical devices, and nutraceutical industries, with expertise in R&D analytical development, formulation development, regulatory and quality assurance compliance, global registrations, and marketing approvals. She is a lead auditor for ISO 13485:2016 and ISO 9001:2015 and has trained industry professionals for leading pharmaceutical and medical device companies. She has authored articles and research papers in reputed national and international journals and has received awards for healthcare leadership and women leadership. She is the founder and Director of Raaj GRAPC Private Limited.

In recognition of professional achievement and contribution towards nation building, Ms. Ojha was awarded "Woman of Excellence Award 2024" by Indian Achievers' Forum and Achievers' World.

Mr. Pramod Kasat

Non-Executive Independent Director

As Managing Director of Intellectcap Advisory Services, he brings over three decades of experience in investment banking and financial services. He previously served as Country Head of Investment Banking at IndusInd Bank and as Director and Head of Investment Banking at Pioneer Investcorp Ltd. (PINC), where he was instrumental in driving growth of the investment banking business. He has also held leadership roles at Credit Suisse, Deutsche Bank Global Markets, IL&FS Group, and Citibank NA. He holds an engineering degree from BITS, Pilani and a Masters in Finance from Sydenham Institute of Management Studies, Mumbai University.

Mr. Krishna Datla

Executive Vice-Chairman

He is a forward-thinking and proactive leader who plays a pivotal role in the decision-making process and the development of new business opportunities for the Company. As the Promoter Director of Fermenta (formerly known as DIL Limited), he has been instrumental in integrating various businesses across the group and fostering a global vision for the Company, leading to expanded opportunities in international markets. In May 2021, he was re-designated as Executive Vice Chairman.

Mr. Prashant Nagre

Managing Director

He has more than three decades of experience in the pharmaceutical industry with expertise in API business, production, and research and development. As the head of strategy and day-to-day operations at Fermenta, he oversees business development, budgeting, manufacturing, R&D, and other related activities. He holds a Master's in Management Studies, a Post Graduate Diploma in International Trade (IIFT, New Delhi), and a Degree in Pharmacy.

Ms. Anupama Datla Desai

Executive Director

With around a decade and half of experience in various business areas, in addition to her R&D responsibilities, she possesses an expertise in quality control and the implementation of safety policies and procedures, new technology platforms, business development, customer interaction, and marketing. Ms. Anupama is an Executive Director on the Board. She has been associated with the Company since 2006, and under her guidance, the Company evolved from a simple bulk drug manufacturer into a specialized and diverse biotechnology company engaged in novel discovery, formulation, and process development platforms.

Mr. Satish Varma

Executive Director

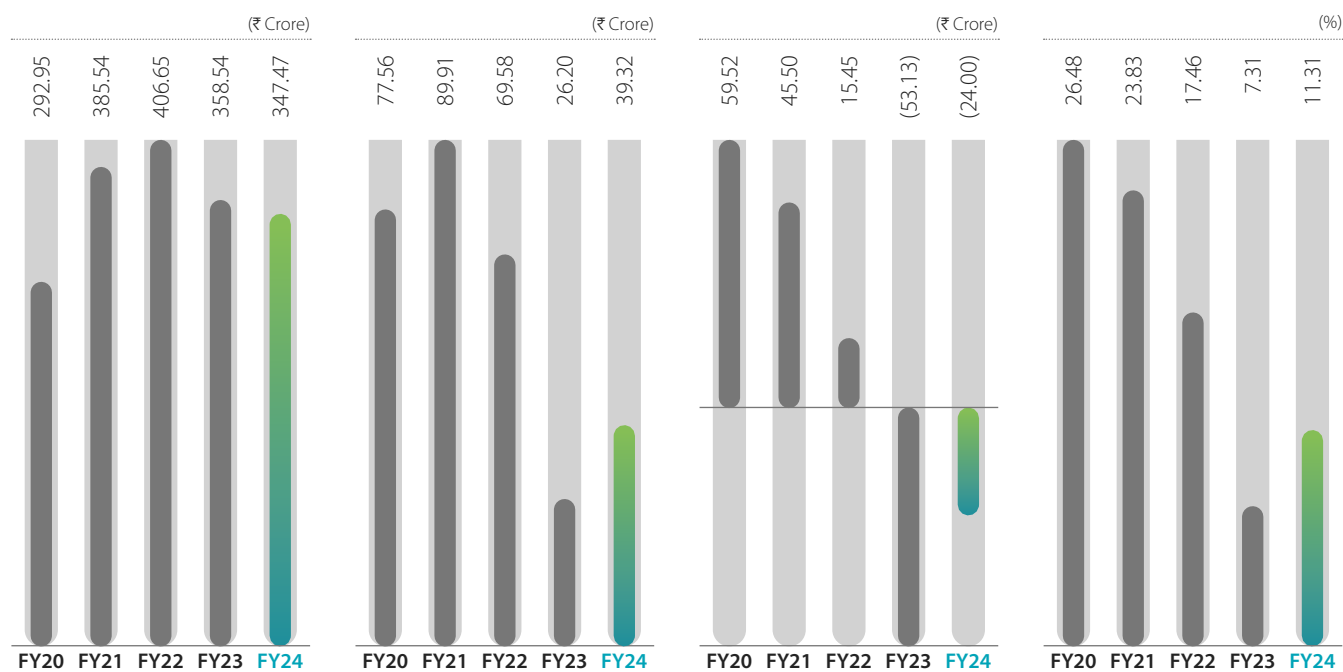
He began his career at FBL group (formerly known as DIL group) as the Executive Assistant to the Managing Director and Founder in 1995, and has since gained extensive operational, management, and legal experience across the entire spectrum of the Company. He is highly enterprising and analytical and has led various crucial projects. He is also a member of the Stakeholders Relationship Committee of the Company.

PART 2

How **we**
performed;
performance
review by
management



How we performed over the past few years



Total income

Definition
Indicator of revenue movement - net of taxes.

Why this is measured
It is an index that showcases the Company's ability to maximize revenues, which provides a basis against which the Company's performance can be compared with sectoral peers.

What this means
Aggregate income decreased during the year under review.

Value impact
The Company reported total revenues of ₹347.47 Crore in FY 2023-24 as against ₹358.54 Crore in FY 2022-23.

EBITDA

Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why this is measured
It is an index that showcases the Company's ability to generate a surplus after operating costs, creating a base for comparison with sectoral peers.

What this means
Helps create a robust surplus generating engine that facilitates reinvestment.

Value impact
The Company reported EBITDA of ₹39.32 Crore in FY 2023-24 as against ₹26.20 Crore in FY 2022-23.

Net profit

Definition
Profit earned during the year after deducting all expenses.

Why this is measured
This measure highlights the strength of the business model in enhancing shareholder value.

What this means
This ensures the quantum of cash available for reinvestment.

Value impact
The Company reported a loss of ₹24.00 Crore in FY 2023-24 as against a loss of ₹53.13 Crore in FY 2022-23.

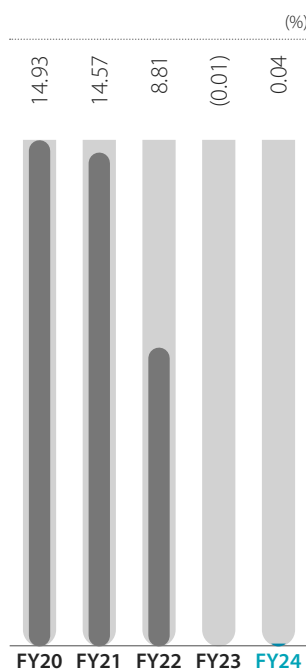
EBITDA margin

Definition
EBITDA margin is a profitability measure to ascertain a company's operating efficiency.

Why this is measured
The EBITDA margin provides an index of how much a company earns (before interest and taxes) on each rupee of sales.

What this means
This measure demonstrates the buffer in the business, which, when multiplied by scale, can enhance the business surplus.

Value impact
The Company reported an EBITDA margin of 11.31 per cent in FY 2023-24 as against 7.31 per cent in FY 2022-23.



RoCE

Definition

This financial ratio measures efficiency with which capital is employed in the business.

Why this is measured

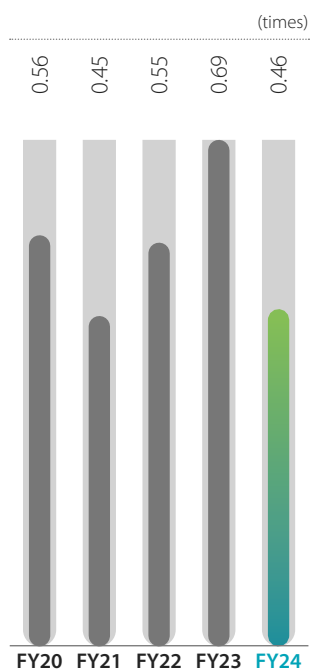
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency.

What this means

Enhanced ROCE can potentially drive valuations and market perception.

Value impact

The Company reported 0.04 per cent ROCE in FY 2023-24 as against (0.01) per cent ROCE for FY 2022-23.



Net gearing

Definition

This is derived through the accretion of shareholder-owned funds.

Why this is measured

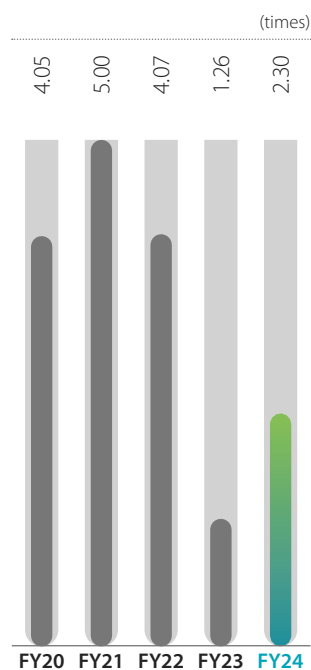
Net worth indicates the financial soundness of the Company – the higher the better.

What this means

This indicates the borrowing capacity of the Company that influences the gearing (which, in turn, influences the cost at which the Company can mobilize debt).

Value impact

The Company's gearing remained within acceptable limits even after the mobilization of long-term debt.



Interest cover

Definition

This is derived through the division of EBITDA by interest outflow.

Why is this measured?

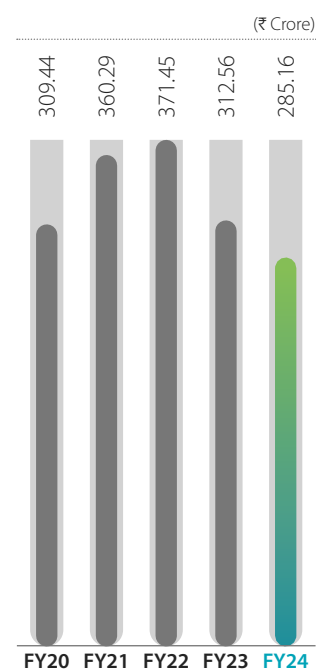
Interest cover indicates a company's comfort in servicing interest.

What does it mean?

A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors in assuring sizeable returns to shareholders.

Value impact

The Company's reported 2.30 times interest cover in FY 2023-24 as against a 1.26 interest cover in FY 2022-23.



Net worth

Definition

This is derived through the accretion of shareholder-owned funds.

Why is this measured?

Net worth indicates the financial soundness of a company – the higher the better.

What does it mean?

This indicates the borrowing capacity of a company and influences the gearing (which, in turn, influences the cost at which a company can mobilize debt).

Value impact

The Company reported a net worth of ₹285.16 Crore in FY 2023-24 as against a net worth of ₹312.56 Crore in FY 2022-23.

Note: FY 2022-23 figures are reinstated pursuant to the amalgamation of Fermenta Biotech Limited with its holding company DVK Investments Private Limited and wholly owned subsidiary Aegean Properties Limited.

Inculcating strategic adaptability to strengthen endurance in times of market disruptions



Dear shareholders,

It has been a quarter since I have had the honour of becoming Chairman of your Company.

The year under review presented unexpected challenges and structural changes marked by economic uncertainties and market disruptions that tested our strategic and operational

resilience, impacting our revenue and profitability. The Market conditions in the vitamins segment led to reduced sales volumes and lower margins, putting a pressure on our topline and bottomline. Additionally, the global economic uncertainties led to fluctuating raw material costs and operational inefficiencies, straining our financial performance. Despite these difficulties, we remained committed to address these issues through strategic adjustments and operational improvements.

The global macro-economic scenario during the year resulted in subdued growth due to high inflation and interest rates, geo-political tensions, and recession concerns. However, inspite of global uncertainties, India's micro-economic fundamentals remained strong and India remained on a trajectory of higher growth. Inflation began to moderate and post-Covid challenges like supply chain constraints began to gradually ease which augur well for your Company.

Upholding core values and strong governance

Fermenta's journey of seven decades stands as a testament to its adaptability, which equipped it with the endurance to navigate through market cycles. It is this deep-rooted legacy that continues to guide as we confront and overcome economic uncertainties.

At the heart of Fermenta's success are our values of discipline and perseverance. These principles have been the

cornerstone of our resilience, enabling us to maintain operational integrity and strategic focus even in the face of adversity. Our commitment to these values and principles ensures that we remain steadfast in our pursuit of long-term growth and stability.

Your Company is committed to maintain highest standards of corporate governance. A strong emphasis on transparency, accountability and integrity guides its philosophy. Our governance framework is designed to ensure that we uphold ethical standards / practices, comply with regulatory requirements, and foster a culture of responsibility throughout the organization.

This year, we continued to honour our commitment to Corporate Social Responsibility (CSR). Our initiatives reflect our dedication to create positive social impact. Our CSR activities have focused on health, education, and community development, reinforcing our role as a responsible corporate citizen.

Strategic focus and investment impact

Our Vitamin D business remains the cornerstone of our strategy. Despite market challenges, our focus on expanding and optimizing this segment is crucial as we anticipate a resurgence in demand. We are positioned to leverage our expertise and investments in Vitamin D to capitalize on growth opportunities in the animal and human nutrition markets.

Moreover, the investments we made during periods of strong revenue and profitability are beginning to yield results.

Positive outlook

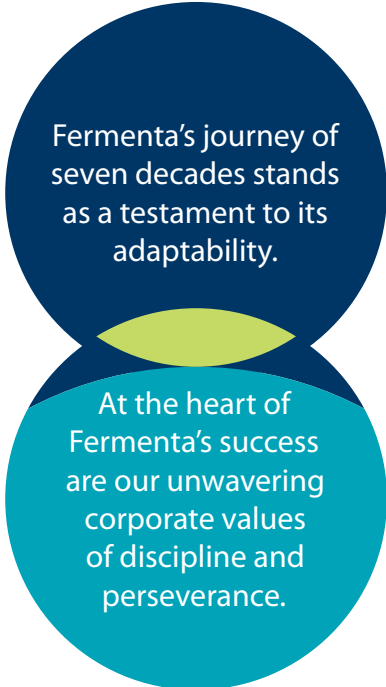
With a competent and talented leadership team and dedicated employees, I am hopeful that we will emerge successfully from the current volatile scenario, stronger. We will drive success and profitable growth to create sustainable value for all our stakeholders.

I take this opportunity to extend my gratitude and appreciation to our Board of Directors, employees, valued customers, bankers, partners / associates, Central and State governments, regulatory authorities, other stakeholders and society at large for their valuable support.

I also thank all our shareholders for their trust and support.

With best wishes,

Pradeep M. Chandan,
Chairman



Fermenta's journey of seven decades stands as a testament to its adaptability.

At the heart of Fermenta's success are our unwavering corporate values of discipline and perseverance.

Navigating a complex environment by optimizing operations and building a resilient business



Overview

The year FY 2023-24 was marked by a confluence of economic challenges and uncertainties that tested the resilience and adaptability of businesses across various sectors. Inflationary pressures, geopolitical tensions, and persistent disruptions within the global supply chain created a turbulent landscape for industries worldwide. Within this complex environment, the vitamins sector faced significant hurdles, including subdued demand and price constraints, primarily due to excess inventory accumulation at the customers' end. These factors exerted considerable pressure on our topline and bottomline, reflecting the broader macro-economic struggles and cyclical downturns specific to our sector.

Our initiatives not only enhance our operational readiness but also reinforce our position as a market leader poised to benefit from the eventual upturn in the Vitamin D3 market.

Demonstrating strategic adaptability

In the face of these headwinds, Fermenta exhibited remarkable resilience and strategic foresight. Our approach to navigating these challenging times was multifaceted, focusing on optimizing operations, curtailing costs, and positioning ourselves for long-term success. The measures we undertook over the past year were instrumental in mitigating the impact of external pressures and laying the groundwork for future growth.

In light of the market dynamics, we took proactive measures to reduce costs through prudent spending and optimizing business operations. By adopting a disciplined approach to spending and streamlining processes, we maintained financial stability and operational efficiency.

Expanding capabilities and diversifying offerings

The cornerstone of our strategy was an investment in capacity expansion and capability enhancement within the nutrition segment. Over the past few years, we dedicated substantial resources to augment our production and research facilities, resulting in the successful commercialization of several new products. Notable among these were Vitamin K1, fortified rice kernel, and customized premixes. This strategic product portfolio diversification was

intended to reduce our reliance on any single product line. We are confident that the strategic investments will bear fruit by advancing us into a holistic nutritional solutions provider.

I am happy to report that Fermenta secured a State government tender for FRK in Andhra Pradesh, a region in South India with a growing need for nutritional fortification. Additionally, we supplied our premix to other manufacturers within the FRK sector, expanding our reach and influence. The criticality of quality ingredients in ensuring the right nutrition is of utmost importance; it is a matter of pride that Fermenta is playing a key role in bringing high-quality premixes to the market, manufactured in a dedicated facility built to match pharmaceutical standards. We aim to partner with development agencies and empanel ourselves as a global supplier.

Positioning for market recovery and driving innovation

In the Vitamin D3 business, the animal nutrition market experienced a downturn due to lower feed prices over the past year. However, historical trends suggest that market cycles typically rebound after periods of decline. On the human nutrition front, we anticipate that demand for Vitamin D3 has settled at a level that surpasses the pre-pandemic levels and will revive once the existing inventory is depleted. To position ourselves advantageously for this anticipated recovery, we focused on building a

backward-integrated supply chain, investing in production capacity, and optimizing our manufacturing processes to comply with global regulatory standards. These initiatives not only enhance our operational readiness but also reinforce our position as a market leader poised to benefit from the eventual upturn in the Vitamin D3 market.

Demand-driven innovation has been the backbone of our success, and our team demonstrated this once again last year by working on a new route for Phenyramidol, in response to supply constraints and rising costs of key raw materials. Our continued investment in research and development underscores our dedication to addressing critical nutritional needs and driving progress within the industry.

Looking ahead: Expanding horizons and creating value

We are steadfastly focused on leveraging our new basket of products, entering emerging markets with a growing demand, expanding our offerings to newer geographies and applications. I would like to thank all our stakeholders whose collective efforts have been pivotal in driving our progress – our suppliers, customers, partners, employees and shareholders. We remain committed to strengthening our business and converting challenges into opportunities to create shared value.

Prashant Nagre
Managing Director

PART 3

How **our** Company
is enhancing
integrated value



Fermenta's integrated value-creation report

Fermenta's multi-decade journey has been derived through the interplay of various competencies which act as catalyst for growth.



	Financial Capital	Manufactured Capital	Intellectual Capital
What they are	<ul style="list-style-type: none"> Financial resources that the Company already possesses or mobilizes 	<ul style="list-style-type: none"> Tangible and intangible infrastructure used by the Company to enhance value through its business 	<ul style="list-style-type: none"> Intangible, knowledge-based assets
Management approach	<ul style="list-style-type: none"> Enhance value for shareholders through sustainable growth 	<ul style="list-style-type: none"> Invest in resilient assets to strengthen customer service 	<ul style="list-style-type: none"> Deepen the role of innovation in our existence
Significant outcomes	<ul style="list-style-type: none"> Balanced financial structure; no debt Culture of operational excellence Sustainable dividends payout 	<ul style="list-style-type: none"> Trusted supplier of products Leading market player 	<ul style="list-style-type: none"> Secure our intellectual capital through property rights Investment in technologies Collaboration with partners leading to innovative solutions



Human Capital

- Employee knowledge, skills, experience and motivation

- Committed and qualified workforce translates into an inclusive and balanced workplace

- Employee well-being
- Talent management
- Diversity and equal opportunity
- Learning & development
- Enhanced productivity



Natural Capital

- Natural resources impacted by the Company's activities

- Ensure the sustainable use of natural resources; contribute to counter-climate change

- Preservation of climate and nature
- Moderated environment footprint
- Enhanced energy efficiency



Brand Capital

- Enhanced trust in efficacy, consistency, availability and affordability

- Creating brands and growing them
- Unique and high-quality value proposition
- Anytime product accessibility and availability

- Trust-based engagement



Social and Relationship Capital

- Ability to share and relate with stakeholders, promoting social development and wellbeing

- Promote trust with stakeholders
- Share resources
- Protect the wellbeing and dignity of workers and employees
- Promote zero incidents commitment across factories and workplaces

- Direct implementation of CSR projects
- Human rights
- Transparency and good governance





STAKEHOLDER ENGAGEMENT

How we deepen stakeholder relationships

Overview

Fermenta’s inclusive, collaborative, and responsive approach has helped strengthen stakeholder relationships. Active stakeholder engagement has empowered the Company to derive insights into stakeholder requirements. A structured engagement framework ensures that communication is timely, information transfer is precise, and interactions with stakeholders are consistent.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders 	No	<ul style="list-style-type: none"> General Meetings Stock Exchange intimations Investor presentations / Annual reports & quarterly results Press releases Company’s website 	Ongoing	Keeping shareholders updated about the Company’s business performance is crucial. We value acknowledging their queries and inputs and expectations from Company.
Customers 	No	<ul style="list-style-type: none"> Customer meets Direct communication Brochures Social media Company’s website 	Need basis	Our entire business is dependent upon customers. Understanding customers’ expectations, their satisfaction and retention is at the core of Fermenta’s business. Engagement and good relationship with customers helps the Company in Business Development.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and workers 	No	<ul style="list-style-type: none"> ▪ Senior management interactions ▪ HR communications ▪ Performance appraisal meetings/review ▪ Exit interviews ▪ Union meetings, Company's website ▪ HRMS (System) 	Continually	Employees are our biggest asset and pillars of our functioning. Regular interactions with them help the Company understand their expectations and grievances which in order helps Company build a strong employee base with loyalty and low attrition rate.
Suppliers 	No	<ul style="list-style-type: none"> ▪ Meetings ▪ Supplier audits ▪ Facility visits 	On a need basis	Regular engagements will help to ensure timely receipt of materials, their quality and safety amongst other critical services to ensure continuity of business operations.
Regulators 	No	<ul style="list-style-type: none"> ▪ Meetings, ▪ Seminars/ Webinars ▪ Official communications ▪ Statutory publications 	On a need basis	We aspire for full compliance with all the applicable regulations. Interactions with the Government and Regulators help us understand statutory and procedural requirements and resolve any issues or lapses in relation thereto.
Communities 	No	<ul style="list-style-type: none"> ▪ Interactions through CSR initiatives 	On a need basis	Fermenta, being a responsible corporate citizen, strongly believes in growing together with the community/society. Hence, our CSR programmes helps in community development. The Company also fulfils its manpower requirement by employing the people from the nearby location where it has its business operations to the extent possible.

Vitamin D and niche APIs



Overview

Vitamin D is well-documented for its impact on bone health, but its benefits extend beyond the skeletal system due to the presence of Vitamin D receptors in various cells throughout the body. As a crucial hormone, Vitamin D regulates numerous genes and functions, including glucose homeostasis, cardiovascular health, and immune system modulation. Fermenta, a global leader in Vitamin D production, is the sole manufacturer of Vitamin D3 in India. The Company has successfully implemented backward integration to produce cholesterol, the key starting material for Vitamin D3.

Outlook

Fermenta anticipates that the demand for Vitamin D will stabilize at levels higher than those seen before the pandemic. The growing focus on preventive health and the increasing consumer interest in supplementation are expected to drive the Company's Vitamin D business forward. Although the animal nutrition sector faced a period of weak global demand and low returns, Fermenta remained positioned to capitalize on upcoming market opportunities.



Fermenta, a global leader in Vitamin D production, is the sole manufacturer of Vitamin D3 in India.



Overview

Fermenta specializes in the manufacture of specialty APIs, including Phenyramidol Hydrochloride and Silicon powder (Activated Dimethicone Powder).

Product portfolio

Phenyramidol Hydrochloride and Silicon powder (Activated Dimethicone Powder) service a key global account. Phenyramidol Hydrochloride is a powerful muscle relaxant with analgesic properties.

Outlook

The increasing prevalence of lower back, neck, and shoulder pain due to prolonged use of electronic devices presents significant growth potential for the pharmaceutical sector. Fermenta plans to enhance its processes to capitalize on this emerging trend.



Nutrition



Nutritional ingredients: Vitamin K1

Fermenta launched Vitamin K1 in both API and spray-dried formats. Vitamin K1, also known as Phytonadione or Phylloquinone, is a fat-soluble vitamin essential for blood clotting. Impaired blood clotting is a clinical symptom of Vitamin K deficiency. Adults at risk for Vitamin K deficiency include patients taking anticoagulant drugs, which act as Vitamin K antagonists.

Nutritional ingredients: Vitamin E 50 per cent feed grade

Fermenta introduced Vitamin E 50 per cent feed grade to the domestic market.

As poultry and swine cannot naturally synthesize Vitamin E, supplementation is essential. With the pandemic over, the demand in the animal feed industry is expected to increase.

Nutritional ingredients: Fish oil cholesterol

FermSterol® is Fermenta's fish oil-derived, free-flowing, and easily mixable cholesterol. Cholesterol is essential in aquaculture and is a regular ingredient in shrimp farming.

BUSINESS SEGMENT

Integrated biotechnology



As a leader in immobilized enzyme technology, Fermenta is a prominent producer of lipase enzymes, providing innovative biotechnology solutions.

Overview

At Fermenta, we offer comprehensive solutions in fermentation, enzyme purification, enzyme immobilization, enzymatic synthesis, microbiology, genetic engineering, and polymer bead development for synthesis scale-up. Fermenta was one of the pioneers in developing fermentation-based Penicillin G Amidase bio-catalyst enzyme (Fermase PA 850), used in the biocatalytic hydrolysis of amide bonds for beta-lactam intermediates, and Penicillin G Acylase enzyme (Fermase PS 250), used in the biocatalytic synthesis of beta-lactam antibiotics.

We strengthened the network of enzymatic production of ampicillin and amoxicillin derivatives in India. As a leader in immobilized enzyme technology, Fermenta is a prominent producer of lipase enzymes, providing innovative biotechnology solutions. Our CAL B Lipase enzyme enjoys broad applications in green chemistry for chiral active pharmaceutical ingredients, oleochemicals, biofuels, and personal care products. This enzyme is preferred for its superior stability and activity in hydrolysis, esterification, and transesterification reactions across various industries.

Environment solutions



The Company focuses on delivering quality solutions in liquid waste treatment, addressing regulatory standards while ensuring client satisfaction in a competitive market landscape.

Overview

Utilizing biological and engineering methods, the Company's environmental solutions business division offers comprehensive environmental consultancy, including engineering-procurement-construction (EPC) services for sewage, waste water and water treatment plants, catering to establishments and industries.

The Company focuses on delivering quality solutions in liquid waste treatment, addressing regulatory standards while ensuring client satisfaction in a competitive market landscape.

Highlights, FY 2023-24

- The Company successfully commissioned plants for reputed

developers and hospitals projects, providing treated water for reuse.

- Reduced customers' dependence on tanker water and external water sources, contributing to pollution control vis-a-vis environmental preservation and lowering expenses associated with water procurement thereof.
- Established successful references with prominent brands in the real estate, commercial and hospitals sectors.

Our competitive strengths

Proprietary design and engineering layout, complemented by the intellectually protected Bioculture Fermsept, the Company: (a) represents product differentiation, enhances biological growth and ensures consistent water quality

and maintenance; (b) competency to commission projects of varying size and various technologies; leveraging technical competence which, inter alia, includes tertiary filtration as well.

Outlook, FY 2024-25

The Company is prepared to cater to larger projects, addressing large volume clients, including infrastructure, hospitals, industrial effluents and airports. Venturing into new locations to undertake larger projects is expected to help the Company grow this area of business.

BUSINESS ENABLER

Our Manufacturing competence

Overview

Fermenta's science-based approach enhances nutritional value across every step of the value chain, contributing to sustainable nutrition for consumer health and wellness.

The Company commissioned manufacturing facilities benchmarked around world class standards. Even though these plants are located in India, they comprise global showpieces in terms of their spaciousness, shopfloor design, technology investments, and global certifications. The Company's manufacturing hygiene and standards are periodically audited and reviewed by certifying agencies and customers.

The Company's premises are designed around regulatory standards to maximize consumer benefit. The Company's commitment to quality is evidenced by the minimal market complaints, market returns, and recalls; it is also marked by regulatory audits without critical deficiencies.

The Company invested in the certification of instruments and equipment, along with the validation of methods and processes. These ensure that our quality systems are robust and consistent.

The Company's extensive monitoring of process development, optimization, and transfer has enhanced manufacturing efficiency, ensuring the delivery of completely compliant products. Optimized and validated processes yielded consistent quality and production.

The Company evaluated its products using national and international quality standards, holding top-level certifications and approvals, including USFDA, CEP, WHO - GMP, FSSAI, HACCP, BRC, FSSC 22000,

FSMA, ISO 9001, ISO 14001, The Vegetarian Society UK, Halal and Kosher.

Our competitive strengths

- Robust quality systems invested with quality equipment, validated methods and processes.
- Commencement of supply of FRK to the Government and premix to other FRK manufacturers.
- Customized premix solutions from the Kullu facility for diverse food fortification and dietary supplement needs.
- Backward integration into the manufacture of key raw materials like cholesterol to ensure sustainability and consistent supply.

Highlights, FY 2023-24

The Company's culture of product excellence was strengthened by robust supplier quality management, supply chain management, employee training and comprehensive food safety systems.

The Company ensured an effective training program for employees, continuous in-process monitoring and the highest levels of manufacturing cleanliness and hygiene.

The Company leveraged proprietary knowledge in Vitamin D production and biotechnological processes, driving improvements in various measurable outcomes through its new premix plant. This expansion not only supports growth objectives but also strengthens the capacity to address the evolving requirements of customers within the nutritional industry.

The Company invested in motion sensor lights, replacing legacy valves for auto control equivalents, among others, for enhanced energy efficiency

USFDA, CEP, WHO - GMP, FSSAI, HACCP, BRC, FSSC 22000, FSMA, ISO 9001, ISO 14001, The Vegetarian Society UK, Halal, and Kosher.

The Company developed health-focused products like FRK and nutritional premixes to address micronutrient deficiency; it supplied more than 100MTs of FRK and FRK premix.

The Company's new cholesterol manufacturing process enhanced efficiency and productivity.

The Company modified facilities to increase batch charging frequency for Lanolin; it commissioned new plants in Kullu (premix facility) and Nellore (FRK) with advanced equipment.

The Company developed manufacturing processes to reduce high value raw material wastage, increasing yield of some products, as compared to previous year(s) yields, by implementing new streamlined processes.

The Company optimized logistics, implementing real-time tracking systems, and streamlining warehouse operations, resulting in quicker deliveries to customers.

Outlook, FY 2024-25

The outlook for FY 2024-25 appears encouraging on account of increasing demand and strategic partnerships. The Company will focus on innovation and sustainability.

Research and development



Solutions through innovative research and development.

Overview

At Fermenta, we are committed to growing our nutrition business through innovative and sustainable solutions. Across the years, our extensive research and market surveys have empowered the Company to gain valuable insights into customer needs, trends and preferences.

By leveraging this knowledge, the Company develops sustainable food premix solutions designed to address dietary deficiencies and specific clinical disorders. The Company's premixes are customized to fortify foods intended for special dietary purposes and medical needs, reconciling taste and quality.

The Company focuses on the discovery and development of novel, sustainable ingredients that offer nutritional benefits. Its goal is also to optimize formulations that enhance the nutritional profile of food products, promoting individual well-being and contributing to business growth.

Consumer education is a key component of the Company's strategy. The Company engages in initiatives that provide evidence-based information about the benefits of sustainable nutrition, communicating research findings that enhance consumer awareness. The Company conducts lifecycle assessments and shelf-life studies to evaluate and identify improvement opportunities. These data-driven decisions enhance product sustainability and stability, ensuring their market success.

Highlights, FY 2023-24

- The Company developed vitamin and mineral premixes for the fortification of staple foods in accordance with FSSAI guidelines across categories (including rice, oil, flour, milk and beverages).
- The Company's API R&D team synthesized cholesterol, continued to develop calcifediol and scaled Vitamin K1 using innovative methods, validating a

commitment to pioneering sustainable laboratory solutions.

- The Company researched API initiatives, developing new synthesis routes for existing products and innovative methods to manufacture new products.
- The Company won tenders including state tenders in domain of staple food fortification.
- The Company also entered the domain of Vitamin Minerals Premix for the food and beverage segments.

Outlook, FY 2024-25

The Company will focus on innovative research and the development of its product range.

BUSINESS ENABLER

Our Marketing excellence

Overview

Fermenta operates in competitive sectors spanning human and animal health viz. pharmaceuticals, veterinary, dietary supplements, food, feed, and biotechnology. These industries are governed by stringent global regulatory standards, demanding innovation while ensuring complete regulatory compliance with global health authorities like FDA and EDQM. The industry's landscape is influenced by global health trends and economic conditions that impact market demand and supply chain.

Fermenta has distinguished itself through Vitamin D3 specialization, offering a comprehensive portfolio across applications viz. pharmaceutical, veterinary, food, feed and rodenticides. By the virtue of complete documentary and regulatory support, the Company addresses the needs of customers in global markets.

The ability of the Company to provide customized premix solutions would address diverse customer needs across food fortification and dietary supplements thereby offering the Company a competitive edge.

Backward integration towards the manufacture of key raw materials like cholesterol has ensured sustainability and supply consistency. Supported by a robust distribution network spanning around 60 countries, coupled with rigorous R&D efforts and compliance with stringent regulatory standards, Fermenta has enhanced competitiveness.

Our competitive strengths

Customer-centric strategy: Implemented a customer-centric approach focusing on personalized service and proactive communication.

Building strong relationships:

Emphasized strong, long-term customer relationships.

Increased customer satisfaction:

Focused on generating high customer satisfaction rates and improved customer retention.

Trusted supplier: Deepened its respect as a trusted supplier, among customers.

Highlights, FY 2023-24

- Fermenta started supplying Fortified Rice Kernel (FRK) to the Andhra Pradesh State Government and FRK premix to other Indian FRK manufacturers.
- The Company won tenders in the domain of staple food fortification.
- The Company entered the arena of Vitamin Minerals Premixes for the food and beverages segment.
- The Company supplied Vitamin D3 variants to value-added manufacturers in the pharmaceutical and nutrition segment.
- The Company deepened relationships with stakeholders in the nutritional and pharmaceutical industries, strengthening customer acquisition.
- The Company partnered with leading distribution companies in key markets for specific segments.

Fermenta's competitive edge in Vitamin D3 and premixes

Fermenta's customers benefit from global product certifications and comprehensive documentary support, enabling them to register and launch pharmaceutical dosage forms in regulated markets with speed.

On the premix side, the Company offers customized solutions tailored to specific industry needs, ensuring supply chain

reliability and global product delivery with local support.

A commitment to stringent regulatory compliance and quality assurance ensures that products address the highest safety standards. A sustained investment in research and development helps catalyze innovation, keeping customers competitive.

A focus on sustainability aligns with client environmental goals, enhancing their brand and fulfilling corporate responsibility objectives.

Fermenta's strategic approach to market leadership

Fermenta offers a comprehensive portfolio of Vitamin D3 variants with full regulatory and documentary support, positioning it as a preferred supplier for companies seeking quality products benchmarked against global standards.

The Company leverages volume and availability to deepen market penetration. The Company targets emerging markets with rapidly growing demand for dietary supplements and fortified foods, aiming to expand market share.

Outlook, FY 2024-25

Fermenta anticipates a positive outlook for its sales and marketing business support function, marked by enhancing customer service and engagement. Use of advanced digital tools and technologies such as artificial intelligence and machine learning, wherever feasible, would help to deliver better customer experiences and interaction.

Supply chain management



Fermenta won Excellence in Pharma Supply Chain Management award in Institute of Supply Chain Management Awards 2023.

Overview

Fermenta aims at novel operations that extended beyond conventional enterprise resource planning. As a result, managing the supply chain proficiently, utilizing business analytics, implementing plant automation, leveraging cloud technology, and ensuring real-time access to information form a part of the above. Fermenta upgraded its technological infrastructure through collaborations with global partners. This helps the seamless flow of real-time information and updates.

Fermenta, operating as a supply chain-centric organization, prioritized nurturing strong relationships with business partners, especially third-party logistics service providers, to ensure reliability and trust.

Highlights, FY 2023-24

- Fermenta won Excellence in Pharma Supply Chain Management award in

Institute of Supply Chain Management Awards 2023.

- The Company implemented new strategies to mitigate risks and enhance supply chain visibility.
- Fermenta's supply chain function focused on strengthening supplier relationships and improving systemic transparency.
- Fermenta maintained contractual agreements with suppliers to mitigate price fluctuations.

Outlook, FY 2024-25

Fermenta expects to continue harnessing operational efficiencies and excel in supply chain operations through streamlined planning, efficient procurement practices, and optimized logistics management.

BUSINESS ENABLER

Environment, health and safety



Fermenta considers environment, health and safety measures as its moral obligation towards its workforce and society.

Overview

The concept of business sustainability represents a guiding principle that harmonizes environmental, social, and governance principles with economic interests. At Fermenta, we treat this concept with the seriousness it deserves, making it central to our planning, decision making and project execution.

This concept is particularly critical in our business. The Company is engaged in the business of pharmaceutical manufacture, where the process generates pollutants and wastes, making the responsible EHS management mandatory.

Fermenta considers environment, health and safety measures as a moral obligation towards its workforce and society. This benefits in fewer work-related incidents and decreased operational downtime. The ISO 45001 certification serves as a

cornerstone in fostering a culture of health and safety, mitigating risks and identifying potential workplace hazards.

At Fermenta, we prioritize the health and safety of employees, contractors, customers and the communities in which we operate, along with environmental conservation. We ensure compliance with the statutory regulations and good practices for the benefit of the environment. Health, safety and environmental considerations are integral to our business planning and operations.

Without protective health and safety policies, employees could face the risks of injuries. Moreover, employee morale can suffer when they feel their well-being is not a priority, resulting in a less motivated workforce and lower productivity.

Fermenta emphasizes communication transparency, work-life balance, supportive

work culture, holistic (physical, mental and emotional) well-being and professional development that enables employees to feel safe and excel.

Key initiatives, FY 2023-24

- Implementation of EHS initiatives as our dedication in building a green future, reducing our impact on the environment

and well being of the workforce and society.

- Conducting safety training and periodic drills, implementing safety protocols, routine medical check-ups, and providing protective equipment wherever needed.
- The manufacturing unit and R&D lab identified scenario-based emergency preparedness plans to counter specific emergencies.

- Monitoring safety standards through a focus on appropriate safety controls, elimination of unsafe activities, providing better replacement methods and the installation of engineering controls.
- Ensuring compliance with personal protective equipment requirements.

Safety protocols and measures

- Clearly enunciated safety/EHS policy
- Awareness building and communication
- Focused training
- Regular mock drills, enhancing preparedness
- Observing Safety Week (March 4th to 11th) at each manufacturing facility

Safety incident response steps

Documenting: Recording safety violation details

Reporting: Notifying the supervisor or safety officer

Following up: Ensuring the issue is promptly addressed

Learning: Understanding safety protocols to incident recurrence

Key numbers

Year	FY 2021-22	FY 2022-23	FY 2023-24
Water consumption (KL) per unit of end product produced	92510.35	80046.94	76489.18
Water recycled in quantum terms (KL)	16850	14051	8192
Non-hazardous waste generated (Tonnes)	26.7	22.32	2.7
SO2 emission (units)	79.33	72.02	104.02
NOx emission (units)	2921.74	2374.6	4708.17
Power consumption (kwh) per unit of end product produced	14820963	11680482	11611059

Captive energy

% of energy consumption generated from within	57500 KWH	83202 KWH	303882 KWH
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Resource consumption

Quantum of green energy generated (Million units)	33377	34703	36987
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CORPORATE SOCIAL RESPONSIBILITY

How we are participating in building prosperous communities



Overview

Fermenta has always considered itself as a responsible and sensitive corporate. Our corporate citizenship is defined by our vision statement and its guiding principles. The Company's engagement is directed by a defined CSR Policy, implemented under the guidance of a CSR Committee and senior management; the projects are periodically monitored.

Our engagement in corporate social responsibility projects is aligned with regulatory mandates and social

priorities. We extend beyond mere 'cheque-writing' to a deeper and direct engagement with the objective to make a lasting positive difference. We believe in making initial investments where a moderate engagement from our side can translate into a disproportionately larger societal impact. Fermenta engages in programmes including enhancing livelihoods, strengthening healthcare, promoting education, social welfare, rural development, and the protection of flora and fauna.

CSR committee

The Company's Board of Directors established a CSR committee tasked with developing CSR policy, action plans, and guiding principles for the selection, implementation, and monitoring of CSR activities. This committee's work served as the basis for the creation of standard operating procedures by the Company, ensuring the effective implementation of CSR projects. More information on Company's CSR spending and related details are provided in the Board report.

Management discussion and analysis

Global economy

Overview

Global economic growth declined from 3.5 per cent in 2022 to an estimated 3.1 per cent in 2023. A disproportionate share of global growth in FY 2023-24 is expected to come from Asia, despite the weaker-than-expected recovery in China, sustained weakness in USA, higher energy costs in Europe, weak global consumer sentiment on account of the Ukraine-Russia war, and the Red Sea crisis resulting in higher logistics costs. A tightening monetary policy translated into increased policy rates and interest rates for new loans.

Growth in advanced economies is expected to slow from 2.6 per cent in 2022 to 1.5 per cent in 2023 and 1.4 per cent in 2024 as policy tightening takes effect. Emerging market and developing economies are projected to report a

modest growth decline from 4.1 per cent in 2022 to 4.0 per cent in 2023 and 2024. Global inflation is expected to decline steadily from 8.7 per cent in 2022 to 6.9 per cent in 2023 and 5.8 per cent in 2024, due to a tighter monetary policy aided by relatively lower international commodity prices. Core inflation decline is expected to be more gradual; inflation is not expected to return to target until 2025 in most cases. The US Federal Reserve approved a much-anticipated interest rate hike that took the benchmark borrowing costs to their highest in more than 22 years.

Global trade in goods was expected to have declined nearly US\$2 Trillion in 2023;

trade in services was expected to have expanded US\$500 Billion. The cost of Brent crude oil averaged \$83 per barrel in 2023, down from \$101 per barrel in 2022, with crude oil from Russia finding destinations outside the European Union and global crude oil demand falling short of expectations.

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This out performance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

Regional growth (%)	2024	2023
World output	3.1	3.5
Advanced economies	1.69	2.5
Emerging and developing economies	4.1	3.8

(Source: UNCTAD, IMF)

Performance of major economies, 2023

United States

Reported GDP growth of 2.5 per cent in 2023 compared to 1.9 per cent in 2022

China

GDP growth was 5.2 per cent in 2023 compared to 3 per cent in 2022

United Kingdom

GDP grew by 0.4 per cent in 2023 compared to 4.3 per cent in 2022

Japan

GDP grew 1.9 per cent in 2023 unchanged from a preliminary 1.9 per cent in 2022

Germany

GDP contracted by 0.3 per cent in 2023 compared to 1.8 per cent in 2022

(Source: PWC report, EY report, IMF data, OECD data, Livemint)

Outlook

Asia is expected to continue to account for the bulk of global growth in FY 2024-25. Inflation is expected to ease gradually

as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high

inflation and monetary tightening, growth around previous levels for the next two years.

(Source: World Bank).

Indian economy

Overview

The Indian economy was estimated to grow 7.8 per cent in the FY 2023-24 against 7.2 per cent in FY 2022-23 mainly on account of the improved performance in the mining and quarrying, manufacturing and certain segments of the services sector. India retained its position as the fifth largest economy. The Indian rupee displayed relative resilience compared to the previous year; the rupee opened at ₹82.66 against the US dollar on the first trading day of 2023 and on 27 December was ₹83.35 versus the greenback, a depreciation of 0.8 per cent.

In the 11 months of FY 2023-24, the CPI inflation averaged 5.4 per cent with rural inflation exceeding urban inflation. Lower production and erratic weather led to a

spike in food inflation. In contrast, core inflation averaged at 4.5 per cent, a sharp decline from 6.2 per cent in FY 2022-23. The softening of global commodity prices led to a moderation in core inflation.

The nation's foreign exchange reserves achieved a historic milestone, reaching \$645.6 Billion in March 2024. The credit quality of Indian companies remained

strong between October 2023 and March 2024 following deleveraged Balance Sheets, sustained domestic demand and government-led capital expenditure. Rating upgrades continued to surpass rating downgrades in H2 FY 2023-24. UPI transactions in India posted a record 56 per cent rise in volume and 43 per cent rise in value in FY 2023-24.

Growth of the Indian economy

	FY21	FY22	FY23	FY24E
Real GDP growth (%)	-6.6%	8.7	7.2	8.2

E: Estimated

Growth of the Indian economy quarter by quarter, FY 2023-24

	Q1FY24	Q2FY24	Q3FY24	Q4FY24E
Real GDP growth (%)	8.2	8.1	8.4	7.8

(Source: Budget FY 2023-24; Economy Projections, RBI projections, Deccan Herald)

The FY 2024-25 growth in the economy was the highest since FY 2016-17, excluding the 9.7 per cent post-Covid rebound in gross domestic product (GDP) in FY 2021-22 from the 5.8 per cent contraction in FY 2020-21.

India's monsoon for 2023 hit a five-year low. August was the driest month in a century. From June to September, the country received only 94 per cent of its long-term average rainfall. Despite this reality, wheat production was expected to touch a record 114 Million Tonnes in the FY 2023-24 crop year on account of higher coverage. Rice production was expected to decline to reach 106 Million Metric Tonnes (MMT) compared with 132 Million Metric Tonnes in the previous year. Total kharif pulses production for FY 2023-24 was estimated at 71.18 Lakh Metric Tonnes, lower than the previous year due to climatic conditions.

As per the first advance estimates of national income released by the National Statistical Office (NSO), the manufacturing sector output was estimated to grow 6.5 per cent in FY 2023-24 compared to 1.3 per cent in FY 2022-23. The Indian mining sector growth was estimated at 8.1 per cent in FY 2023-24 compared to 4.1 per cent in FY 2022-23. Financial services, real estate and professional services were

estimated to record a growth of 8.9 per cent in FY 2023-24 compared to 7.1 per cent in FY 2022-23.

Real GDP or GDP at constant prices in FY 2023-24 was estimated at ₹171.79 Lakh Crore as against the provisional GDP estimate of FY 2022-23 of ₹160.06 Lakh Crore (released on May 31, 2023). Growth in real GDP during FY 2023-24 was estimated at 7.3 per cent compared to 7.2 per cent in FY 2022-23. Nominal GDP or GDP at current prices in FY 2023-24 was estimated at ₹296.58 Lakh Crore against the provisional FY 2022-23 GDP estimate of ₹272.41 Lakh Crore. The gross non-performing asset ratio for scheduled commercial banks dropped to 3.2 per cent as of September 2023, following a decline from 3.9 per cent at the end of March 2023.

India's exports of goods and services were expected to touch US\$ 900 Billion in FY 2023-24 compared to US\$ 770 Billion in the previous year despite global headwinds. Merchandise exports were expected to expand between US\$ 495 Billion and US\$ 500 Billion, while services exports were expected to touch US\$ 400 Billion during the year. India's net direct tax collection increased 19 per cent to ₹14.71 Lakh Crore by January 2024. The gross collection was 24.58 per cent higher than the gross collection for the corresponding period of

the previous year. Gross GST collection of ₹20.2 Lakh Crore represented an 11.7 per cent increase; average monthly collection was ₹1,68,000 Crore, surpassing the previous year's average of ₹1,50,000 Crore.

The agriculture sector was expected to see a growth of 1.8 per cent in FY 2023-24, lower than the 4 per cent expansion recorded in FY 2022-23. Trade, hotel, transport, communication and services related to broadcasting segment are estimated to grow at 6.3 per cent in FY 2023-24, a contraction from 14 per cent in FY 2022-23. The Indian automobile segment was expected to close FY 2023-24 with a growth of 6-9 per cent, despite global supply chain disruptions and rising ownership costs.

The construction sector was expected to grow 10.7 per cent year-on-year from 10 per cent in FY 2023-23. Public administration, defence and other services were estimated to grow by 7.7 per cent in FY 2023-24 compared to 7.2 per cent in FY 2022-23. The growth in gross value added (GVA) at basic prices was pegged at 6.9 per cent, down from 7 per cent in FY 2022-23.

India reached a pivotal phase in its S-curve, characterized by acceleration in urbanization, industrialization, household

incomes and energy consumption. India emerged as the fifth largest economy with a GDP of US\$ 3.6 Trillion and nominal per capita income of ₹123,945 in FY 2023-24.

India's Nifty 50 index grew 30 per cent in FY 2023-24 and India's stock market emerged as the world's fourth largest with a market capitalization of US\$4 Trillion. Foreign investment in Indian government bonds jumped in the last three months of 2023. India was ranked 63 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings. India's unemployment declined to a low of 3.2 per cent in 2023 from 6.1 per cent in 2018.

Outlook

India withstood global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. The Indian economy is anticipated to surpass US\$ 4 Trillion in FY 2024-25.

Union Budget, FY 2024-25

The Interim Union Budget FY 2024-25 retained its focus on capital expenditure spending, comprising investments in infrastructure, solar energy, tourism,

medical ecosystem and technology. In FY 2024-25, the top 13 ministries in terms of allocations accounted for 54 per cent of the estimated total expenditure. Of these, the Ministry of Defence reported the highest allocation at ₹6,21,541 Crore, accounting for 13 per cent of the total budgeted expenditure of the central government. Other ministries with high allocation included Road transport and highways (5.8 per cent), Railways (5.4 per cent) and Con-sumer Affairs, food and public distribution (4.5 per cent).

(Source: Times News Network, Economic Times, Business Standard, Times of India)

Global pharmaceutical industry overview

The global pharmaceuticals market is projected to generate revenue of US\$1,156 Billion in 2024. Looking ahead, the revenue in this sector is anticipated to exhibit an annual growth rate (CAGR 2024-2028) of 6.19 per cent, resulting in a market volume of US\$1,470.00 Billion by 2028. The United State's revenue stood at US\$636.90 Billion in 2024. The pharmaceuticals market in China is expected to achieve a

revenue of US\$ 119.00 Billion in 2024. The industry is further anticipated to grow at an annual growth rate of 7.22 per cent CAGR 2024-2028, resulting in a market volume of US\$ 157.30 Billion by 2028. This increase in growth outlook is driven by more patients getting treated with better medicines, especially in immunology, endocrinology, and oncology. Global use of medicines grew by 14 per cent over the past five years and a further 12 per cent increase is expected through

2028, bringing annual use to 3.8 Trillion defined daily doses. Global spending on medicine using list prices grew by 35 per cent over the past five years and is forecast to increase by 38 per cent through 2028. The global pharmaceutical industries had a neutral outlook of good growth in 2024, supported by supportive underlying secular trends and a moderating inflationary environment.

(Source: Research and Markets, Statista, IQVIA, Fitch Ratings)

Growth drivers

Growth of the ageing population

The number of people aged 60 and older is expected to grow from 1 Billion in 2020 to 1.4 Billion in 2030 when 1 in 6 people worldwide will be considered elderly.

(Source: Forbes, Statista)

AI-based tools will accelerate drug discovery

The global market for AI in drug discovery is forecasted to grow from US\$ 1.5 Billion in 2023 to US\$ 13 Billion by 2032. AI-based solutions in clinical research are projected to exceed 7 Billion U.S. Dollars globally by the end of the decade.

Indian pharmaceutical industry overview

The Indian pharmaceutical market was valued at US\$ 54.6 Billion in 2023 and is projected to reach US\$ 163.1 Billion by 2032, with a CAGR of 12.3 per cent during 2024-2032. Factors such as the growing burden of diseases, government initiatives for healthcare infrastructure, and increasing health consciousness drive this growth. The Indian pharma industry,

acknowledged as 'the pharmacy of the world,' consistently provides medicines globally. Indian pharmaceutical sector supplies over 50 per cent of global demand for various vaccines, 40 per cent of generic demand in the US and 25 per cent of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and 10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector. The country also

has a large pool of scientists and engineers with the potential to steer the industry ahead to greater heights.

100 per cent Foreign Direct Investment (FDI) in the pharmaceutical sector is allowed under the automatic route for greenfield pharmaceuticals. 100 per cent FDI in the pharmaceutical sector is allowed in brownfield pharmaceuticals; wherein 74 per cent is allowed under the automatic route and thereafter through

the government approval route. The Indian pharmaceutical industry is a prominent player in the global pharmaceutical market, with a market share of 3rd worldwide in production volume and

14th by value. India is a major exporter of pharmaceuticals, with over 200 countries served by Indian pharma exports. India's pharmaceutical exports are projected to reach US\$28 Billion in FY 2023-24, a

remarkable growth of 10.2 per cent. This surge is largely attributed to the critical drug shortages in the United States and Europe. (Source: IBEF, investindia.gov.in, polycircle.org)

Growth drivers

Riding the wave of biosimilars

By 2030 the global biosimilar market is expected to be worth US\$ 60 Billion, and capturing even 10 per cent of this market could grow the Indian pharma industry by 13 per cent. As biosimilars have more complex regulatory pathways than small molecule generics, the industry will have to address quality and compliance issues by deploying India-specific interventions coupled with global best practices to better realize this opportunity.

Innovative drugs and 'next-gen' therapies

Indian pharma companies are transitioning to build pipelines of innovative drugs, with three to five new molecular entities launched or in late clinical trial phases each year until 2030. This is expected to boost the industry to reach US\$130 Billion. With personalized medicines taking centre stage in treating chronic and rare diseases, the global cell and gene therapies market is expected to grow by over 36 per cent (CAGR) from 2019 to 2025. This presents a growth opportunity for the Indian pharma industry.

World's reliable drug supplier

Indian pharma imports 60 to 90 per cent of APIs depending on the type of API. This heavy dependence on external sourcing, in addition to the disruption in the supply chains caused by the COVID-19 pandemic, has led to calls for self-sufficiency to enable India to become the world's most reliable drug supplier. A recent announcement by the government of a US\$1.3 Billion investment to develop three mega bulk drug parks, together with production incentive schemes to manufacture 53 critical bulk drugs, should help the industry become more self-reliant over the next five to eight years.

Growth in generic drugs export

India, the world's largest provider of generic drugs exported pharmaceuticals worth over US\$ 25 Billion in the financial year 2023. In terms of volume, Indian drugs constituted 20 per cent of the global generic drug exports, with North America having the largest share.

Strong research and development capabilities

The pharma industry has sought fiscal incentives to promote research and development, as it is likely to reach US\$ 400-450 Billion market size by 2047.

(Source: Deloitte, Times of India)

Government initiatives

Liberalized foreign direct investment (FDI) limit:

the government has allowed up to 100 per cent FDI through the automatic route for greenfield investments and up to 74 per cent for brownfield investments.

National Pharmaceutical Policy: the policy is being drafted to serve as a comprehensive framework to address the challenges faced by Indian pharmaceutical industries and provide a definitive policy encompasses five key pillars: Fostering global pharmaceutical leadership, promoting self-reliance, advancing health equity and accessibility, enhancing

regulatory efficiency in the Indian pharmaceutical sector and attracting investments.

Scheme for strengthening of the pharmaceutical industry: the scheme, launched with a total financial outlay of ₹500 Crore until FY 2025-26, to strengthen the existing pharmaceutical cluster's capacity by creating common facilities, to facilitate the growth and development of pharmaceutical and medical device sector and to facilitate MSMEs of a proven track record to meet regulatory standards.

Scheme for promoting research and innovation in the pharma MedTech

sector: the scheme launched in 2023 with a financial outlay of ₹5000 Crore FY 2027-28, aims to transform the Indian pharma MedTech sector from cost-based to innovation-based growth by promoting industry-academia linkage for R&D in priority areas.

PLI Scheme: The outlay allocation for PLI (Production Linked Incentive) schemes in the pharmaceutical sector witnessed a significant increase from ₹1,696 Crore in the FY 2023-24 period to ₹2,143 Crore in the FY 2024-25 budget recast. This indicates a substantial boost in government support aimed at incentivizing and promoting domestic

pharmaceutical manufacturing. Such allocations are pivotal in fostering growth, innovation, and self-reliance in the pharmaceutical industry, ultimately contributing to the healthcare ecosystem's development and resilience.

Scheme for promoting bulk drug parks: The scheme boosts domestic manufacturing of identified KSMs, drug intermediates and APIs by attracting large investments in the sector. Financial assistance up to ₹1000 Crore will be

provided for the creation of common infrastructure facilities in three bulk drug parks selected in Gujarat, Himachal Pradesh and Andhra Pradesh.

(Source: Invest India, Business Line, PIB, India briefing)

Active pharmaceutical ingredients (APIs)

Global active pharmaceutical ingredients industry overview

The active pharmaceutical ingredients market size is estimated at US\$ 206.13 Billion in 2024, and is expected to reach US\$ 304.46 Billion by 2029, growing at a CAGR of 6.72 per cent during the forecast period 2024-2029. Factors such as the increasing prevalence of infectious, genetic, cardiovascular, and other chronic disorders, increasing adoption of biologics and biosimilars, as well as rising prevalence of cancer and increasing sophistication in

oncology drug research, are expected to boost the market growth over the forecast period.

(Source: Mordor Intelligence)

Indian active pharmaceutical ingredients industry overview

The India active pharmaceutical ingredients market size is estimated at US\$ 13.64 Billion for 2024 and is expected to reach US\$ 20.32 Billion by 2029, growing at a CAGR of 8.31 per cent during the forecast period (2024-2029). Such growth

is likely fueled by various factors including increasing demand for generic drugs, a robust pharmaceutical manufacturing sector, and the rising prevalence of chronic diseases requiring medication. India is the 3rd largest producer by volume and 14th largest by value worldwide. The Indian active pharmaceutical industry has been on an upward trajectory over the past few decades, contributing 1.72 per cent of the GDP of the nation.

(Source: Mordor Intelligence, Invest India)

Nutraceuticals

Global nutraceuticals market overview

The global nutraceuticals market size stood at US\$ 317.22 Billion in 2023 and further the global nutraceuticals market size is projected to reach US\$ 599.71 Billion

by 2030, powered by ongoing health awareness, global economic shifts, and changing dietary trends. The surge in digital health and e-commerce, alongside the demand for personalized nutrition, will be significant drivers. Key trends driving

this growth include functional beverages, sports nutrition, mental wellness products, immune system support, and a growing focus on gut health.

(Source: Grandviewresearch.com, Research and market)

Growth drivers

Rising metabolic disorders

The prevalence of metabolic disorders is on the rise and this is fueling the growth of the nutraceuticals market. More than 30 per cent of the US population has a metabolic syndrome. This is expected to lead to increased demand for nutraceuticals which, in turn, will fuel market growth.

(Source: US National Cholesterol Education Program and International Diabetes Federation)

Sport and health supplements

The nutraceutical industry's growth is supported by the simultaneous expansion of sports and health supplements. Increasing awareness of health supplement benefits for various medical concerns is driving the demand for nutraceutical products.

Indian nutraceuticals market overview

India's nutraceuticals market size is expected to expand at a CAGR of 29.1 per cent during the forecast period between 2023 and 2029. Having seen

a rapid growth of over 20 per cent during the COVID period, the market for nutraceuticals is expected to double in 5 years in India as a growing number of people are seen adopting these products to boost immunity. Nutraceutical is a broad term that refers to any product derived

from food that provides additional health benefits in addition to the basic nutritional value found in foods. nutraceuticals are non-specific biological remedies used to improve overall health, control symptoms, and prevent cancer.

(Source: The Hindu, Blue weave)

Growth drivers

Increasing demand for functional and healthy foods

Functional foods are gaining popularity among consumers due to their perceived wellness, performance, and health benefits. The demand for functional end products like dairy, bakery, confectionery, snacks, cereals and baby food is increasing as a result of how simple it is to incorporate nutraceutical ingredients into them. Protein, fibre, vitamins, and minerals are common fortifications. High-protein foods are currently the real winners, as they gained popularity among fitness enthusiasts. Compared to the baby boomer generation, people today are even more concerned about their health.

Growth of the health-conscious population in India

The market for nutraceuticals is growing as a large chunk of the population is consuming these as dietary supplements. The market for nutritional supplements is anticipated to expand by a compounded rate of 50 per cent from US\$4 Billion in 2017 to 18 Billion in 2025, according to the national food regulator.

(Source: Blue weave, Hindustan Times)

Biotechnology – enzymes

Global biotechnology market overview

The global enzymes market size was estimated at US\$ 60.48 Billion in 2023 and is expected to grow at a compound annual growth rate (CAGR) of 4.9 per cent from 2024 to 2030. The rising demand for food & beverage products is attributable to the increasing consumer awareness related to one's health and is expected to positively impact product demand over the forecast period. The U.S. biotechnology market size was valued at US\$ 246.18 Billion in 2023 and is anticipated to reach around US\$763.82 Billion by 2033, poised to grow at a CAGR of 11.90 per cent from 2024 to 2033. The Asia-Pacific is estimated to hit a growth rate of over 12.7 per cent during 2023-2033. The improvement of healthcare infrastructure, clinical trial services, and supportive government regulations are all contributing to the Asia-Pacific

biotechnology market growth. Moreover, the international market players are partnering actively with local companies in order to accelerate the biotechnology market's growth.

(Source: Grand View Research, Prence Research)

Indian biotechnology market overview

India is the third-largest biotechnology market in the Asia-Pacific region and one of the top 12 globally. The nation controls 3 per cent of the Asia Pacific biotechnology market. India is also the world's second-largest producer of BT cotton and the third-largest producer of the recombinant Hepatitis B vaccine. The biotechnology sector is divided into five segments - biopharmaceuticals, bio-services, bio-agriculture, bio-industrial and bio-IT. India's bio-economy industry has grown from US\$ 10 Billion in 2015 to US\$

80 Billion in the last 8 years in 2023. India's bio-economy is poised to reach US\$ 300 Billion by 2030. The Indian biotechnology industry is expected to reach US\$ 150 Billion by 2025. By 2025, the vaccination market in India is projected to be worth US\$ 3.04 Billion.

(Source: IBEF, Invest India, Business Standard, PIB)

Environmental solution overview

Environmental solution services have become a dynamic and rapidly growing segment of the environmental industry. The demand for these services has surged in recent years, driven by increasingly stringent standards and regulations to address global challenges such as climate change, resource depletion and waste generation. These services improve public health by reducing exposure to harmful pollutants, ensure the sustainable use

of natural resources, protect ecosystems and biodiversity, and enhance resilience against climate impacts. By promoting green infrastructure and sustainable practices, environmental solution services contribute to a healthier, more sustainable future for all.

The demand for environmental solutions industries is growing as societies

worldwide seek cleaner air, water and land. With increasing concerns about climate change and pollution, these industries are crucial for managing waste, conserving resources, and developing sustainable energy sources. They are essential for improving public health and ensuring a better quality of life for future generations by addressing environmental challenges effectively. The development of new

technologies has also significantly boosted international trade in environmental services. Innovations such as providing environmental solution services online and the remote monitoring of renewable energy systems have facilitated the cross-border supply of these services, enhancing their accessibility and efficiency.

(Source: World Trade Organisation)

Indian real-estate sector overview

In 2023, the real estate industry in India market size reached US\$ 0.25 Trillion. The real estate sector in India is expected to reach US\$ 1 Trillion in market size by 2030, up from US\$ 200 Billion in 2021 and contribute 13 per cent to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing

significantly, providing the much-needed infrastructure for India's growing needs. Further the India's real estate sector is expected to expand to US\$ 5.8 Trillion by 2047, contributing 15.5 per cent to the GDP from an existing share of 7.3 per cent. The sale of luxury homes in India increased by 130 per cent in 2023 compared to the previous year. In the Union Budget FY 2023-24, a commitment of ₹79,000

Crore US\$ for PM Awas Yojana has been announced, which represents a 66 per cent increase compared to last year. Factors like government policies, technological advancements, sustainable practices, rising demand for housing, and regulatory measures like RERA are pivotal in shaping the current real estate sector

(Source: Mordor Intelligence, IBEF, Economic Times)

Company overview

Fermenta Biotech Limited, an established enterprise with a rich seven-decade history, operates across diverse sectors, including pharmaceuticals, animal feed, nutrition, integrated biotech, environmental solutions and real estate. A key focal point of Fermenta's expertise lies in the comprehensive manufacturing of Vitamin D3. The Company maintains a sustainable supply chain, providing a notable advantage in the contemporary global market.

Fermenta's array of Vitamin D3 variants is finely balanced to meet the requirements of both human and animal nutrition, rendering them applicable across a broad spectrum of uses. In addition to Vitamin

D3 products, Fermenta engages in the production of APIs for muscle relaxants and anti-flatulent applications. The Company also pioneers the development of innovative enzymes crucial for manufacturing active pharmaceutical ingredients, alongside offering environmental solutions for wastewater treatment and management.

The strategic possession of legacy properties in Thane and Worli, Mumbai, serves as a lucrative source of income for Fermenta. This supplementary revenue stream complements the core business activities, reinforcing the Company's financial position. Through a development agreement with Mextech Property Developers LLP, Fermenta is poised to

construct residential-cum-commercial buildings on its free-hold Thane land and would acquire affordable luxury residential apartments from Mextech on an area-sharing basis.

Furthermore, the Company has undertaken sale transactions for its IT/ITES building, Thane One. As of the report date, Fermenta has successfully divested a significant portion of the IT/ITES building to third parties. The proceeds from these transactions were judiciously utilized to retire outstanding loans associated with the IT/ITES building.

Areas that we aim to grow in

Rice fortification

Rice fortification is a process of adding more micronutrients to increase the nutritional value of rice. It helps in making the food healthier and the taste is similar compared to normal rice. Fortified rice has been developed to meet the malnutrition problem in India.

Milk fortification

India is the largest producer of milk in the world with a production of 230.58 Million Tonnes. Fortified milk is enriched with vitamins A and D with other nutrients to cater for the dietary requirements of India.

Edible oil fortification

The nutrition-enriched edible oil is getting popular due to the wide use of cooking oil is a cost-efficient way of adding nutrients to edible items and thus all kinds of edible oils can be easily fortified to meet the desired nutrition requirement.

Our strengths

Established track record and strong R&D

The Company meets its growing demand by consistently demonstrating its expertise. The Company has its own well-established research and development (R&D) team to enhance its process and product technologies.

Established clientele in the domestic and export markets

Fermenta is a preferred vendor for various pharmaceutical multinationals worldwide and the Company has a reputed client base in the pharmaceutical industry. The Company has expanded its export market presence since 2010 with well-established Vitamin D3 variants exported to 60 countries, including the USA, UK, New Zealand, Australia and the European Union.

Market leader

Fermenta is one of the three global players to receive a certificate of suitability from the European Directorate for the quality of medicines and it has a leadership position in the Vitamin D3 segment. To meet the increasing demand for Vitamin D3, the Company has focused on expanding its production capacity.

Risk management

Geographical risk	The revenue generation potential can be restricted during localized slowdown to a few geographies which could hamper the growth of the Company.	Mitigation: With a network of around 60 countries the effects of localized slow-down can be taken care of in any one location, and the Company is also expanding its presence in other geographical areas.
Regulatory risk	Regulatory environment changes might cause operational disruption.	Mitigation: By maintaining proper and constant communication with regulatory agencies to comprehend the effects of any changes to take corrective measures and to minimize operational disruptions. The Company checks the consistency of the relevant rules for all its operations.
Finance risk	The inability to acquire long-term funds could hamper its expansion and reinvestment plans of the Company.	Mitigation: The Company maintains a healthy balance sheet to support its expansion and reinvestment plans and its net debt-equity ratio stood at 0.42 as of March 31, 2024; average cost of funds stood at 0.79 per cent. The Company continuously explores funding options and maintains a healthy balance sheet to support its expansion and reinvestment plans. Various financial ratios of the Company are stated in the financial statements forming part of this Annual Report.
Environment risk	The business might affect the environmental ecosystem which can cause possible disruption to the Company's operation.	Mitigation: The Company is involved in activities that safeguard the relevant laws for the environment. The objectives include arranging training courses on environmental topics, developing technology and providing information on operations with significant environmental impacts. The Company is dedicated to lowering its carbon footprint.
Competition risk	The entry of new players can hamper the Company's business.	Mitigation: The Company mainly trades in markets with entry barriers. The Company also focuses on R&D and innovation to develop products and services that offer value to customers. The Company maintains its long-term relationships with customers by offering quality products and services.

Internal control systems and their adequacy

Fermenta has some of the best internal control procedures in place that are commensurate with size and operations. The Board of Directors is responsible for the internal control system and sets the guidelines to ensure its efficiency adequacy, effectiveness, verifiability and application. The Company aim to provide correct reliable management and accounting information. The Company is involved in managing the risks including those related to operations, compliance and finance. A robust internal control system is built to achieve the objectives and ensure accountability. It helps to prevent fraud and errors and enhance the reliability of financial reporting.

Human resources

Fermenta's human resource practices have reinforced its leadership in the market. Fermenta is involved in giving on-the-job learning to enhance the skills and knowledge of its employees. Fermenta prioritizes engagement with the employees by providing a challenging workplace for the professional growth of its employees. Identifying and developing employees with the required potential strengthens the prospects for the long-term success of the Company. This approach not only benefits the Company but also provides opportunities for professional growth and advancement for employees. The employee strength of Fermenta stood at 558 as of March 31, 2024.

Cautionary statement

This statements made in this section describes the Company's objectives, projections, expectations and estimations which may be forward-looking statements within the meaning of applicable securities laws and regulations.



Board's Report

The Board of Directors ('Board') of your Company is pleased to present the 72nd Annual Report along with the Audited financial statements for the financial year 2023-24 ('FY 2023-24').

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Standalone results		Consolidated results	
	2023-24	2022-23	2023-24	2022-23
Total Revenue	31,524.46	33,737.66	34,747.02	35,853.68
Total Expenditure	31,085.22	33,576.46	34,991.98	38,136.52
Profit/ (Loss) before tax and Exceptional Items	439.24	161.20	(244.66)	(2,282.84)
Exceptional Items	(900.00)	(5,958.92)	(742.64)	(2,847.68)
Profit/ (Loss) before Tax	(460.76)	(5,797.72)	(987.30)	(5,130.52)
Less: Tax expense/(income)	1,413.57	(97.40)	1,413.57	182.65
(Loss)/Profit for the year	(1,874.33)	(5,700.32)	(2,400.87)	(5,313.17)
Total other comprehensive (loss)/income for the year	19.03	17.26	(15.42)	(147.48)
Total comprehensive (loss)/profit for the year	(1,855.30)	(5,683.06)	(2,416.29)	(5,460.65)

FINANCIAL RESULTS AND OPERATIONS OF THE COMPANY

During the year under review, the Company on a standalone basis registered total income of ₹31,524.46 Lakhs (Previous Financial year ₹33,737.66 Lakhs) and loss of ₹1,874.33 Lakhs as against loss of ₹5,700.32 Lakhs in financial year 2022-23 (FY2022-23), based on the performance of the Company.

In view of above, no amount was transferred to reserves for the year under review.

On a Consolidated basis, the Company in FY 2023-24 recorded total income of ₹34,747.02 Lakhs (Previous Year ₹35,853.68 Lakhs) and loss of ₹2,400.87 Lakhs as against loss of ₹5,313.17 Lakhs in the corresponding FY 2022-23.

DIVIDEND

The Board of Directors has recommended a final equity dividend of ₹1.25 (25%) per equity share for FY 2023-24 (Previous year ₹1.25 i.e., 25% per equity share) for members' approval. The final equity dividend, if approved by the members at the 72nd Annual General Meeting ('AGM'), will result in a cash outflow of ₹36,788,733.75. The said dividend recommendation is in accordance with the Dividend Distribution Policy of the Company which is available on the website of the Company at <https://fermentabiotech.com/policies.php>.

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company for FY 2023-24 ('CFS') include financials of its subsidiaries ('Subsidiaries') i.e. Fermenta Biotech (UK) Limited (United Kingdom), Fermenta Biotech GmbH (Germany), Fermenta USA LLC (USA) and Fermenta Biotech USA LLC (USA). The CFS of the Company and its Subsidiaries

are prepared in accordance with the relevant Indian Accounting Standards (Ind AS) notified under the Company (Indian Accounting Standards) Rules, 2015 and other applicable provisions. The Company has investment in an associate company i.e. Health and Wellness India Private Limited (refer note 9A of the consolidated financial statements) and the said associate company is under liquidation. CFS together with Auditors' Report thereon forms part of this Annual Report.

SCHEME OF AMALGAMATION AND SHARE CAPITAL:

As intimated earlier, the National Company Law Tribunal, Mumbai Bench ('NCLT') vide its order dated May 08, 2023, approved the Composite Scheme of Amalgamation and Arrangement amongst DVK Investments Private Limited ('Transferor Company 1') and Aegean Properties Limited ('Transferor Company 2') and Fermenta Biotech Limited ('Transferee Company' or 'Company') and their respective Shareholders ('Scheme'). Pursuant to the Scheme and alongwith the extinguishment of Paid-up Share Capital (150,75,318 equity shares) of Transferor Company 1, (i) the Company issued and allotted 150,75,318 equity shares of face value of ₹5/- each, fully paid-up, to the members of the Transferor Company 1; (ii) the Authorised Share Capital of the Company increased to ₹31,83,00,000 (divided into 6,35,00,000 equity shares of ₹5/- each and 1,60,000 unclassified shares of ₹5/- each), effective May 24, 2023. The Paid-up share capital of the Company remains unchanged.

SUBSIDIARY COMPANIES

The individual financial statements of the Company's Subsidiaries are not attached to the financial statements of the Company for FY 2023-24. The financial information of the Company's Subsidiaries provided in this Section, shall be read with the information provided

under the heading 'Consolidated Financial Statements' in this report. In accordance with the provisions of Sub-Section (3) of Section 129 of the Companies Act, 2013 ('Act'), read with Rule 5 and Rule 8 of the Companies (Accounts) Rules, 2014 (as amended from time to time), a separate statement containing salient features of the financial statements of Company's Subsidiaries/Associate in Form AOC-1 is attached to this report as **Annexure I** and forms part of this Board's report. The audited accounts of the Company's Subsidiaries and standalone and consolidated financial statements of the Company are available at the Company's website at <https://fermentabiotech.com/annual-report.php>. Members may write to the Company on info@fermentabiotech.com for a copy of separate financial statements of Company's subsidiary(ies).

The name of the Company's subsidiary G I Biotech Private Limited (CIN U24230MH2004PTC148220) was struck off from the register of Companies by the Registrar of Companies, Mumbai, the Ministry of Corporate Affairs ('MCA') pursuant to the strike-off application dated February 14, 2023.

Further, pursuant to the aforesaid Scheme coming into force w.e.f. May 24, 2023, the Company's Holding company, DVK Investments Private Limited and the Company's subsidiary, Aegean Properties Limited ceased to exist.

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

During FY 2023-24, the Company engaged in pharmaceuticals, manufacturing and marketing Active Pharmaceutical Ingredients ('APIs'), biotechnology and environmental solutions and renting of properties. MD&A covering details of the business of the Company is provided in Corporate Overview section and forms part of this report.

INTERNAL CONTROL SYSTEMS AND RISK MANAGEMENT

Your Company has developed and implemented risk management policy in order to identify, analyse and address potent risks in a systematic manner. It also maintains adequate internal control systems, commensurate to its size and nature of operations. Periodical reporting(s), compliance with applicable laws and Company's procedures are duly complied with.

Defined processes and checks including risk control matrix in relation to internal financial control are in place. Company's internal team reviews various risk audit control matrices including for capex, logistics, human resource and payroll, treasury, financial statements closure policy, inventory production, order to cash, taxation, procure to pay, on regular intervals.

The Company's internal control systems are routinely reviewed and certified by Statutory Auditors and Internal Auditors. During FY 2023-24, the Company's Internal Auditors, M. M. Nissim & Co., Chartered Accountants (ICAI Firm Registration No: 107122W/W100672), conducted and reported the effectiveness and efficiency of internal control system including adherence to procedures as per the policies of the Company and regulatory requirements as well.

The Company has an experienced and qualified finance department which plays an important role in implementing and monitoring the internal control procedures and compliance with statutory requirements. The Audit Committee and the Board of Directors review the report(s) of the independent Internal Auditors at regular intervals along with the adequacy, effectiveness and observations of the Internal Auditors regarding internal control system and recommends improvements and remedial measures, wherever necessary. The Company has implemented the provisions of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

HUMAN RESOURCES

The information required under sub-rule (1) of rule 5 and sub-rule (2) of rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Sub-Section (12) of Section 197 of the Act in respect of employee remuneration and other details forms part of this report and provided as **Annexure II**. Other applicable information for the above provisions will be made available to the members upon their request.

The Company had a headcount of 558 employees as on the end of FY 2023-24. The Company maintained cordial relations with its employees at all locations.

Employee Stock Options

During FY 2023-24, the Company has not granted any options under 'Fermenta Biotech Limited- Employee Stock Option Plan 2019' ('ESOP 2019').

Disclosures pursuant to Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are provided as at Company's website at https://fermentabiotech.com/investor_relations.php

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In accordance with the provisions of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder ('POSH') as amended from time to time, the Company has formulated a code on 'Redressal of Grievances Regarding Sexual Harassment' for redressal of grievances and to protect women against any harassment. The Internal Committee has been duly constituted in all locations of the Company in terms of the POSH Act and rules. The Company is committed to providing a safe and conducive work environment to all its employees and associates.

Details of complaints during the year under review.

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

INFORMATION TECHNOLOGY ('IT')

The Company uses industry leading IT infrastructure and software application to ensure that the information flow is seamless and it helps business to take timely decisions and actions. In FY 2023-24, the Company has upgraded its ERP to most suitable higher version. This allows to make use of the latest functionalities of ERP. The upgrade project went on flawlessly without any unplanned disruptions to the business activities. The Company's IT team plays a crucial role to support functioning of various departments and facilities of the Company and has also contributed in successful completion of various regulatory audits. IT also ensures business continuity through data security. In this respect, the data back-up and safety procedures are in place. Employees are key for ensuring of information security and hence their awareness is initiated during onboarding induction training itself.

DEPOSITS

In FY 2023-24, your Company has not accepted any deposits under Section 73 of the Act including rules framed thereunder. There is no deposit with the Company which is not in compliance with the requirements of Chapter V of the Act. No principal or interest on deposit has remained unpaid or unclaimed as on March 31, 2024.

CREDIT RATING

During FY 2023-24, there was a revision in Company credit rating issued by CARE Ratings Limited. As on March 31, 2024, the credit rating was as mentioned below.

- I. Long-term Bank Facilities: CARE BBB; Outlook: Negative (Triple B; Outlook: Negative) [Revised from CARE BBB+; Outlook: Negative (Triple B Plus; Outlook: Negative)]
- II. Short-term Banking Facilities: CARE A3 (A Three) [Revised from CARE A3+ (A Three Plus)]

DIRECTORS

Independent Directors:

Independent Directors have made relevant declarations to the Company including confirmation(s) that the conditions of independence laid down in Sub-Section (6) of Section 149 of the Act and Regulation 25 of the Listing Regulations are duly complied. In the opinion of the Board, the Independent Directors of the Company possess necessary integrity, proficiency, expertise and experience.

Directors, and Key Managerial Personnel ('KMP'):

The members of the Company appointed Mr. Pradeep M. Chandan (DIN: 00200067) as an Independent Director w.e.f. February 12, 2024.

Mr. Sanjay Buch (DIN: 00391436) retired as an Independent Director w.e.f. April 1, 2024, pursuant to completion of his second term as an Independent Director in accordance with the provisions of the Act, and consequently, he also ceased to be the Chairman w.e.f. April 1, 2024. The Board of Directors appointed Mr. Pradeep M. Chandan as the Chairman w.e.f. April 01, 2024.

Mr. Vinayak Hajare (DIN: 00004635) and Dr. Gopakumar Nair (DIN: 00092637) also retired as Independent Directors w.e.f. April 1, 2024 and w.e.f. May 17, 2024 respectively, pursuant to completion of their second term as Independent Director in accordance with the provisions of the Act.

Your Directors wish to place on records their appreciation to Mr. Buch, Mr. Hajare and Dr. Nair for the valuable contribution and guidance made during their tenure as Independent Directors of the Company.

The Board has recommended for members' approval by way of postal ballot the reappointment of Mr. Krishna Datla (DIN: 00003247) as a Whole-time Director of the Company, designated as Executive Vice-Chairman, for a period of 3 (three) years w.e.f. May 9, 2024 and of Mr. Prashant Nagre (DIN: 09165447) as Managing Director of the Company for a period of 3 (three) years w.e.f. May 9, 2024, as per the postal ballot notice dated May 6, 2024.

In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Satish Varma (DIN: 00003255) is retiring by rotation at the 72nd AGM, and being eligible, has offered himself for reappointment. In accordance with the requirements of regulation 17(1A) of Listing Regulations, the members' approval is sought for in the ensuing AGM for continuation of Ms. Rajeshwari Datla (DIN: 00046864) as a Non-Executive Director on the Board of Directors of the Company after attaining Seventy Five (75) years of her age on April 1, 2025. Brief profile of Ms. Rajeshwari Datla and Mr. Satish Varma is provided alongwith the notes to the AGM notice which forms part of this Annual Report.

The Board appointed Mr. Varadvinayak Khambete as the Compliance Officer of the Company pursuant to Regulation 6 of Listing Regulations, Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015 and other applicable statutory provisions, with effect from February 12, 2024 in place of Mr. Srikant Sharma. Mr. Srikant Sharma continues to be the Company Secretary (Key Managerial Personnel) of the Company as per Section 203 and other related provisions of the Companies Act, 2013 and provisions of Listing Regulations.

Except as mentioned above, no Director or KMP has resigned or is appointed during FY 2023-24.

ANNUAL PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Details of the annual performance evaluation are provided in the Corporate Governance Report, attached as **Annexure III** to this report.

AUDITORS

The Company appointed S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration No: 324982E/E300003) as the Statutory Auditors of the Company ('SRBC') at its 70th AGM held on August 12, 2022 for a term of five consecutive years from the conclusion of 70th AGM till the conclusion of 75th AGM of the Company to be held in the year 2027.

SRBC has issued Auditors' Reports with unmodified opinion on the Audited Financial Statements (Standalone and Consolidated) for FY 2023-24. Auditors have not reported any offence or incident pertaining to Sub-Section (12) of Section 143 of the Act.

SECRETARIAL AUDIT REPORTS AND COMPLIANCE CERTIFICATE

During FY 2023-24, Mr. Pradeep Purwar from Purwar & Purwar Associates LLP resigned as Secretarial Auditor of the Company for the financial year 2023-24. In terms of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of Listing Regulations, Mr. Vinayak Deodhar (FCS No. 1880, COP No. 898) from V. N. Deodhar & Co., Company Secretaries ("**Secretarial Auditor**"), was appointed to conduct the Secretarial Audit of the Company for FY 2023-24.

The Secretarial Auditor has submitted: (a) an unqualified Secretarial Audit report (annexed to this report as **Annexure V**); and (b) a certificate confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by any statutory authority (annexed to this report as **Annexure VI**); and the said annexures form part of this report.

The Secretarial Auditor has issued Secretarial Compliance Report under regulation 24A of Listing Regulations for FY 2023-24 which has been filed with the BSE Limited within the statutory time period.

COST AUDITORS

Pursuant to the provisions of Sub-Section (1) of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), the Company is required to maintain the cost records, and conduct the cost audit in respect of applicable products manufactured by the Company for the year under review.

Joshi Apte & Associates, Cost Accountants (Firm Registration Number-00240) ("**Cost Auditors**") issued an unqualified cost audit report for the FY 2022-23 and the same was filed with MCA within the due date.

The Cost Auditor will issue the Cost Audit Report for FY 2023-24 and the same will be reviewed and considered by the Board and then filed with MCA within the stipulated timeline.

On the recommendation of the Audit Committee, the Board of Directors appointed Joshi Apte & Associates, Cost Accountants (Firm Registration Number-00240), as the Cost Auditor of the Company for the financial year ending on March 31, 2025, to conduct the cost audit in respect of applicable products manufactured by the Company.

Pursuant to the provisions of Sub-Section (3) of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014 (as amended from time to time), members' consent is sought for payment of remuneration to the Cost Auditor for FY 2024-25, as mentioned in item no. 5 to the Notice of 72nd AGM of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to provisions of Sub-Section (5) of Section 134 of the Act, with respect to Directors' Responsibility Statement for the year under review, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (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 at the end of the financial year and of the profit and loss of the Company for that period.
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) the directors had prepared the annual accounts on a going concern basis.
- (e) 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; and
- (f) 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.

ANNUAL RETURN

Pursuant to Sub-Section (3) of Section 92 read with clause (a) of Sub-Section (3) of Section 134 of the Act, a copy of Annual Return as on March 31, 2024, is available on the Company's website at <https://www.fermentabiotech.com/annual-returns.php>

CODE OF CONDUCT

In accordance with provisions of Listing Regulations, the Company has formulated a Code of Conduct applicable to the Board Members and the Senior Management Personnel. The said Code of Conduct has been uploaded on the website of the Company at: <https://fermentabiotech.com/policies.php> All the members of the Board of Directors and the Senior Management Personnel has affirmed annual compliance with the Code of Conduct, as on March 31, 2024.

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company, *inter-alia*, adopted a Code of Conduct to regulate, monitor and report trading by insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, as amended from time to time. Codes adopted by the Company pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, are displayed on the Company's website at <https://fermentabiotech.com/policies.php> Mr. Varadvinayak Khambete is the Compliance Officer for the said Code of Conduct.

NOMINATION AND REMUNERATION POLICY

In accordance with Sub-Section (4) of Section 178 of the Act, the Nomination and Remuneration Policy ('**Remuneration Policy**') of the Company, is available on Company's website at <https://fermentabiotech.com/policies.php>. The salient features of the Nomination and Remuneration Policy, *inter alia*, are: (a) Objectives, (b) Matters to be recommended by the Committee to the Board, (c) Criteria for appointment of Director / KMP / Senior management, (d) Additional Criteria for Appointment of Independent Directors, (e) Appointment and Remuneration of Directors, (f) Policy on Board Diversity, (g) Appointment, removal, and Remuneration of KMP / Senior management and other employees of the Company, (h) Criteria for Evaluation of Independent Director and the Board, (i) Succession planning for appointment to the Board of Directors and Senior Management, (j) Directors' and Officers' (D & O) Liability Insurance.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of any loans or guarantees provided or investments made by the Company covered under the provisions of Section 186 of the Act and Rules made thereunder during FY 2023-24 are as provided in the financial statements.

RELATED PARTY TRANSACTIONS

The Company has Related Party transactions Policy ('**RPT Policy**') in place. All related party transactions ('**RPTs**') entered during FY 2023-24 were on an arm's length basis and in the ordinary course of business. All RPTs and subsequent material modifications thereto are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for RPTs which were repetitive in nature.

During FY 2023-24, the Company has not entered into any material related party transaction as per the provisions of the Act and RPT Policy. In view of this, disclosure in form AOC-2 is not applicable. The brief particulars of the Company's Policy on dealing with RPTs are covered in Corporate Governance report. The RPT policy is available on Company's website at <https://fermentabiotech.com/policies.php>

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per clause (m) of Sub-Section (3) of Section 134 of the Act read with Companies (Accounts) Rules, 2014 (as amended from time to time) forms part of this report and is given in **Annexure VII** to this report.

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report pursuant to Regulation 34 read with Schedule V of Listing Regulations and the Corporate Governance Compliance Certificate issued by Mr. Vinayak Deodhar

(FCS No. 1880, COP No. 898) from V. N. Deodhar & Co., Company Secretaries, for the FY 2023-24 are provided as **Annexure III** and **Annexure IV** respectively and form part of this report. Mandatory details including number of Board meetings, board diversity and expertise, composition of the Audit Committee and establishment of Vigil Mechanism as required under the Act are provided in the Corporate Governance Report. All mandatory recommendations made by the committee(s) were accepted by the Board of Directors.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

Based on CSR committee's recommendations and as per the CSR Policy of the Company, the Board approved the CSR activities vis-a-vis Annual Action Plan, amount to be spent on CSR activities, implementation and monitoring of the same for the FY 2023-24. Annual report on CSR activities of the Company for FY 2023-24 including composition of the CSR Committee is provided in **Annexure VIII** to this report and forms part of this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT ('BRSR')

BRSR under Regulation 34 of Listing Regulations is provided in **Annexure IX** to this report and forms part of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During FY 2023-24, there was no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

OTHER DISCLOSURES:

During FY 2023-24:

- I. There has been no change in the nature of business of the Company, as on the date of this Report;
- II. No application was made or any proceedings were pending under the Insolvency and Bankruptcy Code, 2016;
- III. Valuation related details for FY 2023-24 in respect of one-time settlement of loan from the Banks or Financial Institutions were not applicable;
- IV. No shares with differential voting rights and sweat equity shares have been issued; and
- V. There were no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

SECRETARIAL STANDARDS

During FY 2023-24, the Company has complied with the provisions of applicable Secretarial Standards issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government.

DETAILS OF SHARES IN DEMATERIALISATION (DEMAT) SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 34 read with Schedule V of Listing Regulations, the details of the shares in the Dematerialization Suspense Account/ Unclaimed Suspense Account for FY 2023-24 are as follows:

Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from Suspense Account during the year	Number of shareholders to whom shares were transferred from Suspense Account during the year	Aggregate number of shareholders and the outstanding shares in the Suspense Account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.
179 number of shareholders and 68,550 Equity Shares of ₹5 each	5	5	174 number of shareholders and 64,518 Equity Shares of ₹5 each	64,518 Equity Shares of ₹5 each

TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The details and other information regarding unclaimed equity dividend that has been transferred to IEPF (upto FY 2015-16) are provided in the Notes Section to the Notice of 72nd AGM.

ACKNOWLEDGEMENTS

The Board of Directors would like to express its appreciation to the employees of the Company at all levels, members, bankers, financial institutions, regulatory bodies and other business associates for their support during the year under review.

CAUTIONARY STATEMENT

Statements in this report including Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions and/or in this report may be 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in the statements.

For and on behalf of the Board of Directors

Pradeep M. Chandan

Chairman

(DIN: 0200067)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (West) – 400 610
Maharashtra, India.

Annexure I Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint venture entities

Part "A": Subsidiaries

Sl. No.	Particulars	(₹ In Lakhs)			
		Fermenta Biotech GmbH	Fermenta Biotech (UK) Limited	Fermenta Biotech USA LLC	Fermenta USA LLC
1.	Name of the subsidiary:	05.09.2019	10.09.2002	27.05.2020	03.12.2020
2.	The date since when subsidiary was acquired	-	-	-	-
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period				
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Euro € (Exchange Rate: 1 Euro = 89.91 INR for Assets & Liabilities, and 1 Euro = 89.79 INR for Profit and Loss account as on 31.03.2024)	Pound Sterling £ (Exchange Rate: 1 GBP = 105.14 INR for Assets & Liabilities, and 1 GBP = 104.10 for Profit and Loss account as on 31.03.2024)	US Dollar \$ (Exchange Rate: 1 USD = 83.40 INR for Assets & Liabilities, and 82.80 INR for Profit and Loss account as on 31.03.2024)	US Dollar \$ (Exchange Rate: 1 USD = 83.40 INR for Assets & Liabilities, and 83.80 INR for Profit and Loss account as on 31.03.2024)
5.	Share Capital	831.21	183.59	1184.72	961.79
6.	Reserves & Surplus	(5259.53)	(149.16)	(192.17)	(1870.66)
7.	Total Assets	853.38	42.30	1873.33	938.67
8.	Total Liabilities	5281.70	7.86	762.73	1159.72
9.	Investments	-	-	1061.05	-
10.	Turnover	745.29	-	38.82	2745.67
11.	(Loss)/Profit before taxation	(927.62)	(0.03)	(59.58)	(983.45)
12.	Provision for taxation	-	-	-	-
13.	(Loss)/Profit after taxation	(927.62)	(0.03)	(59.58)	(983.42)
14.	Proposed Dividend	-	-	-	-
15.	Extent of shareholding (%)	100%	100%	100%	52% Subsidiary of Fermenta Biotech USA LLC

1. Names of subsidiaries which are yet to commence operations: N.A.

2. Names of subsidiaries which have been liquidated or sold during the year: Aegean Properties Limited (Amalgamated with the Company effective May 24, 2023). G I Biotech Private Limited (Struck off)

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Health and Wellness India Private Ltd.
Name of Joint Ventures	-
1. Latest audited Balance Sheet Date	31.03.2018
2. Date on which the Associate or Joint Venture was associated or acquired	02.02.2011
3. Shares of Associate/Joint Ventures held by the Company on the year end	
Number	30,12,504 Equity Shares
Amount of Investment in Associates/Joint Venture (₹ In Lakhs)	475.00
Extent of Holding (%)	47.15%
4. Description of how there is significant influence	-
5. Reason why the associate/joint venture is not consolidated	Being an Associate
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	-
7. Profit / Loss for the year (₹ In Lakhs)	-
Considered in Consolidation (₹ In Lakhs)	-
Not considered in Consolidation (₹ In Lakhs)	-

For and on behalf of the Board of Directors

Pradeep M. Chandan

Chairman

(DIN: 0200067)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (West) – 400 610
Maharashtra, India.

Annexure II

Statement of Disclosure of Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Information under rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

Sr.no.	Name	Designation	Ratio of remuneration of director to median Remuneration of employees
1.	Mr. Krishna Datla	Executive Vice-Chairman	35.26
2.	Mr. Satish Varma	Executive Director	24.17
3.	Ms. Anupama Datla Desai	Executive Director	17.79
4.	Mr. Prashant Nagre	Managing Director	27.42

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2023-24:

Sr.no.	Name	Designation	% Increase / Decrease
1.	Mr. Krishna Datla	Executive Vice-Chairman	-10%
2.	Ms. Anupama Datla Desai	Executive Director	-10%
3.	Mr. Satish Varma	Executive Director	-10%
4.	Mr. Prashant Nagre	Managing Director	-10%
5.	Mr. Sumesh Gandhi	Chief Financial Officer	-9%
6.	Mr. Srikant Sharma	Company Secretary	-7%

3. Percentage increase in the median remuneration of employees in the financial year 2023-24: (12.60)

4. Number of permanent employees on the rolls of the Company: 558

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

% increase made in the salaries of employees other than the managerial personnel:	0.00%
% increase in the managerial remuneration:	0.00%

6. Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

Information under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (FY 2023-24)

Name	Mr. Krishna Datla	Mr. Satish Varma	Ms. Anupama Datla Desai	Mr. Prashant Nagre
Designation	Executive Vice-Chairman	Executive Director	Executive Director	Managing Director
Remuneration received (₹)	21,106,395.00	15,392,551.00	10,938,132.00	16,111,155.00
Nature of employment, whether contractual or otherwise	Contractual	Contractual	Contractual	Contractual
Qualifications and Experience	B.Com. Over 23 years of experience	Computer Science Over 29 years of experience	Post-Graduate in Biotechnology from Mumbai University and Science Graduate from the Boston College, USA Over 17 years of experience	B.Pharm, Post Graduate Diploma in Foreign Trade, Post Graduate Diploma in International Trade, Masters in Management Science Over 34 years of experience
Date of commencement of employment	09.05.2021 as Whole-time Director designated as Executive Vice-Chairman	27.09.2019 as Executive Director	27.09.2019 as Executive Director	09.05.2021 as Managing Director
Age (Years)	43	54	45	53
Last employment	-	Erstwhile Fermenta Biotech Limited	Erstwhile Fermenta Biotech Limited	Erstwhile Fermenta Biotech Limited
% of shares held	34.01%	11.73%	8.70%	Nil
Whether relative of director	Relative of Ms. Rajeshwari Datla and Ms. Anupama Datla Desai	No	Relative of Ms. Rajeshwari Datla and Mr. Krishna Datla	No

For and on behalf of the Board of Directors

Pradeep M. Chandan
Chairman
(DIN: 0200067)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (West) – 400 610
Maharashtra, India.

Annexure III

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company firmly believes that corporate governance is a key element in improving efficiency and growth as well as enhancing investors' confidence. The Company constantly strives towards betterment of aspects such as transparency, professionalism and accountability and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society at large.

Our corporate governance philosophies are continuously reinforced through the Company's Code of Conduct and Ethics, corporate governance guidelines, established practices, and committee charters. Our Board and Management processes, audits and internal control systems reflect the principles of our corporate governance framework. The Company is committed to good corporate governance in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board of Directors of your Company reviews corporate governance norms from time to time and recommends implementation thereof.

BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of executive and non-executive Directors including three women directors, out of which one is an independent woman director as stipulated under Regulation 17 of the Listing Regulations. The Chairman of the Board is an Independent Director. The Board of Directors confirm that the Independent Directors fulfill the conditions specified in terms of Schedule V of Regulation 34(3) of the Listing Regulations and are independent of the management. The composition of the Board as on March 31, 2024 is as follows:

Name of Director	Category	Directorships in all other companies	Chairmanship in other Committees [Audit Committee and Stakeholder Relationship Committee only] in all other companies	Membership in other Committees [Audit Committee and Stakeholder Relationship Committee only] in all other companies	Name of other listed entities in which the Director holds directorship and the category of such directorship
Mr. Sanjay Buch (DIN: 00391436)	Chairman (Independent Director)	3	NIL	NIL	NIL
Ms. Rajeshwari Datla (DIN: 00046864)	Non-Executive Director	2	NIL	NIL	NIL
Mr. Pradeep M. Chandan (DIN: 00200067)*	Independent Director	1	NIL	NIL	NIL
Dr. Gopakumar Nair (DIN: 00092637)	Independent Director	1	NIL	NIL	NIL
Mr. Vinayak Hajare (DIN: 00004635)	Independent Director	6	NIL	NIL	NIL
Ms. Rajashri Ojha (DIN: 07058128)	Independent Director	2	NIL	NIL	NIL
Mr. Pramod Kasat (DIN: 00819790)	Independent Director	6	1	4	3#
Mr. Krishna Datla (DIN: 00003247)	Whole-time Director designated as Vice executive Chairman (w.e.f. May 9, 2021)	1	NIL	NIL	NIL
Mr. Satish Varma (DIN: 00003255)	Executive Director (re-appointed w.e.f. September 27, 2022)	NIL	NIL	NIL	NIL
Ms. Anupama Datla Desai (DIN: 00217027)	Executive Director (re-appointed w.e.f. September 27, 2022)	2	NIL	NIL	NIL
Mr. Prashant Nagre (DIN: 09165447)	Managing Director (w.e.f. May 9, 2021)	NIL	NIL	NIL	NIL

Note: * Mr. Pradeep M. Chandan (DIN: 00200067) was appointed as an Independent Director w.e.f. February 12, 2024.

Independent Director in Sai Silks (Kalamandir) Limited, Natural Capsules Limited, Advanced Enzyme Technologies Limited.

Disclosure of relationships between directors inter-se

Mr. Krishna Datla is one of the promoters of the Company. Ms. Rajeshwari Datla and Ms. Anupama Datla Desai are relatives of Mr. Krishna Datla as per the provisions of Section 2(77) of the Companies Act, 2013.

Following are the skills/ expertise/ core competencies of the Board members as identified for its effective functioning in terms of Schedule V of Regulation 34(3) of the Listing Regulations:

Skills/ expertise/ core competencies identified by the Board for Company's effective functioning

- Leadership / Operational experience
- Corporate and business laws, Mergers and acquisitions
- Mediation and arbitration
- Pharmaceuticals
- Investment Banking, Corporate Finance, Capital Markets and Global Market Solutions
- Real Estate
- Licensing and technology transfer
- Research & Development and Innovation
- Intellectual Property Rights
- Regulatory compliance
- Corporate Governance

Skills/ expertise/ core competencies available to the Board Members for effective functioning of the Company* :

Names	Core Competencies
Mr. Sanjay Buch	Corporate and business laws, Mergers and acquisitions, Corporate Governance
Ms. Rajeshwari Datla	Leadership / Operational experience, Pharmaceuticals
Dr. Gopakumar Nair	Pharmaceuticals, Mediation and arbitration, Licensing and technology transfer, Intellectual Property Rights
Mr. Vinayak Hajare	Investment Banking, Corporate Finance
Ms. Rajashri Ojha	Pharmaceuticals, Regulatory compliance
Mr. Pramod Kasat	Investment banking, Capital Markets and Global Market Solutions
Mr. Pradeep M. Chandan	Corporate and business laws, Corporate Governance
Mr. Krishna Datla	Leadership / Operational experience, Pharmaceuticals, Real Estate
Mr. Satish Varma	Leadership / Operational experience, Pharmaceuticals, Real Estate
Ms. Anupama Datla Desai	Leadership / Operational experience, Pharmaceuticals
Mr. Prashant Nagre	Leadership / Operational experience, Pharmaceuticals, Research & Development and Innovation

* As on March 31, 2024.

All the directors on the Board have the respective core competence as stated herein above.

Information regarding appointment / reappointment of Directors, as required under sub-regulation (3) of regulation 36 of the Listing Regulations and secretarial standard on general meetings specified by the Institute of Company Secretaries of India and approved by the Central Government is provided alongwith the notes to the AGM notice which forms part of this 72nd Annual Report and forms parts of this Corporate Governance Report.

BOARD MEETINGS / PREVIOUS ANNUAL GENERAL MEETING

- During the financial year under review, six Board Meetings were held on May 22, 2023, May 29, 2023, August 11, 2023, November 08, 2023, February 12, 2024 and March 23, 2024. The maximum gap between any two board meetings was less than 120 days, as stipulated under sub-regulation (2) of regulation 17 of the Listing Regulations.

Attendance at the aforesaid six Board meetings and previous Annual General Meeting (AGM) held on September 29, 2023 is as follows:

Sr. No.	Name	Board Meetings attended	Attendance at previous AGM
1	Mr. Sanjay Buch	6	Yes
2	Ms. Rajeshwari Datla	6	Yes
3	Mr. Vinayak Hajare	6	Yes
4	Mr. Krishna Datla	6	Yes
5	Mr. Satish Varma	4	Yes
6	Dr. Gopakumar Nair	6	Yes
7	Mr. Pramod Kasat	6	Yes
8	Ms. Anupama Datla Desai	6	Yes
9	Ms. Rajashri Ojha	6	Yes
10	Mr. Prashant Nagre	6	Yes
11	Mr. Pradeep M. Chandan*	2	N.A.

*Joined the Board on February 12, 2024.

AUDIT COMMITTEE

During the year under review, four meetings were held on May 29, 2023, August 11, 2023, November 08, 2023 and February 12, 2024. The representatives of the Auditor(s), and Chief Financial Officer also attended the Audit Committee meeting(s).

The composition of the Audit Committee as on March 31, 2024 and the attendance of the Audit Committee members at the Committee meetings held during the financial year under review is as follows:

Name of the Director	Designation	Meetings attended
Mr. Sanjay Buch	Chairman	4
Ms. Rajeshwari Datla	Member	4
Mr. Vinayak Hajare	Member	4
Dr. Gopakumar Nair	Member	4

The composition of the Audit Committee complies with the requirements laid down in Regulation 18 of the Listing Regulations. Mr. Sanjay Buch and Mr. Vinayak Hajare possessed expertise in accounting and financial management. The Company Secretary acts as Secretary to the Audit Committee.

Note: The Audit Committee was re-constituted on May 17, 2024 and the members as on the date of this report are Mr. Pradeep M. Chandan (Chairman), Ms. Rajeshwari Datla, Ms. Rajashri Ojha and Mr. Pramod Kasat.

• **Terms of reference:**

The powers, role and functions of the Audit Committee are as per the provisions of Section 177 of the Companies Act, 2013 and sub-regulation (3) of regulation 18 read with Schedule II (Part C) of the Listing Regulations, which, inter alia include the following:

1. Review Company's financial reporting process and accounting policies and practices.
2. Review and recommend to the Board, appointment, re-appointment and removal of Statutory and Internal Auditors and fixation of auditors remuneration and other fees, including terms of appointment.
3. Review with management of quarterly, half-yearly and annual financial statements and auditors' report before submission to Board for approval with particular reference to:
 - (a) Director's Responsibility Statement as per clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
4. Review: (a) adequacy of internal control systems (including internal financial controls) and risk management systems; (b) the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit; (c) reports and significant findings, if any, of the Internal and Statutory Auditor and to ensure that suitable follow-up action is taken; (d) findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the

board; (e) and monitor the auditor's independence and performance, and effectiveness of audit process; (f) with the management, performance of statutory and internal auditors, adequacy of the internal control systems; (g) financial statements of subsidiary companies, joint venture and associate companies; (h) substantial defaults in payments to stakeholders and creditors; (i) functioning of the Vigil mechanism;

5. Discussion with Statutory Auditors and Internal Auditors about nature and scope of audit and areas of concern; and discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern;
6. Examination of disclosure aspects of related party transactions and approval or any subsequent modification of transactions of the Company with related parties;
7. Other functions like Scrutiny of inter-corporate loans and investments; valuation of undertakings or assets wherever necessary;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Approval of appointment of Chief Financial Officer;
10. Any other functions as may be statutorily required.

NOMINATION AND REMUNERATION COMMITTEE

- During the year under review, two Committee meetings were held on August 11, 2023 and February 12, 2024.
- The Composition of the said Committee as on March 31, 2024 and the attendance of the Committee members in its meeting held during the financial year under review is as follows:

Name of the Director	Designation	Meetings attended
Mr. Vinayak Hajare	Chairman	2
Mr. Sanjay Buch	Member	2
Dr. Gopakumar Nair	Member	2

The composition of the Nomination and Remuneration Committee complies with the requirements laid down in Regulation 19 of the Listing Regulations. The Company Secretary acts as Secretary to the Committee.

Note: The Nomination and Remuneration Committee was re-constituted on May 17, 2024 and the members as on the date of this report are Mr. Pramod Kasat (Chairman), Ms. Rajeshwari Datla and Ms. Rajashri Ojha.

• **Terms of reference:**

The terms of reference include:

1. Identify 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, their appointment and removal.
2. Carry out evaluation of every director's performance.

3. Devising a policy on diversity of Board of Directors.
4. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
5. Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel (KMP) and other employees, where applicable.
6. Recommend 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.
7. Any other terms of reference, role, responsibility and powers as may be prescribed from time to time (i) under the Companies Act, 2013 and rules made thereunder and the Listing Regulations; and/or (ii) by the Board of Directors of the Company.

• **Nomination and Remuneration policy and performance evaluation of Board and individual Directors:**

As per the Nomination and Remuneration policy of the Company ("Remuneration Policy"), the Director(s), KMP, Senior management personnel in addition to the criteria mentioned in the Act and Listing Regulations, should *inter alia* possess (a) relevant qualification, experience and expertise; (b) strong analytical and excellent communication skills; (c) collaborative

and flexible style, with a high level of professionalism; and (d) leadership skills.

Performance evaluation criteria for independent directors is as mentioned in Remuneration Policy which is available to Company's website at <https://fermentabiotech.com/policies.php>

ANNUAL PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to provisions of the Act, Listing Regulations and Remuneration Policy, the Directors of the Company carried out annual performance evaluation of the Board as a whole, Committees of the Board and Individual Directors (excluding the Director being evaluated).

A meeting of Independent Directors of the Company was held to: (a) review the performance of Chairperson, Non Independent Directors and the Board as a whole; (b) assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

The evaluation was done through a structured process and forms, covering various aspects such as composition of Board, professional knowledge and expertise, performance of individual roles and duties including contribution in Board / Committee meetings, protection of interest of all stakeholders etc.

DETAILS OF REMUNERATION OF DIRECTORS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024 ARE AS FOLLOWS:

Name of Director	Sitting Fees * (₹)	Salary (₹)	Contribution to PF and other funds (₹)	Benefits & Perquisites (₹)	Total (₹)	No. of shares held (FV of ₹5)
Nature	Fixed (per meeting)	Fixed	Fixed	Variable	-	-
Mr. Sanjay Buch Independent Director	8,60,000	-	-	-	8,60,000	NIL
Ms. Rajeshwari Datla Non-Executive Director	8,00,000	-	-	-	8,00,000	5,95,818
Mr. Vinayak Hajare Independent Director	8,60,000	-	-	-	8,60,000	NIL
Mr. Krishna Datla ** Executive Vice-Chairman +	-	1,77,78,600	21,60,125	11,67,670	2,11,06,395	1,0010,225
Mr. Satish Varma*** Executive Director +	-	1,20,55,500	16,60,936	16,76,115	1,53,92,551	3,453,325
Dr. Gopakumar Nair Independent Director	8,30,000	-	-	-	8,30,000	6,000
Ms. Anupama Datla Desai**** Executive Director +	-	88,38,000	12,70,664	8,29,468	1,09,38,132	2,561,265
Mr. Rajashri Ojha Independent Director	6,00,000	-	-	-	6,00,000	NIL
Mr. Prashant Nagre***** Managing Director +	-	1,43,57,807	9,34,147	8,19,201	1,61,11,155	NIL
Mr. Pramod Kasat Independent Director	6,00,000	-	-	-	6,00,000	NIL
Mr. Pradeep M. Chandan@ Independent Director	1,00,000	-	-	-	1,00,000	NIL
TOTAL	46,50,000	5,30,29,907	60,25,872	44,92,454	6,81,98,233	1,66,26,633

Note: The above remuneration does not include Commission payable to Managing Director, Executive Directors & Executive Vice Chairman for the FY 2023-24, if any.

- * Sitting Fees include fees for –
Board, Audit Committee and other Committee Meetings @ ₹1,00,000, ₹50,000 and ₹10,000 per meeting respectively (sitting fee for Risk Management Committee is waived).
- ** The agreement between the Company and the Executive Vice-Chairman is for a period of three years effective May 9, 2021 with a loss of office provision. Either party is entitled to terminate the said agreement by giving not less than three months' notice in writing to the other party or such other period as may be mutually decided.
- *** The agreement between the Company and the Executive Directors is for a period of three years effective September 27, 2022 with a loss of office provision. Either party is entitled to terminate the said agreement by giving not less than three months' notice in writing to the other party or such other period as may be mutually decided.
- **** The agreement between the Company and the Managing Director is for a period of three years effective May 9, 2021 with a loss of office provision. Either party is entitled to terminate the said agreement by giving not less than three months' notice in writing to the other party or such other period as may be mutually decided.
- + The remuneration details include the benefits and perquisites paid to the Managing Director, Executive Directors and Executive Vice-Chairman for FY 2023-24.
- @ Joined the Board on February 12, 2024.

The Company has not granted any Stock Option to any Director. 2,17,410 Stock Options were granted to Mr. Prashant Nagre in financial year 2019-20 when he was Chief Executive Officer of the Company. ESOP related disclosure is available at Company's website under https://fermentabiotech.com/investor_relations.php

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive / Independent Directors during the year under review, except as stated above.

The Non-Executive Directors receive sitting fees for attending the meetings of Board of Directors and its Committees. Criteria of making payments to non-executive directors is as mentioned in Remuneration Policy which is available to Company's website at <https://fermentabiotech.com/policies.php>

STAKEHOLDERS RELATIONSHIP COMMITTEE

- During the year under review, four Stakeholders Relationship Committee meetings were held on May 29, 2023, August 11, 2023, November 08, 2023 and February 12, 2024. The composition of the Committee as on March 31, 2024 and the attendance at the said Committee meeting is as follows:

Name of the Director	Designation	Meetings attended
Mr. Sanjay Buch	Chairman	4
Mr. Vinayak Hajare	Member	4
Mr. Krishna Datla	Member	4
Mr. Satish Varma	Member	3

The composition of the Stakeholders Relationship Committee complies with the requirements laid down in Regulation 20 of the Listing Regulations. The Company Secretary acts as a Secretary to Stakeholders Relationship Committee.

Note: The Stakeholders Relationship Committee was re-constituted on May 17, 2024 and the members as on the date of this report are Mr. Pradeep M. Chandan (Chairman), Mr. Pramod Kasat, Mr. Krishna Datla and Mr. Satish Varma.

- Terms of Reference:
The Committee, inter alia, deals in matters relating to:

1. Redressal of members' grievances.
2. Issue of duplicate Share Certificates.
3. Review of Dematerialized shares.
4. Transfer and Transmission of shares.
5. Non-receipt of Annual Reports and declared dividends.
6. Other matters related to shares and/or investor grievances.
7. Any other matter as may be statutorily required including under Schedule II Part D of Listing Regulations.

SHAREHOLDER INFORMATION

- Name and designation of Compliance Officer: Mr. Srikant N. Sharma - Company Secretary and Vice-President (Legal)

Investor Helpdesk:

Mr. Srikant Sharma

Fermenta Biotech Limited, A -1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) – 400 610, Maharashtra, India

Tel No.022-67980800 Fax:-022-67980899

e-mail: srikant.sharma@fermentabiotech.com

Investor Complaints and their redressal

- Number of shareholders' complaints received during the financial year: 3
- Number of complaints not solved to the satisfaction of shareholders: NIL
- Number of pending complaints as on March 31, 2024 were NIL

RISK MANAGEMENT COMMITTEE:

During the year under review, two Risk Management Committee meetings were held on August 09, 2023 and January 31, 2024 and the attendance at the said Committee meeting is as follows:

Name of the Director	Designation	Meetings attended
Mr. Vinayak Hajare	Chairman	2
Dr. Gopakumar Nair	Member	2
Mr. Satish Varma	Member	2
Mr. Prashant Nagre	Member	2

The composition of the Risk Management Committee complies with the requirements laid down in Regulation 21 of the Listing Regulations. The Company Secretary acts as a Secretary to Risk Management Committee.

Note: The Risk Management Committee was re-constituted on May 17, 2024 and the members as on the date of this report are Ms. Rajashri Ojha (Chairperson), Mr. Satish Varma, and Mr. Prashant Nagre.

- Terms of Reference:

The Committee, inter alia, deals in matters relating to:

1. RMC shall meet at least twice in a year.
2. The quorum for a meeting of the RMC shall be either two members or one third of the members of the committee, whichever is higher, including at least one member of the Board of directors in attendance.
3. The meetings of RMC shall be conducted in such a manner that on a continuous basis not more than one hundred and eighty days shall elapse between any two consecutive meetings.

4. RMC shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
 5. RMC shall formulate a detailed Risk Management Policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
 6. RMC shall ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
 7. RMC shall monitor and oversee implementation of the Policy, including evaluating the adequacy of risk management systems.
 8. RMC shall periodically review the Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
 9. RMC shall keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
 10. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by RMC.
 11. RMC shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of directors.
 12. RMC shall fulfil such responsibilities as may be entrusted to it by the Board from time to time.
- No sitting fees is paid to the RMC members for attending RMC meetings.

GENERAL BODY MEETINGS

- a) Details of the last three Annual General Meetings of the Company and Special Resolution(s) passed are as follows:

Year	Date and Time	Venue	Special Resolution(s) passed
FY 2020-21	September 03, 2021 at 11:30 a.m.	VC/OAVM*	<ol style="list-style-type: none">1) To appoint Mr. Krishna Datla as a Whole-time Director of the Company, designated as Executive Vice-Chairman, for a period of 3 years w.e.f. May 9, 2021;2) To appoint Mr. Prashant Nagre as Managing Director of the Company for a period of 3 years w.e.f. May 9, 2021;3) Commission to Non-Executive Directors.

Year	Date and Time	Venue	Special Resolution(s) passed
FY 2021-22	August 12, 2022 at 4.00 p.m.	VC/OAVM*	1) To appoint Mr. Pramod Kasat as an Independent Director w.e.f August 12, 2022. 2) To re-appoint Mr. Satish Varma as an Executive Director of the Company for a period of 3 years w.e.f. September 27, 2022 3) To re-appoint Ms. Anupama Datla Desai as an Executive Director of the Company for a period of 3 years w.e.f. September 27, 2022
FY 2022-23	September 29, 2023 at 3.00 p.m.	VC/OAVM*	Nil

*Meeting held through Video conferencing/Other Audio Visual Means

- b) Whether any special resolution passed last year (FY 2023-24) through postal ballot –details of voting pattern: Yes:

Sr. No.	Description of Securities	Votes in favour of the resolution		Votes against the resolution	
		Number of valid votes cast (Shares)	Percentage of total number of valid votes cast	Number of valid votes cast (Shares)	Percentage of total number of valid votes cast
1	Appointment of Mr. Pradeep M. Chandan (DIN: 00200067) as an Independent Director of the Company.	21661419	97.9104	462296	2.0896

- c) Person who conducted the postal ballot exercise – Mr. V. N. Deodhar, Practising Company Secretary (FCS –1880)
- d) Whether any special resolution is proposed to be conducted through postal ballot – No.
- e) Procedure for postal ballot – Procedure stipulated under Companies Act, 2013 and Listing Regulations shall be applicable for postal ballot activity undertaken by the Company.

COMPANY POLICIES

VIGIL MECHANISM POLICY

The Company has adopted a Whistle Blower Policy as part of Vigil Mechanism for Directors and employees to report instances of unethical acts, actual or suspected fraud or violation of the Company's Code or other similar genuine concerns or grievances. The Vigil Mechanism Policy is displayed on the Company's website at <https://fermentabiotech.com/policies.php>. The Board affirms that no personnel has been denied access to the chairperson / members of audit committee.

POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS ('RPT Policy')

The RPT Policy of the Company lays down the process to be adopted by the Company for: (a) identification of potential Related Party/ies; (b) materiality thresholds for RPT(s); (c) manner of dealing with and approving the transactions between the Company and its related parties. The RPT Policy also lays down the disclosure requirements of related party transactions, if any and the criteria for determining ordinary course of business and arm's length transactions.

The RPT Policy, as amended can be viewed at the Company's website at <https://fermentabiotech.com/policies.php>

During the year under review, there were no materially significant related party transactions entered by the Company with Promoters, Directors or Key Managerial Personnel or their relatives which may have a potential conflict with the interest of the Company at large.

Except as otherwise provided in this Annual report, none of the Directors has any pecuniary relationships or transactions with the Company.

POLICY FOR DETERMINING MATERIAL SUBSIDIARY

The Company has adopted a policy for determining material subsidiary as required by the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy is uploaded on the website of the Company and can be viewed at <https://fermentabiotech.com/policies.php>

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted 'Familiarization Programme' for Independent Directors to ensure that the Independent Directors are familiarized with the Company's business operations, strategies, business model, nature of industry in which Company operates and role, duties and responsibilities of an Independent Director of the Company. The details of Familiarisation Programme are available at <https://fermentabiotech.com/policies.php>

Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in Boards report.

The Company has adopted various policies which are available at <https://fermentabiotech.com/policies.php>

DISCLOSURES

- During the year under review, the risk management reports were placed before the Audit Committee and Board of Directors for review.
- Pursuant to sub regulation 8 of Regulation 17 read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Financial Officer have submitted a certificate to the Board of Directors for the financial year ended March 31, 2024. The Certificate has been reviewed by the Audit Committee and taken on record by the Board of Directors.
- **Reconciliation of Share Capital Audit**
Share Capital Audit for the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital of the Company has been done by a Practising Company Secretary on a quarterly basis and the Reconciliation of Share Capital Audit Reports were issued thereon during the

year under review. The audit confirms that the total issued / paid-up capital agrees with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

- **Compliance with Mandatory Requirements**

The Company has complied with all the mandatory requirements, as applicable in terms of Schedule V of the Listing Regulations.

- Compliance with Discretionary Requirements as per Part E of Schedule II of the Listing Regulations:

The Company has adopted Discretionary requirements as provided in Part E (E) of Schedule II of the Listing Regulations i.e. the internal auditor reports directly to the audit committee. A, B, C and D of the Discretionary requirements as provided in Part E of Schedule II of the Listing Regulations have not been adopted.

MEANS OF COMMUNICATION

- The Quarterly, Half Yearly and Annual results, published in the proforma prescribed under the Listing Regulations, are approved by the Audit Committee and taken on record by the Board of Directors of the Company within the prescribed time limit. The approved results are forthwith sent to BSE Limited in prescribed format where the Company's shares are listed.

• Newspapers wherein quarterly results are published:	Business Standard (English) and Sakal (Marathi)
• Any website, where displayed:	Yes, BSE website (www.bseindia.com) and the Company's website (www.fermentabiotech.com)
• Online filing with BSE Corporate Compliance & Listing Centre:	All periodical compliances of the Company as per Listing Regulations are also being filed online with the BSE Listing Centre.
• SEBI Complaints Redress System (SCORES) :	The investor complaints, if any, can be uploaded on the SCORES. These complaints are processed in a centralized web-based complaints redress system of SEBI (SCORES). The salient features of this system is centralised database of all complaints, online upload of Action Taken Reports (ATRs) and online viewing by investors of actions taken on the complaint and its current status.
• Whether it also displays official news releases and presentations made to institutional investors or to analysts:	Yes
• Management discussion and analysis report (MD&A) is a part of the Annual report or not:	MD&A Report forms part of the Annual Report.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	: August 12, 2024 through Video Conferencing or Other Audio-Visual Means, without the physical presence of the members at a common venue. The venue of the AGM shall be deemed to be A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) - 400 610, Maharashtra.
• Financial Year	: April 1 to March 31
Financial reporting for the quarter ending June 30, 2024	: By August 14, 2024
Financial reporting for the quarter ending September 30, 2024	: By November 14, 2024
Financial reporting for the quarter ending December 31, 2024	: By February 14, 2025

Financial reporting for the year ending March 31, 2025 (Audited)	: By May 30, 2025
• Dividend Payment Date	: By August 22, 2024
• Listing on Stock Exchanges	: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Tel: +91 22 22721233/34 Fax: +91 22 22721919 (Listing fees for the year 2024-25 have been paid.)
• Stock/ Scrip Code on BSE Limited	: 506414

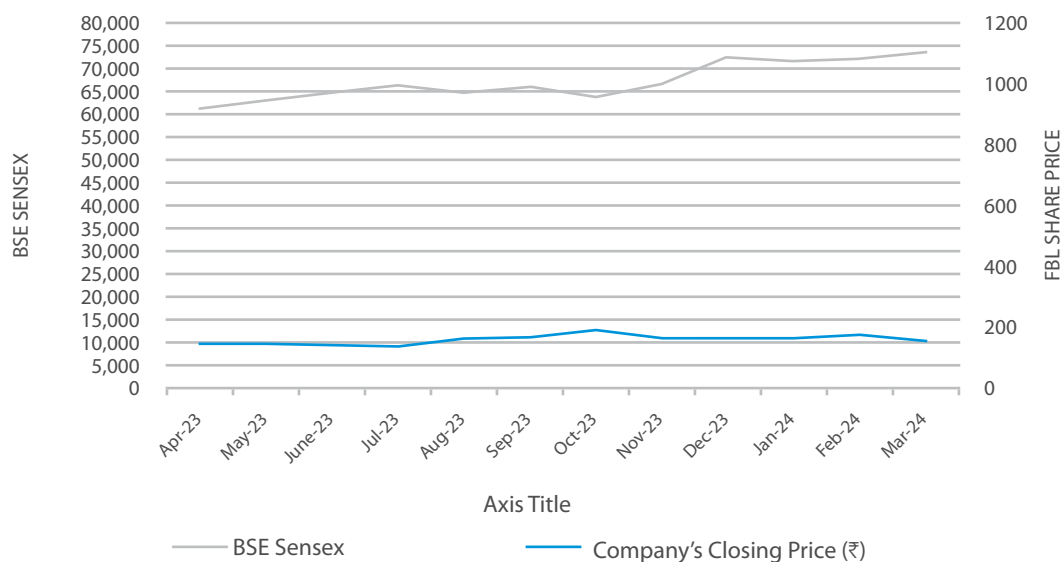
- Market Price Data: High / low of the Company's Stock Price during each month in the financial year ended March 31, 2024

Month	Fermenta Biotech Limited	
	High (₹)	Low (₹)
April 2023	153.85	104
May 2023	155	135
June 2023	145	132.30
July 2023	145.90	133
August 2023	173	140.20
September 2023	175	152.60
October 2023	209.50	155
November 2023	187	144.45
December 2023	167	148.50
January 2024	186.40	150
February 2024	214	154.45
March 2024	189.55	146

- Performance in comparison to broad-based indices such as BSE Sensex.

Month	Company's Closing Price (₹)	No. of shares of the Company traded
April 2023	144.25	1,56,880
May 2023	141.85	1,15,838
June 2023	136.50	2,37,689
July 2023	141.85	2,23,592
August 2023	158.00	4,23,013
September 2023	157.95	3,75,742
October 2023	182.50	4,36,365
November 2023	155.55	2,97,344
December 2023	161.60	2,49,103
January 2024	157.40	2,87,536
February 2024	180.20	15,29,557
March 2024	151.40	4,72,799

FBL SHARE PRICE/BSE SENSEX



Registrar and Transfer Agents : Link Intime India Private Limited
 C 101, 247 Park, L B S Marg, Vikhroli West,
 Mumbai 400 083
 Maharashtra, India
 Tel No.: +91 22 49186000
 Fax No: +91 22 49186060
 Email : rnt.helpdesk@linkintime.co.in

• Share Transfer System:

To enhance ease of dealing in securities markets by investors, SEBI vide circular number SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only (vide Gazette Notification no. SEBI/LADNRO/GN/2022/66 dated January 24, 2022) while processing the service request for Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Sub-division / Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission, Transposition and other shareholders' requests ("Shareholders' requests"). The Shareholders' requests are processed by the Registrar and Share Transfer Agents, and approved by the Stakeholders Relationship Committee. Shareholders' requests are processed within a stipulated time from the date of receipt, provided the documentation is in order. In order to expedite the Shareholders' requests, the Board of Directors has delegated the powers to Mr. Sanjay Buch, Chairman of the Stakeholders Relationship Committee and/ or Mr. Vinayak Hajare, Member of the Stakeholders Relationship Committee and/or Mr. Srikant Sharma, Company Secretary, who attends and resolves Shareholders' requests within the stipulated time. The meeting of Stakeholders Relationship Committee is also held every quarter. (Refer Note under the heading Stakeholders Relationship Committee mentioned in this Corporate Governance Report)

• Distribution of the Company's equity shareholding as on March 31, 2024:

Sr. No.	Range in no. of Shares	Holding (no. of shares)	Amount (₹)	% to Total Amount	No. of Holders	% to Total Holders
1	1 - 500	13,48,112	67,40,560	4.5806	12958	83.1814
2	501 - 1000	10,94,298	54,71,490	3.7182	1468	9.4235
3	1001 - 2000	9,52,616	47,63,080	3.2368	654	4.1982
4	2001 - 3000	4,49,914	22,49,570	1.5287	178	1.1426
5	3001 - 4000	3,09,758	15,48,790	1.0525	88	0.5649
6	4001 - 5000	2,20,574	11,02,870	0.7495	47	0.3017
7	5001 - 10000	6,40,549	32,02,745	2.1764	86	0.5521
8	10001 and above	2,44,15,166	12,20,75,830	82.9573	99	0.6355
	Total	2,94,30,987	14,71,54,935	100	15,578	100

- Equity Shareholding Pattern as on March 31, 2024

	Shareholding (no. of shares)	% of holding
Clearing Members	1000	0.0034
Other Bodies Corporate	474271	1.6115
Foreign Promoters	2240376	7.6123
Hindu Undivided Family	212689	0.7227
Nationalised Banks	120	0.0004
Non Resident Indians	72801	0.2474
Non Resident (Non Repatriable)	117935	0.4007
Public	9556436	32.4707
Promoters	16024815	54.4488
Employee Welfare Trust / ESOP Trust	556880	1.8922
Body Corporate - Limited Liability Partnership	15625	0.0531
Investor Education And Protection Fund	158039	0.5370
TOTAL	2,94,30,987	100

- Dematerialisation of Shares and liquidity:** The Company and Link Intime India Private Limited, has signed Tripartite Agreements with the National Securities Depository Ltd. and the Central Depository Services (India) Ltd. respectively. The shares of the Company are compulsorily traded in the dematerialised form in the Stock Exchange. Presently 99.07% of the equity shares of the Company have been dematerialized. The Company's Equity Shares are liquid and actively traded on the stock exchange.
- Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity – Not applicable
- Commodity price risk or foreign exchange risk and hedging activities:** The Company does not have any significant exposure on commodities directly. Currency risks arises mainly where receivable, payables and borrowings exist due to foreign currency transactions. Around 56% of the Company's income is by way of exports and it enjoys natural hedge to a large extent. The exposure to currency risk is explained in detail in the notes to the financial statements.
- Plant locations: Factory**
 - Village Takoli, P.O. Nagwain, Dist. Mandi - 175 121, Himachal Pradesh, India.
 - Z - 109 B & C, SEZ II, Dahej, Taluka - Vagara, Dist: Bharuch - 392130, Gujarat, India.
 - FRK Plant, Sy. No. 3/A, Pennepalli (V), Pellakuru Mandal, Tirupati Dist., 524126, Andhra Pradesh.
- Address for Correspondence :**

Link Intime India Private Limited	Fermenta Biotech Limited
C 101, 247 Park	A -1501, Thane One, DIL Complex,
L B S Marg, Vikhroli West,	Ghodbunder Road, Majiwade,
Mumbai – 400 083.	Thane (West) – 400 610
Maharashtra, India	Maharashtra, India.
Tel No.: +91 22 49186000	ISIN: INE225B01021
Fax No.: +91 22 49186060	Tel No.: + 91 22 66230800
Email : rnt.helpdesk@linkintime.co.in	Fax No.: + 91 22 6798 0899
Email: srikant.sharma@fermentabiotech.com	

- List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad. – Not applicable
- Details of non-compliance by the Company and penalties or strictures were imposed on the Company by the Stock Exchange(s) or SEBI or any statutory authority, on any matter related to the capital markets during the last three years:-

Years	Details
2021-22	Nil
2022-23	Nil
2023-24	Nil

- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). – Not applicable
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor

and all entities in the network firm/network entity of which the statutory auditor is a part: ₹91.45 Lakhs.

- A certificate regarding debarring or disqualification of directors is annexed to Board's report as **Annexure – VI**.
- Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof - Nil
- During the year under review, there were no instances of Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Part C of Schedule V to the Listing Regulations.
- During the year under review, the Company is in compliance of Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.
- Compliance certificate regarding the compliance with corporate governance requirements is annexed to Board's report as **Annexure IV**.

For and on behalf of the Board of Directors

Pradeep M. Chandan

Chairman
(DIN: 0200067)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (West) – 400 610
Maharashtra, India.

Annexure IV

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

for the Financial Year ended 31st March 2024

To
The Members of
Fermenta Biotech Limited

We have examined the compliance of conditions of Corporate Governance by Fermenta Biotech Limited (the Company) for the year ended March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility:

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility:

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring

the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion:

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-Regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of SEBI Listing Regulations during the year ended March 31, 2024.

We state that such compliance 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.

Date: 27th May, 2024
Place: Mumbai

For **V. N. DEODHAR & CO.,**
COMPANY SECRETARIES

V. N. DEODHAR
PROP.
FCS NO.1880
C.P. No. 898
PR No.: 724/2020

Annexure V

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Fermenta Biotech Ltd.,
A-1501, Thane One,
DIL Complex,
Ghodbunder Road, Majiwada,
Thane (W) - 400 610.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fermenta Biotech Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company 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 March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit period)**;
 - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit period)**;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit period)**;
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit period)**; and

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws:

- (a) Drugs and Cosmetics Act, 1940
 - (b) The Environment (Protection) Act, 1986
 - (c) The Water (Prevention and Control of Pollution) Act, 1974
 - (d) The Air (Prevention and Control of Pollution) Act, 1981
 - (e) Hazardous Wastes (Management and Handling) Rules, 1989
 - (f) Fatal Accidents Act, 1955
 - (g) Factories Act, 1948
 - (h) Real Estate (Regulation and Development) Act, 2016
- (vi) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. We have been informed that compliance of various statutes is monitored on monthly basis by the Compliance officer and necessary action is initiated for any non-compliance. Additionally, we have been informed that a status report signed by the Company Secretary and the Chief Financial Officer on compliance of various statutes is submitted to the Board at its every meeting.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India,

- (ii) Auditing Standards issued by The Institute of Company Secretaries of India and
- (iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement entered into with the BSE Limited.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **V. N. DEODHAR & CO.,**
COMPANY SECRETARIES

V. N. DEODHAR

PROP.

FCS NO.1880

C.P. No. 898

PR No : 724/2020

Place: Mumbai

Date: 27th May, 2024

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

Annexure A

To,
The Members
Fermenta Biotech Ltd.,

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

1. Maintenance of Secretarial Record 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. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

-
3. We have followed the audit practices and process 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 the Secretarial Records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
 4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have obtained reasonable assurance that the statements prepared, documents or Records maintained by the Company are free from misstatement.
 5. Wherever required, we have obtained the Management Representation about the Compliance of Laws, Rules & Regulations and happening of events, etc.
 6. The Compliance of provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
 7. The examination / audit of financial laws such as direct and indirect tax laws, labour laws has not been carried out by us as part of this Secretarial Audit.
 8. 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 **V. N. DEODHAR & CO.,**
COMPANY SECRETARIES

V. N. DEODHAR

PROP.

FCS NO.1880

C.P. No. 898

PR No : 724/2020

Place: Mumbai

Date: 27th May, 2024

Annexure - VI

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
 The Members,
Fermenta Biotech Ltd.,
 A-1501, Thane One,
 DIL Complex,
 Ghodbunder Road, Majiwada,
 Thane (W) - 400 610.

We have examined the relevant register, records, forms, returns and disclosures received from the Directors of Fermenta Biotech Limited having CIN L99999MH1951PLC008485 and having Registered Office at A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwada, Thane (W) - 400 610, (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) Regulation 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanation furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1	Mr. Satish Azad Nadimpally Varma	00003255	01/07/2003
2	Ms. Rajeshwari Datla	00046864	21/07/2005
3	Mr. Sanjay Buch Ramakant	00391436	28/04/2007
4	Mr. Vinayak Manohar Hajare	00004635	18/06/2009
5	Mr. Krishna Datla Vasantkumar	00003247	09/05/2010
6	Mr. Gopakumar Gopalan Nair	00092637	17/05/2019
7	Ms. Anupama Datla Desai	00217027	27/09/2019
8	Mr. Pramod Kasat	00819790	30/05/2022
9	Mr. Prashant Prabhakar Nagre	09165447	06/05/2021
10	Mr. Pradeep Manjunath Chandan	00200067	12/02/2024
11	Ms. Rajashri Santosh Kumar Ojha	07058128	01/04/2020

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 these 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 **V. N. DEODHAR & CO.,**
 COMPANY SECRETARIES

V. N. DEODHAR
 PROP.
 FCS NO.1880
 C.P.No. 898
 PR No : 724/2020

Place: Mumbai
 Date: 27th May, 2024

Annexure VII

Energy conservation, technology absorption and foreign exchange earnings and outgo

A. Conservation of energy –

(i) the steps taken or impact on conservation of energy:

- a. Installed energy-efficient components.
- b. Replaced high-pressure sodium vapour lamps with energy-saving lights i.e LEDs.
- c. Installation of systems that have reduced resultant air pollution.

(ii) the steps taken by the Company for utilising alternate sources of energy:

- a. Infrastructure installed for reducing electricity consumption.
- b. Potential diversification of our energy portfolio by evaluating renewable energies.

(iii) the capital investment on energy conservation equipments:

Brine systems separated as per temperature to reduce electricity consumption.

B. Technology absorption –

(i) the efforts made towards technology absorption: NIL

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

- (a) the details of technology imported: NIL
- (b) the year of import: Not Applicable
- (c) whether the technology been fully absorbed: Not Applicable
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable.

(iv) The expenditure incurred on Research and Development:

Capital: ₹5.92 Lakhs

Recurring: ₹1334.11 Lakhs

Total expenditure: ₹1340.03 Lakhs

C. Foreign exchange earnings and outgo –

Total Foreign exchange used and earned in 2023-24:

Foreign exchange earned: ₹12,070.20 Lakhs

Foreign exchange used: ₹6,081.09 Lakhs

For and on behalf of the Board of Directors

Pradeep M. Chandan

Chairman

(DIN: 0200067)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (West) – 400 610
Maharashtra, India.

Annexure VIII

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Continuing with the legacy of practicing CSR activities of our founder members, the Company has been committed to the cause of CSR for many years. Over the years, CSR activities of the Company have diversified and expanded into new communities and in turn benefitted more and more stakeholders. Today, our Company firmly believes that corporate citizens have a vital role to play in empowering and enriching the communities and its stakeholders.

The CSR Policy of the Company is available on Company's website at <https://fermentabiotech.com/policies.php>

Brief of CSR activities: Contribution towards betterment of blind and differently abled persons, heart surgeries, promoting animal welfare, protecting art and culture, promoting education and contribution towards health care and covid preparedness.

2. Composition of the CSR Committee:

Sl.No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sanjay Buch	Independent Director, Chairman	1	1
2	Mr. Vinayak Hajare	Independent Director, Member	1	1
3	Mr. Satish Varma	Executive Director, Member	1	1
4	Mr. Krishna Datla	Executive Vice Chairman, Member	1	1
5	Dr. Gopakumar Nair	Independent Director, Member	1	1

Note: The CSR Committee is re-constituted on May 17, 2024 and the members as on the date of this report are Mr. Pradeep M. Chandan (Chairman), Ms. Rajashri Ojha, Mr. Satish Varma and Mr. Krishna Datla

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

CSR committee - https://fermentabiotech.com/about-us.php#board_members

CSR Policy - <https://www.fermentabiotech.com/policies.php>

CSR projects - <https://www.fermentabiotech.com/policies.php>

4. Provide the executive summary along with web-links of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) – Not Applicable

5. a) Average net profit of the Company as per sub-section (5) of section 135: ₹4131.03 Lakhs lakhs (FY 2022-23, FY 2021-22, and FY 2020-21)
- b) Two percent of average net profit of the Company as per section sub-section (5) of section 135: ₹82.62 Lakhs for FY 2023-24. (i.e., 2% of aforesaid ₹4131.03 lakhs)
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set off for the financial year, if any: ₹3.93 Lakhs (Excess amount of FY 2022-23)
- e) Total CSR obligation for the financial year (b+c-d): ₹78.69 lakhs

6 a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):
Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)		(5) Location of the Project	(6) Project Duration	(7) Amount allocated for the project (in ₹)	(8) Amount spent in the current financial Year (in ₹)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
			State	District							Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-	-	-	-

Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation - Direct (Yes/No)	(8) CSR registration number
				State	District			
1	National Association of Blind	Promoting health care including preventive health care	Yes	Maharashtra	Mumbai	15,00,000	Yes	N.A.
2	Paraplegic Rehabilitation Centre	Contribution for the benefit of armed forces veterans	No	Maharashtra	Pune	16,62,420	Yes	N.A.
3	Sanjay Gandhi National Park	Contribution towards animal protection/ welfare	Yes	Maharashtra	Mumbai	18,82,185	Yes	N.A.
4	Wildlife Rehabilitation center	Contribution towards animal protection/ welfare	Yes	Maharashtra	Mumbai	10,42,592	Yes	N.A.
5	Support to Maharashtra Police	Social welfare	Yes	Maharashtra	Thane and Raigad	4,07,173	Yes	N.A.
6	Support for rural development and social welfare activities	Rural development and social welfare	Yes	Gujarat and Maharashtra	Dahej and Thane	50,000	Yes	N.A.
7	Development of Gram panchayat Takoli	Rural Development	Yes	Kullu	Takoli	5,000	Yes	N.A.
8	Installation of electricity efficient equipments	Rural Development	Yes	Gujarat	Dahej	25,547	Yes	N.A.
9	RO plant installation in school	Promoting education	Yes	Maharashtra	Raigad	2,83,200	Yes	N.A.
10	Kullu school tournament	Promoting Rural Sports	Yes	Himachal Pradesh	Kullu	25,000	Yes	N.A.
11	Installation of street light - Takoli Panchayat	Rural Development	Yes	Himachal Pradesh	Kullu	1,13,680	Yes	N.A.
12	Construction of road	Rural Development	Yes	Himachal Pradesh	Mandi	4,94,733	Yes	N.A.
TOTAL (a)						74,91,530		

- b) Amount spent in Administrative Overheads: ₹4.15 Lakhs
 c) Amount spent on Impact Assessment, if applicable: NIL
 d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹79.07 Lakhs*
 e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹79.07 Lakhs*	NIL	N.A.	N.A.	NIL	N.A.

*The carry forward amount from FY 2022-23 i.e. ₹3.93 lakhs when added to the total amount spent for the FY 2023-24 of ₹79.07 lakhs, will aggregate to ₹82.99 lakhs.

- f) Excess amount for set off, if any

Sl.no.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	82.62 lakhs
(ii)	Total amount spent for the Financial Year	82.99 lakhs**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.37 lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.37 lakhs

** The amount spent for the FY 2023-24 of ₹82.99 lakhs includes a carry forward amount of ₹3.93 lakhs from the previous year.

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NIL								

8.. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes
 If Yes, enter the number of Capital assets created/ acquired: 6

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (in ₹)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
1	27.03.2024	16,62,420	Paraplegic Rehabilitation Centre, Kirkee, Pune-411020	Equipment for day-to-day operations and use
2	31.03.2024	14,22,185	Sanjay Gandhi National Park, Borivali Mumbai-400066	Construction of gates, signage, computers and equipments
3	15.03.2024	1,13,680	Takoli Panchayat, Himachal Pradesh	Installation of Street Light
4	31.03.2024	4,94,733	Village Authority of Mandi, Himachal Pradesh	Construction of road
5	30.03.2024	2,83,200	Raigad district primary school	Installation of RO plant
6	28.03.2024	4,07,173	Maharashtra Chitalsar Police Station, Ghodbunder Service Rd, Manpada, Thane West, Maharashtra 400607, Lonavala Gramin Police Station, Maval, Pune – 410401, Neral Police Station, Karjat, Raigad 410101 Vadgaon Maval Police Station, Pune Gramin.	Computers, printer, Laptop, CCTV ANPR camera and Rack
TOTAL		43,83,391		

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Prashant Nagre

Managing Director
(DIN: 09165447)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One,
DIL Complex, Ghodbunder Road,
Majiwade, Thane
(West) – 400 610
Maharashtra, India.

Pradeep M. Chandan

Chairman CSR Committee
(DIN: 0200067)

Annexure IX

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

Responsible business practices and sustainability lies at the core of work ethics and governance at Fermenta Biotech Limited ('Fermenta' / 'FBL'). As a responsible corporate citizen, we are dedicated to align ourselves with environmental, social and governance norms while doing business responsibly. National Guidelines for Responsible Business Conduct, issued by Ministry of Corporate Affairs serve as a guidance tool in this regard.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L99999MH1951PLC008485
2	Name of the Listed Entity	Fermenta Biotech Limited
3	Year of incorporation	1951
4	Registered office address	A -1501, Thane One, DIL Complex, Ghodbunder Road Majiwade, Thane (West) 400 610, Maharashtra, India
5	Corporate address	Same as above
6	E-mail	info@fermentabiotech.com
7	Telephone	022-67980888
8	Website	www.fermentabiotech.com
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed:	BSE Limited
11	Paid-up Capital	₹14,71,54,935/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Srikant Sharma Designation: Company Secretary & Vice President (Legal) Email id: srikant.sharma@fermentabiotech.com Contact no: 022-67980888
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures under this report are made on standalone basis.
14	Name of assurance provider	N.A.
15	Type of assurance obtained	N.A.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of Active Pharmaceutical Ingredient, Aqua CHL, Biotechnology and Nutraceutical products	74%*

* Main business activity, although it is lesser than 90% of the turnover for year under review.

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed*
1	Vitamin D3 Product range, Phenyramidol HCl and Silicon Dry Powder	21001	64%
2	Manufacture of other pharmaceutical and botanical products n.e.c.	21009	6%
3	Environmental Solutions	37003	4%

* Break-up of main business activity mentioned under point 16.

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	1	5
International	-	-	-

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	Around 20
International (No. of Countries)	Around 60 countries served across various continents

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Company sells its products in India as well as exports to around 60 countries across the globe. Its export turnover contributed to around 42% of the total turnover of the Company in FY 2023-24.

c. A brief on types of customers:

- (i) Vitamin D and other nutritional ingredients: Manufacturers of pharmaceuticals, dietary and nutritional supplements, food and beverage, veterinary, feed and rodenticides.
- (ii) Integrated biotechnology (Enzymes): Manufacturers of oleochemicals, fine chemicals, active pharmaceutical ingredients, food and fragrances, leather, biodiesel.
- (iii) Environmental Solutions (Waste water management and treatment): Real estate industry.

IV. Employees

20. Details as of the end of the Financial Year: March 31, 2024.

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	462	435	94.15%	27	5.84%
2.	Other than Permanent (E)	23	23	100%	0	0%
3.	Total employees (D + E)	485	458	94.43%	27	5.57%
WORKERS						
4.	Permanent (F)	96	95	98.96%	1	1.04%
5.	Other than Permanent (G)	219	214	97.71%	5	2.28%
6.	Total Workers (F + G)	315	309	98.09%	6	1.90%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	0	0%	1	100%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D + E)	1	0	0%	1	100%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	Total differently abled Workers (F + G)	0	0	0	0	0

21. Participation / Inclusion / Representation of Women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	3	27.27%
Key Management Personnel	6*	1 (ED)	16.67%

* includes four Executive Directors (ED) and other KMPs.

22. Turnover rate for permanent employees and workers (trends for the past 3 years)

Particulars	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29.17%	19.23%	28.60%	24.47%	32.26%	24.97%	20.07%	5.63%	19.03%
Permanent Workers	0%	0%	0%	0%	0%	0%	0%	0%	0%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	DVK Investments Private Limited *	Holding Company	Nil	All Policies / practices of the Company are applicable to the subsidiaries to the extent statutorily required, in conformity with the applicable law.
2	Aegean Properties Limited *	Subsidiary Company	100	
3	G I Biotech Private Limited \$	Subsidiary Company	100	
4	Fermenta Biotech GmbH	Subsidiary Company	100	
5	Fermenta Biotech (UK) Limited	Subsidiary Company	100	
6	Fermenta Biotech USA LLC	Subsidiary Company	100	
7	Fermenta USA LLC	Subsidiary Company	52	
8	Health and Wellness India Private Ltd. #	Associate Company	47.15	

* Ceased to exist w.e.f. May 24, 2023 pursuant to effectiveness of Composite Scheme of Amalgamation and Arrangement amongst DVK Investments Private Limited (Transferor Company 1) and Aegean Properties Limited (Transferor Company 2) and Fermenta Biotech Limited (Transferee Company) and their respective Shareholders ("Scheme")

\$ Ceased to exist pursuant to the approval of the Registrar of Companies, Mumbai, for application made by the Company to ROC, filed on February 14, 2023, for removing the name of the Company from the Register of Companies.

Under liquidation.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes
- (ii) Turnover (in ₹) : ₹32,891.45 Lakhs (Standalone, as per FY 2022-23)
- (iii) Net worth (in ₹) : ₹33,605.70 Lakhs (Standalone, as per FY 2022-23)

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	\$	0	0	0	0	0	0
Investors (other than shareholders)	\$	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Shareholders	\$	3	0	All resolved.	0	0	0
Employees and workers	\$	0	0	0	0	0	0
Customers	\$	0	0	0	0	0	0
Value Chain Partners	\$	0	0	0	0	0	0
Other (please specify)	\$	0	0	0	0	0	0

\$ Yes, policies which are statutorily required are available on the Company's website at <https://fermentabiotech.com/policies.php> and other procedures regarding grievance redressal are integrated in the Company's internal standard operating procedures.

26. Overview of the entity's material responsible business conduct issues

(Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product quality and safety	Risk	Compromise on pharmaceutical product quality would imply a compromise on the wellbeing of the end user. This may also entail failure to comply with statutory norms. Lapse in this regard may lead to product withdrawals, recalls, decreased sales, reputational risk among other threats.	<p>The Company being in the pharma sector, the nature of its business requires the utmost attention to the quality of its product. We have taken various measures to ensure resilience against the risk, which inter alia include the following:</p> <ul style="list-style-type: none"> Employing rigorous systems and procedures to ensure manufacturing quality standards, GMP compliance, and other regulatory criteria Audits conducted to ensure Quality Assurance 	Negative
2	Competition	Risk	Competition and practices adopted in relation thereto by the competitors in the global market pose a risk for the Company's business.	The Company lays strong emphasis on maintaining the quality of its product, sales commitments, and cordial relations with its customers pan India and in global market. This ensures retention of customers and helps in maintaining the business.	Negative
3	Innovation and R&D	Opportunity	Innovation and R&D plays a crucial role in the long-term success of the Company. Our research includes developing new processes for known APIs and developing value-added and differentiated formulations. Such developments may lead to an increase in revenues.	-	Positive
4	Business Integrity and Ethics	Risk	Any breach of ethical and business integrity may hamper the Company's credibility which might adversely impact the business relations and employee morale.	The Company's Codes of Conduct and Business Responsibility Policy lays strong emphasis on adherence to ethics and business integrity. Various policies adopted by the Company promote trust, honesty, accountability and transparency in order to ensure strong value system and social responsibility in large interest.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Employee engagement, and wellbeing	Opportunity	Employees are Company's biggest assets. Employee engagement, safety, and well-being initiatives drive the enhanced productivity for the Company. It is an opportunity to integrate employees' involvement in the functioning of the Company, while ensuring employee satisfaction and safety at every stage.	-	Positive
6	Statutory and regulatory compliance	Risk	The business structure of the Company attracts applicability of various laws and regulations. The compliance requirements are increasing day-by-day with increasing complexities in the business dynamics. Any non-compliance on the part of the Company is a risk for the Company not only from financial perspective but also from the perspective of its operations and credibility.	The Company has a philosophy of 'zero tolerance to non-compliance.' Statutory compliance and regulatory risks are managed through measures which inter alia include: <ul style="list-style-type: none"> • Internal controls and Compliance management systems • Assessment of regulatory and compliance requirements on regular basis • Independent assessments and audits • Monitoring of Legal and regulatory compliance by senior management and the Board 	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

(This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines for Responsible Business Conduct (NGRBC) Principles and Core Elements. NGRBC Principles as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below.

P1	Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs.	Y	Y	Y	Y	Y	Y	N	Y	Y
	b. Has the policy been approved by the Board? (Yes/No) ^	Y	Y	Y	Y	Y	Y	N	Y	Y
	c. Web Link of the Policies, if available	https://fermentabiotech.com/policies.php								
2	Whether the entity has translated the policy into procedures. (Yes /No)	Y	Y	Y	Y	Y	Y	N	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No) @	Y	Y	Y	Y	Y	Y	N	Y	Y
4	Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g.SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	#								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	N	N	N	N
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not Applicable								

^ The policies which are statutorily required to be adopted have been approved by the Board of Directors. Other policies / procedures either form part of standard operating procedures or are approved by the concerned functional heads in consultation with the management.

@ The Company's policies extend to its value chain partners to the extent applicable.

BRC, FSMA, Kosher, HACCP, FSSC 22000, ISO 9001, ISO 14001, ISO 45001, American Vegetarian Association, The Vegetarian Society UK, EDQM-CEP, Halal, USFDA, FSSAI.

Governance, leadership and oversight:

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

At Fermenta, we create solutions for maintaining the health and hygiene of communities globally – be it through our nutrition portfolio, integrated biotechnology solutions or water management services. We are proud of the role our products including Vitamin D play in preventive health for human and animal nutrition. We cater high quality products that will enable our communities to overcome micronutrient deficiency and contribute towards the global efforts in eliminating malnutrition. Our enzyme platforms provide green chemistry solutions for our consumers to reduce hazardous waste, improve efficiencies and manufacture their products using a cleaner process. Our water and wastewater management and treatment solutions contribute to the imminent need of the hour i.e. water conservation.

We believe that true business excellence can be achieved only by doing business following sound sustainability principles that are based on good corporate governance as well as social, environmental and economic responsibilities. We remain committed to reducing the environmental impact of our operations, practicing ethical sourcing and improving our performance on sustainability. Notably, our sustainability initiatives in Kullu, Himachal Pradesh have been felicitated by the government as part of the Environment Leadership Awards 2021-22.

Our sustained commitment towards our corporate citizenship is visible in our diverse Corporate Social Responsibility (CSR) activities through partnerships with various organizations across locations in India. Fermenta strives to enhance the Diversity, Equity and Inclusion quotient of its workforce. We believe that our corporate values (Discipline, Honesty, Mutual Respect, Perseverance and Result Orientation) lie at the foundation of our business philosophy as we engage with our stakeholders to create shared value.

8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors
9	Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Prashant Nagre Managing Director

10 Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
		P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies, as applicable, are reviewed by the Board of Directors and/or management of the Company. Policies and performance against policies are reviewed by the management at periodic intervals via-a-vis statutory requirements and, accordingly, necessary amendments are made to the policies, as applicable.									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company has necessary procedures in place to ensure the compliance with all relevant regulations.									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The policies, processes and compliances, as applicable, are assessed by internal auditors and statutory auditors, as per the statutory requirements. Policies, as applicable, are reviewed by the Board of Directors and/or management of the Company at periodic intervals via-a-vis statutory requirements, and, accordingly, necessary amendments are made to the policies, as applicable.								

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Principle 7 (P7) is not applicable to the Company.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)							*		N.A.
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)							*		N.A.
The entity does not have the financial or/human and technical resources available for the task (Yes/No)							*		N.A.
It is planned to be done in the next financial year (Yes/No)							*		N.A.
Any other reason (please specify)							*		N.A.

* Principle 7 (P7) is not applicable to the Company.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4 nos. See note (i) below		100%
Key Managerial Personnel			100%
Employees other than BoD and KMPs	12 nos. See note (ii) below		100%
Workers			100%

Note.

(i) The Directors of the Company at the time of their appointment are oriented on the Company's philosophy, core values, code of business conduct and other codes / policies, and their roles and responsibilities as the director vis-à-vis Company's operations, industry in which it operates and statutory requirements.

At each meeting of the Board and Committees, the Directors and KMPs are apprised, inter alia, of the material developments regarding functioning and operations of the Company. Familiarization programmes are undertaken to keep the directors apprised of Company's strategic plans, regulatory changes, any major risk that needs to be attended, and overview of business and operations.

(ii) At the time of joining, the employees and workers are acquainted on various functional and non-functional aspects of the Company. Orientation program focuses on the Company's philosophy, core values, ethical business practices, code of business conduct, prohibition of insider trading code, Company's work culture and other policies including policy on Prevention of Sexual Harassment (POSH) at the Workplace, Whistle Blower Policy.

The Company strongly believes in upskilling its employees and workers by providing various functional as well as general trainings as and when required. We have identified various skills which are necessary for the employees and workers in relation to their work requirements. Employees and workers are provided with necessary training programmes not only pertaining to the respective areas of work but also overall concerning their wellbeing, health & safety.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NIL	N.A.
Settlement	NIL	NIL	NIL	NIL	N.A.
Compounding fee	NIL	NIL	NIL	NIL	N.A.
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL	N.A.
Punishment	NIL	NIL	NIL	NIL	N.A.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has adopted Business Responsibility Policy which covers the same. The policy is available on the website of the Company at <https://fermentabiotech.com/policies.php>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24	FY 2022-23
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

Particulars	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. – NOT APPLICABLE.

8. Number of days of accounts payables ((Accounts payable*365) / Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	184 days	165 days

9. Openness of business

(Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:)

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	24%	24%
	b. Number of trading houses where purchases are made from	758	758
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	50%	50%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	10.80%	6.8%
	b. Number of dealers / distributors to whom sales are made	4	4
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100%	100%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	Nil	Nil
	b. Sales (Sales to related parties / Total Sales)	2.07%	6.2%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	46.62%	54.02%
	d. Investments (Investments in related parties / Total Investments made)	77.33%	70.22%

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	2023-24	2022-23	Details of improvements in environmental and social impacts
R & D	-	-	-
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing?

We have standard operating procedures for the evaluation and selection of our vendors for sourcing of material who are responsible suppliers and adhere to the uniform quality, social and environmental standards as Fermenta.

- b. If yes, what percentage of inputs were sourced sustainably? 100%.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Product	Processes in place to safely reclaim the product
Plastics (including packaging)	The Company has engaged SPCB registered plastic waste processors to collect plastic waste from Company's factories. These plastic waste processors send it for recycling/end of life disposal after treatment. This reduces wastage of plastic at the factory level itself.
E-waste	100% e-waste is sold to authorised vendors.
Hazardous waste	For recycling and disposal of hazardous waste, all hazardous waste of the Company is segregated at the factory level and sent to the respective State Pollution Control Board (SPCB) authorised waste management processor for disposal in accordance with regulatory norms.
Other waste	Non-hazardous waste such as glass, MS scrap, wood waste, boiler ash etc. is sent to authorised recyclers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	435	435	100%	435	100%	NA	NA	435	100%	0	0
Female	27	27	100%	27	100%	27	100%	NA	NA	0	0
Total	462	462	100%	462	100%	27	5.84%	435	94.16%	0	0
Other than Permanent employees											
Male	23	23	100%	23	100%	NA	NA	0	0	0	0
Female	0	0	100%	0	100%	0	0	NA	NA	0	0
Total	23	23	100%	23	100%	0	0	0	0	0	0

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	95	95	100%	95	100%	NA	NA	95	100%	0	0
Female	1	1	100%	1	100%	1	100%	NA	NA	0	0
Total	96	96	100%	96	100%	1	1.04%	95	98.96%	0	0
Other than Permanent employees											
Male	214	214	100%	214	100%	NA	NA	0	0	0	0
Female	5	5	100%	5	100%	5	100%	NA	NA	0	0
Total	219	219	100%	219	100%	5	2.28%	0	0	0	0

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	Total amount : ₹8,681,888/- (0.28%)	Total amount: ₹97,45,395/- (0.30%)

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	7.63%	26.98%	Yes	5%	34%	Yes
Others – NPS	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises/ offices of the Company has infrastructure available for differently abled individuals.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy? –

Social Compliance Policy is available at <https://fermentabiotech.com/policies.php>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. FBL has Grievance Redressal Committee to address grievances of employees across all locations. We also encourage employees to voice their concerns through a suggestion box placed at all facilities. FBL also has POSH Policy in place, and the aggrieved women at workplace can approach Internal Committee of the Company.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male	0	0	0	0	0	0
- Female	0	0	0	0	0	0
Total Permanent workers						
- Male	95	95	100%	95	95	100%
- Female	1	1	100%	1	1	100%

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	435	435	100%	435	100%	429	429	100%	429	100%
Female	27	27	100%	27	100%	25	25	100%	25	100%
Total	462	462	100%	462	100%	454	454	100%	454	100%
Workers										
Male	95	95	100%	95	100%	95	95	100%	95	100%
Female	1	1	100%	1	100%	1	1	100%	1	100%
Total	96	96	100%	96	100%	96	96	100%	96	100%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	Number (B)	% (B / A)	Total (C)	Total (D)	% (D/C)
Employees						
Male	435	435	100%	429	369	86.01%
Female	27	27	100%	25	25	100%
Total	462	462	100%	454	394	86.78%
Workers						
Male	95	95	100%	95	95	100%
Female	1	1	100%	1	1	100%
Total	96	96	100%	96	96	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. In accordance with the Environment, Health and Safety Policy of the Company, Occupational Health and Safety Management System has been implemented at all in house manufacturing facilities and Research & Development laboratory. Further, all other locations also comply with the applicable statutory requirement pertaining to health and safety. The Company's health and safety management system is based on ISO 45001, the International Standard for Occupational Health and Safety.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has Environment, Health Safety and Sustainability Policy in place. The health and safety guidelines are applicable to all operating locations of the Company and lay down required parameters to be followed at all locations. Some of the key processes for identifying work-related hazards and assessing risks on a routine and nonroutine basis are given below:

- I. Hazard Identification and Risk Assessment (HIRA) is used for routine and non-routine activities.
- II. Hazard and Operability Study (HAZOP) is being used for identifying hazard related to chemical processes.
- III. Chemical Risk Assessment is used for identifying health hazards during handling of chemicals.
- IV. Fire Risk Assessment is done for handling fire related risks.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, all workers at plants can report work related hazards through an internal reporting system. All the work hazards reported are monitored and actioned upon through Safety Committee at the plant. A process of 'stoppage of work due to unsafe act and unsafe condition' to safeguard employees' interest is in place to report or remove themselves from situations they believe could cause injury. At non-manufacturing locations, the workers approach the location head to report any work-related hazards and to remove themselves from such risks.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, Company's various locations have empaneled doctors and all employees/workers are covered under the Company's health insurance and personal accident policy.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

To ensure the safe and healthy workplace, we have implemented SOPs which are available in local language and which need to be followed by every personnel working in the Company. Use of safety material are mandatory for concerned employes/workers. Mock drills and fire drills are carried out to evaluate the emergency readiness as well as safety measures in the event of any unexpected or undesirable occurrences. Highest standards of hygiene and housekeeping are maintained. The Company operates on a well-maintained HVAC system.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100
Working Conditions	100

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions. –

The Company continuously monitors and assesses its health and safety practices and working conditions. Investigation is conducted in case any incident is reported using various methodology to identify the root cause. The investigation team presents corrective and preventive measures which is reviewed at various levels by the local management and central teams. Such corrective actions are then deployed horizontally across locations.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

1. Describe the processes for identifying key stakeholder groups of the entity.

The entire value chain of Fermenta is facilitated by its stakeholders which inter alia include employees, workers, shareholders, customers, communities, suppliers, regulators and lenders. These stakeholders are crucial for Company's very existence, the overall development and sustainable growth of its business.

Stakeholder identification is a continuous and on-going process at Fermenta. The Company has identified internal and external group of stakeholders. Policies at Fermenta also aim at ensuring overall Stakeholders' satisfaction.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	<ul style="list-style-type: none"> General Meetings Stock Exchange intimations Investor presentations / Annual reports & quarterly results Press releases Company's website 	Ongoing	Keeping shareholders updated about the Company's business performance is crucial. We value acknowledging their queries and inputs and expectations from Company.
Customers	No	<ul style="list-style-type: none"> Customer meets Direct communication Brochures Social media Company's website 	Need basis	<p>Our entire business is dependent upon customers. Understanding customers' expectations, their satisfaction and retention is at the core of Fermenta's business.</p> <p>Engagement and good relationship with customers helps the Company in Business Development.</p>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly / Quarterly / others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	<ul style="list-style-type: none"> Senior management interactions HR communications Performance appraisal meetings/review Exit interviews Union meetings, Company's website HRMS (System) 	Continually	Employees are our biggest asset and pillars of our functioning. Regular interactions with them help the Company understand their expectations and grievances which in order helps Company build a strong employee base with loyalty and low attrition rate.
Suppliers	No	<ul style="list-style-type: none"> Meetings Supplier audits Facility visits 	Need basis	Regular engagements will help to ensure timely receipt of materials, their quality and safety amongst other critical services to ensure continuity of business operations.
Regulators	No	<ul style="list-style-type: none"> Meetings Seminars/ Webinars Official communications Statutory publications 	Need basis	We aspire for full compliance with all the applicable regulations. Interactions with the Government and Regulators help us understand statutory and procedural requirements and resolve any issues or lapses in relation thereto.
Communities	No	<ul style="list-style-type: none"> Interactions through CSR initiatives 	Need basis	Fermenta, being a responsible corporate citizen, strongly believes in growing together with the community. Hence, our CSR programmes helps in community development. The Company also fulfils its manpower requirement by employing the people from the nearby location where it has its business operations to the extent possible.

PRINCIPLE 5 Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	462	462	100%	454	454	100%
Other than permanent	23	23	100%	22	22	100%
Total Employees	485	485	100%	476	476	100%
Workers						
Permanent	96	96	100%	96	96	100%
Other than permanent	219	219	100%	216	216	100%
Total Workers	315	315	100%	312	312	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	435	0	0	435	100%	429	0	0	429	100%
Female	27	0	0	27	100%	25	0	0	25	100%
Other than Permanent										
Male	23	0	0	23	100%	22	0	0	22	100%
Female	0	0	0	0	100%	0	0	0	0	0
Workers										
Permanent										
Male	95	0	0	95	100%	95	0	0	95	100%
Female	1	0	0	1	100%	1	0	0	1	100%
Other than Permanent										
Male	214	214	100%	0	0	212	212	100%	0	0
Female	5	5	100%	0	0	4	4	100%	0	0

3. Details of remuneration/salary/wages:

(a) Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	17,536,700/-	1	10,938,132/-
Key Managerial Personnel	2	6,569,472/-	0	0
Employees other than BoD and KMP	430	555,007/-	26	640,034/-
Workers	95	365226/-	1	282,750/-

(b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	7%	8%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Human Resource Department is responsible for the same.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has Policies on Human Rights which are applicable to all its employees and suppliers & service providers. The said Policies and their implementation are directed towards adherence to applicable laws and upholding the spirit of human rights. The Company has in place a Business Responsibility Policy. A grievance redressal system to facilitate open and structured discussions is available at all units and locations to ensure that grievances related to labour practices and human rights are addressed and resolved in a fair and just manner.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour / Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

As part of Whistleblower Policy and POSH Policy, the Company protects identity of the complainant/ whistleblower. All such matters are dealt in strict confidence and based on facts of the case.

9. Do human rights requirements form part of your business agreements and contracts?

It depends on the type and nature of agreement.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%, assessed by the Company.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. – Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023-24	FY 2022-23
From renewable sources in MJ		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy Consumption Through Other Sources (C) (Solar)	1,33,153.20	1,24,930.8
Total energy consumed from renewable sources (A+B+C)	1,33,153.20	1,24,930.8
From non-renewable sources in MJ		
Total electricity consumption (D)	2,83,01,256	4,70,63,714.4
Total fuel consumption (E)	57,51,518.40	3,61,73,588.4
Energy consumption through other sources (F)	63,018	2,37,975.98
Total energy consumed from non-renewable sources (D+E+F)	3,42,48,945.6	8,34,75,278.78
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations))	0.01492719	0.02541654
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – N.A.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. – N.A.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	13,599.56	0
(iii) Third party water	86,800.62	97,177.8
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	1,00,400.18	97,177.8
Total volume of water consumption (in kiloliters)	1,00,400.18	97,177.8
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.043758795	0.029544464
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - N.A.

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment (Primary, Secondary & Tertiary)	43,863	47,747
Total water discharges (in kiloliters)	43,863	47,747

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
Nil.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24	FY 2022-23
NOx	mg/nm3	28.422	25.87
SOx	mg/nm3	22.526	19.424
Particulate matter (PM)	mg/nm3	24.332	21.852
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. We work towards improving the energy efficiency across operational locations and enhance the proportion of renewable energy sources (electricity and biofuels) in the total energy mix.

We have 35.3 KW of solar installation in operation, supplying the electricity to our facilities in Maharashtra, and further plan to increase the share of renewable energy.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.34	0.198
E-waste (B)	0.274	0.5031
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0.189	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	596.722	910.431
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e.by materials relevant to the sector)		
1) Wet Garbage	20.0	4.8
2) STP sludge	4.0	1.2
3) Dry Garbage	21.8	12.35
Total (A + B + C + D + E + F + G + H)	619.325	929.48
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00026	0.00028
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	15.98	124.70
(ii) Re-used	24	6
(iii) Other recovery operations	-	-
Total	39.98	130.7
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	2.025	322.13
(ii) Landfilling	327.394	462.08
(iii) Other disposal operations	-	-
Total	329.419	784.22

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. N.A.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

FBL has consistently scaled up its waste management practices by reducing generated quantities and directing waste to authorised Treatment, Storage and Disposal Facilities (TSDF). We are increasing the share of recycling and coprocessing to bring down the quantity of waste disposed to landfills. We have dedicated storage area for different type of waste (E-waste, hazardous and non-hazardous) and waste segregation is done at source. Hazardous waste packing is done into compatible packing material and all types of waste are labelled, stored and disposed of as per applicable rules and consent to operate.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
No			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

During FY 2022-23 and FY 2023-24 we didn't require to perform any Environmental Impact Assessment (EIA).

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations. 13
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Drug Manufacturers Association (IDMA)	National
2	Maharashtra Chamber of Commerce, industry & Agriculture (MACCIA)	State
3	Indo-German Chamber of Commerce (IGCC)	National / International
4	Small and Medium Business Development Chamber of India (SME)	National
5	Federation of Pharma Entrepreneurs India (FOPE)	National
6	Indian Merchant Chambers (IMC)	National
7	Bombay Chamber of Commerce & Industry	National
8	The Compound Feed Manufacturers Association (CLFMA)	National
9	Solvent Extractors Association (SEA)	National
10	Federation of Indian Export Organisations (FIEO)	National
11	Pharmaceuticals Export Promotion Council of India (Pharmexcil)	National
12	Chemicals and Allied Export Promotion Council (CAPEXIL)	National
13	Agricultural and Processed Food Products Export Development Authority (APEDA)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities. – Not Applicable

Name of authority	Brief of the case	Corrective action taken
Nil		

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. – Not Applicable.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Not Applicable**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has a process to receive and redress concerns/grievances received from the community. As a part of CSR Initiative, the Company interacts with the community on a regular basis.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	55%	55%
Directly from within India	14%	14%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	-	-
Semi-urban	47%	46%
Urban	-	-
Metropolitan	53%	54%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Fermenta endeavours to identify and act upon any consumer complaints with urgency. Our customers can reach out to their point of contacts at Fermenta who work internally to resolve the same at earliest. Fermenta has standard operating procedures in place for responding to customer complaints.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Company's policies related to cyber security which inter alia cover risks related to data privacy are available on the Company's intranet portal.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. N.A.

7. Provide the following information relating to data breaches:

- Number of instances of data breaches. Nil
- Percentage of data breaches involving personally identifiable information of customers. N.A.
- Impact, if any, of the data breaches. N.A.

Pradeep M. Chandan

Chairman
(DIN: 0200067)

May 27, 2024, Thane

Registered Office:

A -1501, Thane One,
DIL Complex, Ghodbunder Road,
Majiwade, Thane
(West) – 400 610
Maharashtra, India.

Independent Auditor’s Report

To
 The Members of
Fermenta Biotech Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Fermenta Biotech Limited** (“the Company”), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of 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.

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, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss 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 (SAs), as 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Recoverability of investments in and loans given and receivables from certain subsidiaries (as described in Note 69 of the standalone financial statements)</p> <p>The Company has investments in certain subsidiaries having a carrying value of ₹320.06 lakh (net of impairment loss of ₹1,879.86 lakh). Further, the Company has also given loans and has receivables outstanding from these subsidiaries amounting to ₹3,027.41 lakh (net of provision for expected credit loss of ₹1,872.81 lakh)</p> <p>These subsidiaries have either been incurring losses or further investments made by them in the step-down subsidiaries have been incurring losses due to unfavorable market conditions and other indicators. Accordingly, these have been considered for assessment of impairment and determination of the expected credit loss.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ We obtained management’s assessment for impairment for recoverability of these investments and financial assets. ▪ Evaluated the design and implementation and tested the operating effectiveness of key internal financial controls related to the Company’s process relating to impairment assessment and determination of expected credit loss. ▪ Assessed impairment/ expected credit loss model used by the management and the evaluated the assumptions used around the key drivers (cash flow forecasts, discount rates, expected growth rates,

Key audit matters	How our audit addressed the key audit matter
<p>Assessment of the recoverable amount of these balances has been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> ▪ Significance of the carrying amount of these balances. ▪ Significant estimates relating to the estimated future cash flows, associated discount rates and growth rates based on management’s view of future business prospects, to the extent applicable. ▪ Changes to any of these assumptions could lead to material changes in the estimated recoverable amount impacting potential impairment/ expected credit loss. 	<p>forecasted margins and terminal growth rates) based on our knowledge of the subsidiaries business and Industry, as applicable. Compared the historical accuracy by comparing past forecasts to actual results achieved.</p> <ul style="list-style-type: none"> ▪ Involved internal valuation expert to assist in evaluating the valuation methodology and assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used. ▪ Assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. ▪ Tested the arithmetical accuracy of the computation of recoverable amounts. ▪ Assessed the adequacy of disclosures made in the standalone financial statements.

Recoverability of Minimum Alternate Tax (MAT) credit entitlement included under deferred tax assets

(as described in Note 48 of the standalone financial statements)

<p>The Company has recognized deferred tax assets amounting to ₹4,089.03 lakhs representing Minimum Alternate Tax (MAT) credit entitlement, pursuant to the provisions of Section 115JB of the Income-tax Act, 1961 and related rules.</p> <p>Unused tax credits in the form of MAT credits is recognized to the extent that there is convincing evidence that sufficient taxable profits will be available in the future against which such MAT credit can be utilized.</p> <p>The recoverability of such MAT credit entitlement is considered as a key audit matter as it involves significant management judgement including accounting estimates relating to profitability forecasts, availability of sufficient taxable income in the future and recoverability within the specified period of time.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ Evaluated the Company’s accounting policies with respect to recognition of deferred taxes in accordance with Ind AS 12 “Income Taxes”. ▪ Evaluated the design and implementation and tested the operating effectiveness of key internal financial controls related to the assessment of recoverability of MAT credit entitlement. ▪ Obtained and analysed the future projections of taxable profits estimated by management and assessed the key assumptions used and the reasonableness of the future cash flow projections. ▪ Assessed the sensitivity analysis applied by the Company and evaluated if any change in the assumptions will lead to any material change utilization of the MAT credit entitlement. ▪ Assessed the adequacy of disclosures made in the standalone financial statements
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Provision for Inventory obsolescence (as described in Note 15 of the standalone financial statements)

<p>As at March 31, 2024, the carrying amount of inventories amounted to ₹7,860.60 lakh after considering allowances for Inventory of ₹2,229.02 lakhs.</p> <p>Inventories are carried at lower of cost and net realisable value.</p> <p>The Company makes provision for inventory based on category of products, experience, age of Inventory, current trend and future expectations of forecast inventory demand.</p> <p>Considering the significant management judgment and estimates involved, provision for inventory obsolescence has been considered as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ Obtained an understanding of management’s process to identify slow-moving, obsolete and other non-saleable inventory, and process of consequent measurement of required provision for obsolescence. ▪ Evaluated the design, implementation and tested the operating effectiveness of key controls that the Company has in relation to aforesaid process. ▪ For provisions made in respect of slow moving and non-saleable Inventory, discussed with management the triggers considered for such identification and evaluated the same in view of our understanding of the business and industry conditions. Assessed the management’s estimates regarding the expected timing by which the balance inventory of aforesaid products would be sold basis past trends and market conditions. ▪ Reperformed computations to test the accuracy and completeness of such provision estimates. ▪ Assessed the adequacy of disclosures made in the standalone financial statements.
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We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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 when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 [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, management is 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.

Those Board of Directors are also 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:

- ❖ 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.
- ❖ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the 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.

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 for the financial year ended March 31, 2024 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 Matter

In connection with the merger of erstwhile Holding Company and an erstwhile wholly owned subsidiary as more fully described in note 70 to the standalone financial statements (referred to as "merged entities"), we did not audit the comparative financial statements of such merged entities as considered in these standalone financial Statement for the year ended March 31, 2023, whose financial statements reflects before inter-company eliminations total revenues of ₹296.44 lakhs, total net profit after tax of ₹241.38 lakhs and total comprehensive income ₹241.38 lakhs for the year ended March 31, 2023 respectively.

These financial statements have been audited by the independent auditor of such merged entities and auditor's reports have been furnished to us by the Management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the merged entities, is based solely on the reports of independent auditor of such companies as adjusted for the accounting effects of the Scheme recorded by the Company (in particular, the accounting effects of IND AS 103- Business Combinations and other consequential adjustments which has been audited by us.

Our opinion is not modified in respect of this matter.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 43 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;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 58 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Based on our examination which included test checks, 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, audit trail feature is not enabled for direct changes to data when using certain privileged access rights, as described in note 67 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where audit trail has been enabled

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Place of Signature: Thane

Date: May 27, 2024

Membership Number: 136454

UDIN: 24136454BKFOEZ6086

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favor of the lessee) disclosed in note 6 to the standalone financial statements included in property, plant and equipment are held in the name of the Company except immovable properties as indicated in the below mentioned cases:

(₹ in Lakh)

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land located at Village Takwe (Budruk) Taluka – Maval, District Pune	3.44	The land is held in trust in the name of Mr. Krishna Datla (Executive Vice Chairman) and Ms. Rajeshwari Datla (Director/ relative of Executive Vice Chairman)	Yes	Various dates from 27 th December 1992 to 4 th July 1994	The plot of land is an agricultural land lying in the industrial zone and as explained to us, required to register in individual names.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2024 and no discrepancies were noticed in respect of such confirmations. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such physical verification.
- (b) As disclosed in note 28 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:

(₹ in Lakh)

Particulars	Guarantees	Security	Loans	Advances/Deposits in nature of loans
Aggregate amount granted/ provided during the year				
Subsidiaries	-	-	-	-
Associate	-	-	-	-
Others	-	-	375.98	-

(₹ in Lakh)

Particulars	Guarantees	Security	Loans	Advances/Deposits in nature of loans
Balance outstanding as at balance sheet date in respect of above cases				
Subsidiaries	-	-	708.90	464.00*
Associate	-	-	37.00*	-
Others	-	-	495.98	907.14*

* The amounts reported are at gross amounts, without considering provisions made.

- (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies are not prejudicial to the Company's interest.
- (c) In respect of certain loans or advance in the nature of loan granted to companies or any other parties, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loans and advances.
- (d) The following amounts are overdue for more than ninety days from companies or any other parties to whom loan has been granted, and reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

Number of Cases	Principal Amount Overdue (Amt in lakh)	Interest Overdue (Amt in lakh)	Total Overdue (Amt in lakh)
2	100	45.01	145.01

- (e) There were no loans or advance in the nature of loan granted to companies which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the over-dues of existing loans given to the same parties
- (f) As disclosed in note 11 to the financial statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

(₹ in lakh)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	1,408.36*	-	501.22*
Percentage of loans/ advances in nature of loans to the total loans	53.89%	-	19.18%

*The amounts reported are at gross amounts, without considering provisions made.

- (iv) There are no loans, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. Loans, investments, guarantees and security in respect of which provisions of sections 186 of the Companies Act, 2013 ('the Act') are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of its products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

(₹ in lakh)

Name of statute	Nature of dues	Amount *	Period	Forum where the dispute is pending
The Finance Act 1994	Service Tax	18.75	2000-2001	Sales Tax Appellate Tribunal
The Gujarat Sales Tax Act	Sales Tax	4.63	1992-1994	High Court, Bombay

*Excluding Interest

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 61 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of

the Act. This matter has been disclosed in note 51 to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 51 to the financial statements.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Place of Signature: Thane

Date: May 27, 2024

Membership Number: 136454

UDIN: 24136454BKFOEZ6086

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of Fermenta Biotech Limited

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

We have audited the internal financial controls with reference to standalone financial statements of Fermenta Biotech Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide

reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference

to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Place of Signature: Thane

Date: May 27, 2024

Membership Number: 136454

UDIN: 24136454BKFOEZ6086

Standalone Balance Sheet as at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	March 31, 2024	March 31, 2023 #
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	23,642.35	20,484.93
(b) Capital work-in-progress	4	161.57	4,190.25
(c) Right-of-use assets	5	1,543.35	1,171.45
(d) Investment property	6	540.67	2,870.85
(e) Goodwill	6A	411.65	411.65
(f) Other Intangible assets	7	542.28	742.91
(g) Intangible assets under development	8	-	311.96
(h) Investments			
i) Investments in subsidiaries	9A	320.06	1,220.06
ii) Investments in an associate	9B	-	-
(i) Financial assets			
(i) Investments	9C	43.36	36.61
(ii) Share application money	10	-	-
(iii) Trade receivables	16	1,171.69	1,796.01
(iv) Loans	11	738.44	715.83
(v) Other financial assets	12	399.31	2,104.25
(j) Deferred tax assets (net)	48C	2,199.91	3,329.75
(k) Non-current tax assets (net)	13	815.00	1,030.96
(l) Other non-current assets	14	105.43	636.37
Total non-current assets		32,635.07	41,053.84
Current assets			
(a) Inventories	15	7,860.60	10,974.83
(b) Financial assets			
(i) Trade receivables	16	7,713.12	6,741.20
(ii) Cash and cash equivalents	17	1,863.43	3,207.53
(iii) Bank balances other than (ii) above	18	3,800.52	2,303.75
(iv) Investments		-	278.07
(v) Loans	19	466.43	102.50
(vi) Other financial assets	20	132.93	85.17
(c) Other current assets	21	1,670.75	1,316.79
(d) Contract Assets		314.99	321.98
Total current assets		23,822.77	25,331.82
TOTAL ASSETS		56,457.84	66,385.66
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	22	1,443.71	1,442.87
(b) Other equity	23	29,978.90	32,162.83
Total equity		31,422.61	33,605.70
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	24	4,259.23	8,353.96
(ii) Lease liabilities	46	553.88	199.11
(iii) Other financial liabilities	25	353.84	108.38
(b) Provisions	26	535.46	462.46
(c) Other non-current liabilities	27	3,243.93	2,394.40
Total non-current liabilities		8,946.34	11,518.31
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	28	8,973.49	13,325.62
(ii) Lease liabilities	46	95.81	68.67
(iii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	29 & 52	237.63	280.47
(B) Total outstanding dues of creditors other than micro and small enterprises	29	5,065.49	4,910.38
(iv) Other financial liabilities	30	763.44	908.91
(b) Other current liabilities	31	829.46	1,667.40
(c) Provisions	32	59.43	58.14
(d) Current tax liabilities (net)	33	34.13	32.53
(e) Contract Liability		30.01	9.53
Total current liabilities		16,088.89	21,261.65
TOTAL EQUITY AND LIABILITIES		56,457.84	66,385.66

See accompanying notes to the Standalone financial statements

1-74

Restated pursuant to merger (Refer Note 70)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

For and on behalf of the Board of Directors of

Fermenta Biotech Limited

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Thane, May 27, 2024

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Note	March 31, 2024	March 31, 2023 #
INCOME			
Revenue from operations	34	30,709.04	32,891.45
Other income	35	815.42	846.21
Total income		31,524.46	33,737.66
EXPENSES			
Cost of materials consumed	36	8,378.52	10,048.56
Purchases of stock-in-trade		778.38	872.76
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	1,386.28	1,728.52
Employee benefits expense	38	5,393.25	5,380.86
Finance costs	39	1,705.21	2,080.20
Depreciation and amortisation expense	40	2,369.55	2,448.50
Other expenses	41	11,074.03	11,017.06
Total expenses		31,085.22	33,576.46
Profit before Exceptional Items and tax		439.24	161.20
Exceptional Items	69	(900.00)	(5,958.92)
Loss before Tax		(460.76)	(5,797.72)
Tax expense / (income)			
Current tax		168.02	18.15
Adjustment of Tax related to earlier years		1,245.55	(115.57)
Deferred tax charge		-	0.02
Total tax expense / (income)	48	1,413.57	(97.40)
Loss for the year		(1,874.33)	(5,700.32)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) (i) Remeasurements of defined benefit plan		12.28	11.16
(ii) Income tax relating to remeasurements of defined benefit plan		-	-
(b) Items that will be reclassified to profit or Loss (net of tax)			
Net fair value change in investment in equity instruments through other comprehensive income		6.75	6.10
Total other comprehensive income for the year (a+b)		19.03	17.26
Total comprehensive loss for the year		(1,855.30)	(5,683.06)
Earnings per equity share of ₹5 each before exceptional items	45		
Basic (in ₹)		(3.37)	0.90
Diluted (in ₹)		(3.37)	0.90
Earnings per equity share of ₹5 each after exceptional items	45		
Basic (in ₹)		(6.49)	(19.75)
Diluted (in ₹)		(6.49)	(19.75)

See accompanying notes to the Standalone financial statements 1-74

Restated pursuant to merger (Refer Note 70)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss after Exceptional Items and before tax	(460.76)	(5,797.72)
Adjustments for :		
Depreciation and amortisation expense	2,369.55	2,448.50
Net unrealised foreign exchange loss / (gain)	364.25	(115.04)
Gain on sale / write off of property, plant and equipment and investment property (net)	(6,355.27)	(4,741.34)
Proceeds on sale of Investment Property	10,167.88	9,217.16
Allowance for doubtful debts	160.64	51.62
Unwinding of interest on financial assets carried at amortised cost	(246.48)	-
Expense charged /(reversed) on Employee Stock Option	19.06	(101.85)
Finance costs	1,705.21	2,080.20
Interest income	(287.90)	(239.68)
Dividend income	(90.36)	(90.63)
Liabilities / provisions no longer required written back	(166.55)	(302.91)
Trade receivable and advances written off	24.95	478.34
Impairment in the value of non-current investments	-	0.88
Net (gain)/loss on fair value changes of derivatives measured at FVTPL	(22.27)	41.01
Exceptional Items	900.00	5,958.92
Operating profit before working capital changes	8,081.94	8,887.47
Movements in working capital:		
(Increase)/Decrease in trade receivables	(1,269.88)	527.48
Decrease in inventories	3,114.23	42.58
Decrease/(Increase) in other assets	144.05	(136.86)
Increase in trade payables	619.47	936.50
Increase / (Decrease) in provisions	86.57	(111.12)
(Decrease) / Increase in other liabilities	(376.05)	1,794.04
Cash generated from operations	10,400.33	11,940.09
Income taxes (paid) (net of refund)	101.84	434.87
Net cash generated from operations (A)	10,502.17	12,374.96
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment, investment property, capital work-in-progress, intangible assets and intangible assets under development	(1,920.71)	(4,048.95)
Proceeds on sale of property, plant and equipment / Non Current investment	6.54	9.53
Proceeds from employee loan placed	9.02	2.35
Interest received	281.44	164.36
Intercompany deposits / employee loan given	(385.00)	(120.00)
Investments in a subsidiary	-	(811.88)
Dividend received	90.36	90.63
Deposits realised/(placement) with financial institution (net)	278.07	(15.78)
Withdrawal/(placement) of fixed deposits with bank	125.35	(1,623.26)
Net cash used in investing activities (B)	(1,514.93)	(6,353.00)

Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from non current borrowings	305.37	3,630.84
Repayment of non current Borrowings	(5,047.81)	(5,395.72)
(Repayment) / Proceeds from current borrowings	(2,181.52)	229.14
Finance cost paid	(1,666.69)	(2,041.68)
Repayment of Lease Liabilities	(133.92)	(127.94)
Dividends paid	(360.93)	(419.97)
Net cash used in financing activities (C)	(9,085.50)	(4,125.34)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	(98.26)	1,896.62
Cash and cash equivalents at the beginning of the year	1,453.95	(449.15)
Cash acquired pursuant to Merger (Refer note 70)	-	6.48
Cash and cash equivalents at the end of the year	1,355.69	1,453.95
Components of cash and cash equivalents		
Cash on hand	8.87	4.38
Balances with banks:		
In current accounts	1,854.56	3,190.63
In deposits accounts with original maturity for less than 3 months	-	12.52
Cash and cash equivalents (Refer note 17)	1,863.43	3,207.53
Cash credit and Bank overdraft facilities (Refer note 28)	(507.74)	(1,753.59)
Total cash and cash equivalents considered for cash flows	1,355.69	1,453.95

See accompanying notes to the Standalone financial statements 1-74

Restated pursuant to merger (Refer Note 70)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(a) Equity share capital

Particulars	₹ in Lakhs	
	March 31, 2024	March 31, 2023 #
Balance at the beginning of the year	1,442.87	1,442.37
Add: Shares issued during the year on stock option exercise	0.84	0.50
Balance at the end of the year	1,443.71	1,442.87

(b) Other equity

Particulars	Reserves and Surplus							Items of other comprehensive income		Total
	Unrealised (loss) on dilution	Capital redemption reserve	Capital reserve pursuant to amalgamation	Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Equity instruments through OCI	
Balance as at April 01, 2022	(4,242.23)	70.00	1,074.20	1,140.00	-	3,545.80	1,469.19	35,071.57	26.29	38,154.82
Pursuant to merger (Refer note 70)	-	-	(1,034.48)	-	102.85	196.30	-	940.37	-	205.04
Loss for the year	-	-	-	-	42.09	-	(42.09)	(5,700.32)	-	(5,700.32)
Transfer to equity share capital on exercise of options	-	-	-	-	-	-	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	7.85	-	-	-	-	7.85
Payment of dividend (Gross)	-	-	-	-	-	-	(101.85)	(419.97)	-	(419.97)
Recognition of share based payments (Gain)	-	-	-	-	-	-	-	-	-	(101.85)
Other comprehensive income for the year	-	-	-	-	-	-	-	11.16	6.10	17.26
Balance as at March 31, 2023 #	(4,242.23)	70.00	39.72	1,140.00	152.79	3,742.10	1,325.25	29,902.81	32.39	32,162.83
Loss for the year	-	-	-	-	70.86	-	(70.86)	(1,874.33)	-	(1,874.33)
Transfer to equity share capital on exercise of options	-	-	-	-	-	-	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	-	13.24	-	-	-	-	13.24
Payment of dividend (Gross)	-	-	-	-	-	-	-	(360.93)	-	(360.93)
Recognition of share based payments	-	-	-	-	-	-	19.06	-	-	19.06
Other comprehensive income for the year	-	-	-	-	-	-	-	12.28	6.75	19.03
Balance as at March 31, 2024	(4,242.23)	70.00	39.72	1,140.00	236.90	3,742.10	1,273.45	27,679.83	39.14	29,978.90

See accompanying notes 1-74 to the Standalone financial statements

Restated pursuant to merger (Refer Note 70)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Tadarwal

Partner

Membership No. 136454

Krishna Datta

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Notes to the Standalone Financial Statements for the year ended March 31, 2024

1. Corporate information

Fermenta Biotech Limited (Formerly Known as DIL Limited) ('the Company') (CIN - L99999MH1951PLC008485) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange.

The registered office of the Company is located at A- 1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) 400610. The Company is engaged in the business of manufacturing and marketing of chemicals, bulk drugs, enzymes, pharmaceutical formulations and environmental solution products and renting and selling of properties. The Company caters to both domestic and international markets. The Company also has strategic investments in subsidiaries primarily dealing in manufacturing and marketing bulk drugs.

The financial statements were approved for issue in accordance with a resolution of the board of directors on 27th 2024.

2. Material accounting policies

2.1 Statement of compliance and basis of preparation

These Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statement.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Indian Rupee (INR) and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The financial statements provide comparative information in respect of the previous period. In addition, the Company presents an additional balance sheet at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in standalone financial statements.

2.2 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis, except for:

- (i) certain financial instruments that are measured at fair values at the end of each reporting period; and
- (ii) defined benefit plan – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

(a) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Level 3 inputs are unobservable inputs for the asset or liability.

The Company has consistently applied accounting policies to all periods presented in these Standalone financial statements.

(b) Operating cycle and current/non current classification

Based on the nature of products/activities of the Company and the normal time between acquisition of assets/liabilities and their realization/settlement in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

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

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

All other assets are classified as non-current.

A liability is current when:

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

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

The Company classifies all other liabilities as non-current.

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

(c) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(d) Foreign currencies

The Company's Standalone financial statements are presented in INR, which is also the Company's functional currency.

Functional and presentation currency

Management has determined the currency of the primary economic environment in which the entity resides in and operates as the functional currency. The functional currency of the Company is Indian Rupees (INR). The financial statements have been presented in INR, as it best represents the operating business performance and underlying transactions.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Foreign currency transactions

In preparing the standalone financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing Cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(f) Employee Benefits

i) Defined contribution plans: The Company contributes towards state governed provident fund scheme, employee state insurance scheme (ESIC) and labour welfare fund to all applicable employees and superannuation scheme for eligible employees. The Company has no further payment obligations once the contributions have been paid. Hence payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

ii) Defined benefit plan: The employees' gratuity fund scheme represents the defined benefit plan. The cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of changes to the assets (if applicable) and the return on plan assets (excluding net 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. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii) net interest expenses or income; and
- iii) remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service cost.

iii) Share-based payments:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 60.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

- (a) Includes impact of market performance conditions (e.g. entity's share price)
- (b) Excludes impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- (c) Excludes the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time)

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the "Share options outstanding account".

- (iv) Short term and other long term employee benefits: A liability is recognised for benefits accruing to employees in respect of wages, salaries and bonus in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are actuarially measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(g) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances

ii) Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognized for all the deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for

Notes to the Standalone Financial Statements for the year ended March 31, 2024

set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

iii) Presentation of current and deferred tax:

Current and deferred tax are recognized in the profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

(h) Revenue recognition

The company derives revenue primarily from sale of manufactured chemicals, bulk drugs. Enzymes, pharmaceutical formulations, environmental solutions products and rental income and sale of investment property. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the company as part of the agreed contractual terms and excluding taxes or duties collected on behalf of the government. No element of financing is deemed present as majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

Sale of Goods/Investment Property:

The Company recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer or delivery basis. Control is considered to be transferred to the customer:

- ❖ when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery,
- ❖ the customer has full discretion over the manner of distribution and price to sell the goods,
- ❖ the customer has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Revenue received in connection with sale of goods is deferred and recognized over the period in which it satisfies the performance obligation by transferring promised good or service to a customer .

Recognition of revenue from contractual projects

Revenue from contractual project is recognized over time, using an input method with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

The Company recognizes revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Company recognizes revenue to the extent of cost incurred, provided the Company expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately when such probability is determined.

Rental income from investment in property

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. 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.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Rendering of services:

Revenue from services rendered is recognised pro-rata over the period of the contract as the underlying services are performed.

Infrastructure support services, consists of maintenance of common area in the investment property and supply of essentials. Revenue from such services are recognised in accordance with the terms of the agreement entered into with individual lessees.

Interest and dividend:

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Interest on income tax refund is recognised on receipt of refund order.

Dividend income is recognized when the Company's right to receive payment is established which is generally when shareholders approve the dividend.

Export Incentives:

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and net benefit / obligation is accounted by making suitable adjustments in raw material consumption.

The benefit under the Duty Drawback, Mercantile Export Incentive Scheme and other schemes as per the Import and Export policy in respect of exports made under the said schemes is included as 'Export Incentives' under the head "Other Operating Revenue" in the standalone statement of profit and loss and is accounted in the year of export.

Scrap Sales:

Sale of scrap is recognised at the time of satisfaction of performance obligation i.e. upon transfer of control of products to the customers which coincides with their delivery to customer.

Contract balances-

Trade receivables

A receivable is recognised if an amount of consideration is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point (o) above.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

(i) Property, plant and equipment (PPE)

Measurement at recognition:

Items of property, plant and equipment are stated in balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Capital work in progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date and it is carried at cost less accumulated impairment losses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and

Notes to the Standalone Financial Statements for the year ended March 31, 2024

equipment is determined as the difference between the sales proceeds and the carrying amount of property, plant and equipment and is recognised in profit or loss.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013 and based on assessment / estimate made by management. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The estimated useful lives of property, plant and equipment are as follows:

Assets	Estimated useful life (in years)
Buildings	30-60
Lease hold improvements (included in buildings)	5-10 (Over the lease term)
Plant and equipment	5-20
Office Equipment (included in plant and equipment)	5-6
Computers (included in plant and equipment)	3-6
Furniture and fixtures	6-10
Vehicles	8

(j) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) and subsequent sale as and when required. Investment properties are measured-initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

- commencement of owner-occupation, for a transfer from investment property to owner-occupied property
- commencement of development with a view to sale, for a transfer from investment property to inventories
- end of owner-occupation, for a transfer from owner-occupied property to investment property;
- commencement of an operating lease to another party, for a transfer from inventories to investment property

Sale of investment Property

An investment property is de-recognised upon disposal and the or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized and is recognized under revenue from operations.

Revenue pertaining to performance obligation pending as on the date of sale is deferred till the performance obligation is not completed.

The estimated useful lives of Investment property are as follows:

Assets	Estimated useful life (in years)
Building	60
Plant and equipment	15

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(k) Intangible assets

(a) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from use or disposal. Any gain or loss arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in standalone statement of profit and loss when the assets is derecognised.

(b) Internally-generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An Internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if and only if, all the below stated conditions are fulfilled:

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) its intention to complete the asset and use or sell it;
- (iii) its ability to use or sell the asset;
- (iv) how the asset will generate probable future economic benefits;
- (v) the availability of adequate resources to complete the development and to use or sell the asset; and
- (vi) the ability to measure reliably the expenditure attributable to the intangible asset during development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible assets first meets the recognition criteria listed above. Where no internally-generated intangible assets can be recognised, development expenditure is recognised in the standalone statement of profit and loss in the period in which incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible as intangible assets that are acquired separately.

The estimated useful lives of intangible assets are as follows:

Assets	Estimated useful life (in years)
Computer software	3-6
Product know-how	3-5

(l) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the assets belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for a reasonable and consistent allocation basis to be identified.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in the case of a cash generating unit (a Group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Company suitably adjusted for risks specified to the estimated cash flows of the asset.

For this purpose, a cash generating unit is ascertained as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

If recoverable amount of an asset (or a cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or a cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the standalone statement of profit and loss.

(m) Impairment of goodwill

Goodwill is tested for impairment annually 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.

Any impairment loss for goodwill is recognised directly in profit or loss and is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(n) Inventories

Basis of Valuation

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade and finished goods are measured at the lower of cost and net realisable value.

Method of Valuation

The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials and stock-in-trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

(o) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value excluding trade receivables which is recorded at transaction cost. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial asset on initial recognition. Transaction costs directly attributable to the acquisition of financial assets as at fair value through profit or loss are recognised immediately in profit or loss. All regular way purchases or sales of financial assets are recognized or derecognized on a trade date basis. Regular way purchases or sales of financial assets are financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories -

- (1) Debt instruments at amortised cost
- (2) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- (4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(1) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. 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 in other income of the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit or loss.

(2) Debt instrument at FVTOCI

A 'debt instrument' is measured as at 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 contractual terms of the instrument that give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.
- ❖ Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognise interest income, impairment losses and reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(3) Debt instrument at 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. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(4) Equity Instruments

All equity Instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, 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 at FVTOCI, then all fair value changes on the instrument including foreign exchange gain or loss, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

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:

- 1) The contractual rights to receive cash flows from the asset have expired, or

Notes to the Standalone Financial Statements for the year ended March 31, 2024

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement; in that case the Company also recognise 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial assets, and guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchase or originated credit-impaired financial assets). The Company estimates cash flow by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within the 12-months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12-months.

If the Company's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Financial liabilities and equity instruments

Classification as debts or equity:

Debts and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue cost.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities:

Initial recognition and measurement:

All financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the issue of financial liabilities as at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts, issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- ❖ it has been incurred principally for the purpose of repurchasing it in the near term; or
- ❖ on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- ❖ it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit, or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit and loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Fair value is determined in the manner described in note 55.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Financial liabilities at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

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.

(p) Leasing

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for Residential premises, Office Premises, Godown, Industrials land and Vehicle. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The right-of-use assets and lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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

- ❖ Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- ❖ Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- ❖ The amount expected to be payable by the lessee under residual value guarantees;
- ❖ The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- ❖ Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- ❖ The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ❖ A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Also refer Note 46.

In respect of short-term leases and leases of low-value assets, the Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Ind AS 116 does not change substantially how a lessor accounts for leases. Under Ind AS 116, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, Ind AS 116 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(q) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are not recognized in the financial statements of the Company. 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 in extremely rare cases 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.

(r) Earnings per share

The Company presents basic and diluted earnings per share data for its equity shares.

Basic earnings per share are calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

(s) 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 consist of cash and short-term deposits, as defined above, net of cash credit balances and bank overdrafts as they are considered an integral part of the Company's cash management.

(t) Operating segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments of the Company and accordingly is identified as the chief operating decision maker.

(u) Dividends

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(v) Use of estimates and judgements

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Useful lives of property, plant and equipment, investment property and intangible assets:

Property, plant and equipment, investment property and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time when the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Assets and obligations relating to employee benefits:

The employment benefit obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

Tax expense: [refer note 2(g) and note 48]

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, if any, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA cannot be recognised on want of probable taxable profits.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists

Valuation of investment property [refer note 59]

Impairment of tangible and intangible assets other than goodwill (refer note 2(l))

Impairment of Goodwill (refer note 2(m))

Provisions: (refer note 2(q))

Write down in value of inventories: (refer note 15)

(v) Business Combinations

Business combinations under common control are accounted in accordance with Appendix C of IND AS 103 as per the pooling of interest method, and the Ind AS Transition Facilitation Group Clarification Bulletin 9 (ITFG 9) and an EAC opinion issued. ITFG 9 clarifies that, the carrying values of assets and liabilities as appearing in the standalone financial statements of the entities being combined shall be recognised by the combined entity. Basis the EAC opinion, carrying values as appearing in the Standalone Financial Statements of the merged entities are considered for the preparation of these financial statements. When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

(w) Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

(x) Cashflow

Ind AS 7 requires an entity to exclude non-cash transaction relating to investing and financing activities from the statement of cash flow. However, such transactions should be disclosed elsewhere in the financial statements. The investing and financing activities in cash flow statement do not have a direct impact on current cash flows although they do affect the capital and asset structure of an entity. The company has disclosed these transactions, to the extent material in relevant notes.

Cash and cash equivalents consist of cash on hand and balances with banks which are unrestricted for withdrawal and usage.

(y) Recent accounting pronouncements

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an no impact on the Company's disclosures of accounting policies.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

3. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Leasehold Improvements	Total
At cost or deemed cost as at April 01, 2022	34.30	7,014.24	16,602.18	647.65	734.72	498.56	25,531.65
Additions	-	163.66	742.60	73.07	324.67	1,617.83	2,921.83
Disposals	-	-	(172.40)	(14.64)	(17.29)	-	(204.33)
Balance as at March 31, 2023	34.30	7,177.90	17,172.38	706.08	1,042.10	2,116.39	28,249.15
Additions	-	2,902.16	2,159.49	0.67	17.08	-	5,079.40
Disposals	-	(6.68)	(53.01)	(2.48)	(36.99)	-	(99.16)
Balance as at March 31, 2024	34.30	10,073.38	19,278.86	704.27	1,022.19	2,116.39	33,229.39
Accumulated depreciation							
As at April 01, 2022	-	1,156.91	4,265.80	329.85	211.88	220.34	6,184.78
Depreciation expense	-	287.04	1,166.77	91.28	96.58	106.41	1,748.08
Disposals	-	-	(139.10)	(14.59)	(14.95)	-	(168.65)
Balance as at March 31, 2023	-	1,443.95	5,293.47	406.54	293.51	326.75	7,764.22
Depreciation expense	-	317.57	1,263.71	47.11	114.42	160.09	1,902.90
Disposals	-	(6.62)	(40.69)	(2.41)	(30.36)	-	(80.08)
Balance as at March 31, 2024	-	1,754.90	6,516.49	451.24	377.57	486.84	9,587.04
Carrying amount							
As at March 31, 2023	34.30	5,733.95	11,878.91	299.54	748.59	1,789.64	20,484.93
As at March 31, 2024	34.30	8,318.48	12,762.37	253.03	644.62	1,629.55	23,642.35

4. Capital work-in-progress (CWIP)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 * #
Project in progress	161.57	4,190.25
Projects temporarily suspended	-	-
Total	161.57	4,190.25

CWIP Comprises of projects for expansion of existing business along with factory set up for new/upgraded business line

*(Refer Notes 24 and 28- For details of assets pledged as security)

Restated pursuant to merger (Refer Note 70)

Movement of Capital work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening Balance	4,190.25	2,989.35
Addition during the year	1,050.72	4,122.73
Capitalised during the year	(5,079.40)	(2,921.83)
Total	161.57	4,190.25

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Ageing of Capital work-in-progress

(₹ in Lakhs)

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2024					
Project in progress	70.30	-	91.27	-	161.57
Balance as at March 31, 2023					
Project in progress	2,910.47	1,272.78	7.00	-	4,190.25

CWIP completion schedule for project overdue or has exceeded its cost: as at March 31, 2024

(₹ in Lakhs)

Project overdue	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Saykha project (green field project)	91.27	-	-	-	91.27
Total	91.27	-	-	-	91.27

Projects cost consists of consulting fees and other direct cost.

CWIP completion schedule for project overdue or has exceeded its cost: as at March 31, 2023

(₹ in Lakhs)

Project Overdue / Cost over Run	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Premix Plant	3,997.54	-	-	-	3,997.54
Capacity enhancement of Biotech Plant at Kullu Plant	41.03	-	-	-	41.03
AD 2 Project	14.30	-	-	-	14.30
Total	4,052.87	-	-	-	4,052.87

Restated pursuant to merger (Refer Note 70)

5. Right-of-use Assets

(₹ in Lakhs)

Particulars	Leasehold land	Buildings	Vehicles	Total
At cost or deemed cost as at April 01, 2022	1,055.85	832.40	166.21	2,054.46
Pursuant to merger (Refer note 70)	-	(187.30)	-	(187.30)
Disposals #	-	(92.90)	(166.21)	(259.11)
Balance as at March 31, 2023	1,055.85	552.20	-	1,608.05
Additions	-	502.19	-	502.19
Disposals	-	-	-	-
Balance as at March 31, 2024	1,055.85	1,054.39	-	2,110.24
Accumulated depreciation				
As at April 01, 2022	55.04	275.99	152.16	483.19
Pursuant to merger (Refer note 70)	-	(12.01)	-	(12.01)
Depreciation expense #	18.33	99.25	14.05	131.63
Disposals #	-	-	(166.21)	(166.21)
Balance as at March 31, 2023 #	73.37	363.23	-	436.60
Depreciation expense	18.41	111.88	-	130.29
Disposals	-	-	-	-
Balance as at March 31, 2024	91.78	475.11	-	566.89
Carrying amount				
As at March 31, 2023 #	982.48	188.97	-	1,171.45
As at March 31, 2024	964.07	579.28	-	1,543.35

(Refer Notes 24 and 28- For details of assets pledged as security)

(Refer Note 46)

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

6. Investment property

(₹ in Lakhs)

Particulars	Leasehold land	Buildings	Plant and equipment	Total
At cost or deemed cost as at April 01, 2022	20.79	6,174.08	2,039.74	8,234.61
Pursuant to merger (Refer note 70)		66.51		66.51
Additions	-	-	-	-
Disposal	-	(3,421.67)	(1,170.90)	(4,592.57)
Balance as at March 31, 2023	20.79	2,818.92	868.84	3,708.55
Additions	370.80	152.18	-	522.98
Disposal	(387.76)	(2,403.56)	(784.27)	(3,575.60)
Balance as at March 31, 2024	3.83	567.54	84.57	655.92
Accumulated depreciation				
As at April 01, 2022	-	765.80	790.18	1,555.98
Pursuant to merger (Refer note 70)		17.51	-	17.51
Depreciation expense #	-	125.95	134.01	259.95
Disposal#		(476.98)	(518.75)	(995.73)
Balance as at March 31, 2023 #	-	432.28	405.44	837.71
Depreciation expense	-	15.15	2.93	18.08
Disposal #	-	(365.26)	(375.28)	(740.54)
Balance as at March 31, 2024	-	82.17	33.09	115.25
Carrying amount				
As at March 31, 2023 #	20.79	2,386.64	463.40	2,870.85
As at March 31, 2024	3.83	485.37	51.48	540.67

Refer notes 24 and 28 - For details of assets pledged as security

(Refer Note 59)

Restated pursuant to merger (Refer Note 70)

Title deeds of immovable property not held in the name of the company ;

Relevant line item in the Balance Sheet	Description of item of property	Gross Value of property* (₹ In Lakhs)	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment property	Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune admeasuring 11.95 (21.39) Acres	3.44 8.06	Mr. Krishna Datla "held in trust" on behalf of the Company	Executive Vice-Chairman	Various date from December 27, 1992 to July 04, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to registered in individual names.
			Ms. Rajeshwari Datla "held in trust" on behalf of the Company	Non-Executive Director (relative of Executive Vice-Chairman)	Various date from December 27, 1992 to July 04, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to registered in individual names.

* Bold figures represents current year figures.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Note 6A. - Goodwill

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deemed cost	532.65	532.65
Accumulated impairment losses	(121.00)	(121.00)
Total	411.65	411.65

The amount of goodwill recognised is pursuant to shares acquisition by the Company of its subsidiary in the earlier year.

Restated pursuant to merger (Refer Note 70)

7. Other Intangible assets

(₹ in Lakhs)

Particulars	Computer software	Product know -how	Total
At cost or deemed cost as at April 01, 2022	389.46	950.87	1,340.33
Additions #	6.07	377.72	383.79
Balance as at March 31, 2023 #	395.53	1,328.59	1,724.12
Additions	2.49	115.17	117.66
Disposals	(4.92)	-	(4.92)
Balance as at March 31, 2024	393.10	1,443.76	1,836.86
Accumulated amortisation			
As at April 01, 2022	303.78	368.60	672.38
Amortisation expense #	46.42	262.41	308.83
Balance as at March 31, 2023 #	350.20	631.01	981.21
Amortisation expense	26.48	291.80	318.28
Disposals	(4.91)	-	(4.91)
Balance as at March 31, 2024	371.77	922.81	1,294.58
Carrying amount			
As at March 31, 2023 #	45.33	697.58	742.91
As at March 31, 2024	21.33	520.95	542.28

Restated pursuant to merger (Refer Note 70)

8. Intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Project in progress	-	311.96
Projects temporarily suspended	-	-
Total	-	311.96

Movement of Intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening Balance	311.96	467.16
(Written off)/Addition during the year	(194.30)	228.58
Capitalised during the year	(117.66)	(383.78)
Total	-	311.96

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

8. Intangible assets under development (Contd.)

Ageing of Intangible assets under development :

(₹ in Lakhs)

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2024					
Project in progress	-	-	-	-	-
Balance as at March 31, 2023 #					
Project in progress	2.56	2.50	142.59	164.31	311.96

Intangible assets under development completion schedule for project overdue or has exceeded its cost: as at March 31, 2023

(₹ in Lakhs)

Project overdue / Cost over run	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Penicillin G acylases	91.78	-	-	-	91.78
Phyto to stegma sterol	68.94	-	-	-	68.94
Calcifidiol	58.90	-	-	-	58.90
25-OH	26.15	-	-	-	26.15
4HBCBiotech	23.08	-	-	-	23.08
Others	38.05	-	-	-	38.05
Total	306.89	-	-	-	306.89

Projects cost consists of Stores and spare parts consumed, other direct cost and consulting cost

Restated pursuant to merger (Refer Note 70)

9. A Investments in subsidiaries - in equity instruments unquoted (Fully paid up)

(At cost less impairment in the value of investments, if any)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
a) G. I. Biotech Private Limited *		
10,000 Equity shares of ₹10/- each.	-	0.88
Less: Impairment in the value of investment	-	(0.88)
	-	-
b) Fermenta Biotech (UK) Limited		
220,001 Equity Shares of G.B.Pound 1/- each.	183.99	183.99
Less: Impairment in the value of investment	(148.65)	(148.65)
	35.34	35.34
c) Fermenta Biotech GmbH		
1,000,000 Equity shares of Euro 1/- each.	831.21	831.21
Less: Impairment in the value of investment (Refer note 69)	(831.21)	(831.21)
	-	-
d) Fermenta Biotech USA LLC		
Contribution towards membership interest USD 1,600,000	1,184.72	1,184.72
Less: Impairment in the value of investment (Refer note 69)	(900.00)	-
	320.06	1,220.06
Aggregate amount of unquoted investments before impairment	2,199.92	2,200.80
Aggregate amount of impairment in value of investments	1,879.86	980.74

* The Company G. I. Biotech Private Limited has been struck off from the Registrar of companies (Mumbai) w.e.f. August, 04, 2023

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

9. B Investment in associate - In equity instruments Unquoted (Fully paid up) (At cost less impairment in value of investments, if any)

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Health and Wellness India Private Limited		
30,12,504 Equity shares of ₹10/- each.	475.00	475.00
Less: Impairment in the value of investment	(475.00)	(475.00)
	-	-
Aggregate amount of unquoted investments before impairment.	475.00	475.00
Aggregate amount of impairment in value of investments.	475.00	475.00

Restated pursuant to merger (Refer Note 70)

9. C Investments (non-current)

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Investment in other entities - In equity instruments:		
(i) Unquoted Investments (all fully paid up)		
Investments in equity instruments at FVTOCI		
Shivalik Solid Waste Management Limited	4.11	4.11
20,000 Equity shares of ₹10/- each.		
Zela Wellness Private Limited	126.52	126.52
58,048 Equity shares of ₹10/- each.		
Less: Impairment in the value of investment	(126.52)	(126.52)
	-	-
Island Veerchemie Investments		
12 Equity shares of ₹15,000/- each.	1.80	1.80
Total aggregate unquoted investments (A)	5.91	5.91
(ii) Quoted Investment (all fully paid)		
Investment in equity instruments at FVTOCI		
Abbott India Limited	37.45	30.70
139 Equity shares of ₹10/- each.		
Total aggregate quoted investments (B)	37.45	30.70
Total Non-current investments (A+B)	43.36	36.61
Aggregate carrying value of unquoted investments before impairment	132.43	132.43
Aggregate amount of quoted investments and market value thereof	37.45	30.70
Aggregate amount of impairment in value of investments	126.52	126.52

Restated pursuant to merger (Refer Note 70)

10. Share application money

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Health and Wellness India Private Limited	309.86	309.86
Less: Impairment in the value of share application money	(309.86)	(309.86)
Total	-	-

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

11. Loans (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Loan to employees, - unsecured (considered good)	29.54	17.50
Inter corporate deposit - unsecured (considered doubtful) (Refer Note 42)	37.00	37.00
Less : Allowance for doubtful inter corporate deposit	(37.00)	(37.00)
Loan to a subsidiary - unsecured (considered good)* (Refer note 42)	708.90	698.33
Total	738.44	715.83

* Loan given to Fermenta Biotech USA LLC at 5% p.a. for the period of 140 month for the business purpose.

Restated pursuant to merger (Refer Note 70)

As at March 31, 2024

(₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Related Parties			
Aggregate of loans/advances in nature of loans			
- Repayable on demand (A) (Refer Note 21, Note 20 and Note 19)	1,408.36	-	501.22
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	1408.36*		501.22*
Percentage of loans / advances in the nature of loans to the total loans (Advance of ₹907.14, loan to D.K.Biopharma Private Limited ₹455.00 Lakhs, loan to employees ₹40.98 Lakhs, Intercorporate deposit ₹37.00 Lakhs, Loan to a subsidiary ₹708.90 and ₹464.22 Lakhs expenses recoverable from related parties.	53.89%		19.18%

* The amounts reported are at gross amounts, without considering provisions made.

As at March 31, 2023

(₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Related Parties			
Aggregate of loans/advances in nature of loans			
- Repayable on demand (A) (Refer Note 21, Note 20 and Note 19)	1,415.75	-	508.61
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	1415.75*		508.61*
Percentage of loans / advances in the nature of loans to the total loans (Advance of ₹907.14, loan to D.K.Biopharma Private Limited ₹100.00 Lakhs, loan to employees ₹20.00 Lakhs, Intercorporate deposit ₹37.00 Lakhs, Loan to a subsidiary ₹698.33 and ₹471.61 Lakhs expenses recoverable from related parties.	63.37%		22.77%

* The amounts reported are at gross amounts, without considering provisions made.

Restated pursuant to merger (Refer Note 70)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Amount Outstanding at the year end		
Health and Wellness India Private Limited - (Associate) (Refer Note 11)	37.00	37.00
Fermenta Biotech USA LLC - (wholly owned subsidiary) (Refer Note 11)	708.90	698.33
Inter Gest Germany GmbH - (Others)	907.14	907.14
D.K.Biopharma Private Limited - (Others) (Refer Note 19)	455.00	100.00
Expenses Recoverable from Related Party (Refer Note 20)	464.22	471.61
Loan to Employees	40.98	20.00
Total (Gross)	2,613.24	2,234.08
Provided	1,408.35	1,415.75

Notes to the Standalone Financial Statements for the year ended March 31, 2024

11. Loans (Non-current) (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Maximum amount outstanding during the year		
Health and Wellness India Private Limited - (Associate)	37.00	37.00
Fermenta Biotech USA LLC - (wholly owned subsidiary)	708.90	698.33
Inter Gest Germany GmbH- (Others)	907.14	1,107.34
D.K.Biopharma Private Limited - (Others)	455.00	100.00
Expenses Recoverable from Related Party (Refer Note 20)	471.61	471.61

Restated pursuant to merger (Refer Note 70)

12. Other financial assets (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Security deposits - unsecured (considered good)	270.96	230.97
Bank deposits with remaining maturity of more than 12 months*	54.86	1,675.21
Interest accrued but not due from banks - unsecured (considered good)	5.29	52.08
Others	68.20	145.99
Total	399.31	2,104.25
# Restated pursuant to merger (Refer Note 70)		
* Deposits held under lien by bank against guarantees and other commitments with		
Yes Bank Limited	0.57	-
Union Bank of India	53.36	1,674.22

13. Non-current tax assets (net)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Advance income-tax (net of provision for tax ₹961.99 lakhs [as at March 31, 2023 ₹1,545.37 lakhs])	815.00	1,030.96
Total	815.00	1,030.96

Restated pursuant to merger (Refer Note 70)

14. Other assets (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Capital advances		
Considered good (unsecured)	23.32	104.75
Considered doubtful (unsecured)	44.21	44.21
	44.21	44.21
Less: Allowance	(44.21)	(44.21)
	-	-
Deferred rent	11.49	-
Balance with government authorities – considered good	3.75	3.75
Prepaid expenses	66.87	527.87
Total	105.43	636.37

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

15. Inventories

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Non-current	Current	Non-current	Current
(At lower of cost and net realisable value)				
Raw materials and packing materials (includes stock in transit of ₹330.22 Lakhs) (as at March 31, 2023: ₹121.25 Lakhs)		2,687.23		4,605.04
Work-in-progress		3,358.82		3,416.81
Finished goods		850.50		2,178.79
Stores and spares		964.05		774.19
Total		7,860.60		10,974.83

Restated pursuant to merger (Refer Note 70)

Notes :

- Inventory write downs are provided considering the nature of inventory, ageing, liquidation plan and net realisable value. Provision for write downs of inventories amounted to ₹2,229.02 Lakhs. The changes in write downs are recognised as an expense in the Standalone statement of profit and loss amounting to ₹288.48 Lakhs (as at March 31, 2023 ₹271.81 Lakhs) and Nil Lakhs consider as Exceptional Items (as at March 31, 2023 ₹1,940.54 Lakhs).
- Inventories have been hypothecated as security against certain bank borrowings, details relating to which has been described in note 24 and note 28.
- During the year ended March 31, 2024 ₹28.03 Lakhs (as at March 31, 2023 ₹43.81 Lakhs) was recognised as an expense for inventories carried at net realisable value.

16. Trade receivables (unsecured)

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Non-current	Current	Non-current	Current
Undisputed Trade receivables – considered good	1,171.69	7,713.12	1,796.01	6,741.20
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Undisputed Trade Receivables – credit impaired	2,315.81	450.94	1,815.81	429.69
Disputed Trade Receivables – considered good	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Disputed Trade Receivables – credit Impaired	-	-	-	-
	3,487.50	8,164.06	3,611.82	7,170.89
Less : Allowance for credit impaired Trade Receivables	(2,315.81)	(450.94)	(1,815.81)	(429.69)
Total	1,171.69	7,713.12	1,796.01	6,741.20

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balance at the beginning of the year	2,245.50	421.31
Addition during the year	546.01	1,844.39
Reversal during the year	(24.76)	(20.20)
Balance at the end of the year	2,766.75	2,245.50

Trade receivables are carried at amortised cost.

Trade receivables are non-interest bearing and generally on terms of 60-90 Days.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

16. Trade receivables (unsecured) (Contd.)

No trade and other receivables are due from directors or other officer of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which director is a partner, a director or member (Refer note 42)

For explanation on the credit risk management process (Refer note 57)

Ageing of trade receivables :as at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,575.62	2,344.69	414.06	1,278.24	272.20	-	8,884.81
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	68.44	724.67	1,973.64	2,766.75
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
Total	4,575.62	2,344.69	414.06	1,346.67	996.87	1,973.64	11,651.56

There are no unbilled receivables as on balance sheet date.

Ageing of trade receivables : as at March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,992.78	3,263.18	533.31	742.56	5.37	-	8,537.21
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	267.43	872.29	1,105.78	2,245.50
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
Total	3,992.78	3,263.18	533.31	1,009.99	877.66	1,105.78	10,782.71

There are no unbilled receivables as on balance sheet date.

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

17. Cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balances with banks		
In current accounts	1,854.56	3,190.63
In deposit accounts with original maturity for less than 3 months	-	12.52
Cash on hand	8.87	4.38
Total	1,863.43	3,207.53

Restated pursuant to merger (Refer Note 70)

18. Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balances with banks		
In Unpaid Dividend accounts	16.98	15.21
In escrow account	0.01	38.38
In deposit accounts with original maturity for more than 3 months but less than 12 months*	3,783.53	2,250.16
Total	3,800.52	2,303.75

*This includes deposits held under lien by bank against guarantees and other commitments amounting to ₹ Nil (as at March 31, 2023: ₹65.51 Lakhs)

Restated pursuant to merger (Refer Note 70)

19. Loans (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Unsecured, considered good		
Inter corporate deposit		
D. K. Biopharma Private Limited *	455.00	100.00
Loans to employees	11.43	2.50
Total	466.43	102.50

Restated pursuant to merger (Refer Note 70)

* The inter-corporate deposits amounting to ₹455.00 Lakhs were granted to the entity @ 9% p. a. for the purpose of its business

20. Other financial assets (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Interest accrued but not due		
On fixed deposits from banks	44.19	16.80
On Inter corporate deposits	27.60	2.79
Expenses recoverable from related parties *	464.22	471.61
Less: Allowance for doubtful recoverable	(464.22)	(464.22)
Interest receivable from a subsidiary	45.16	44.11
Others		
Unsecured, considered good	15.98	14.08
Total	132.93	85.17

* Expenses recoverable are incurred on behalf of subsidiary Fermenta Biotech GmbH.

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

21. Other current assets

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Advance for supply of goods and services		
Considered good	169.04	101.82
Considered doubtful	913.42	913.42
Less: Allowance for doubtful advances	(913.42)	(913.42)
	169.04	101.82
Deferred Assets	28.41	46.26
Prepaid expenses	485.72	220.49
Travel advances to employees	12.70	40.82
Export incentive receivables		
Considered good	22.10	15.47
Balances with government authorities	830.12	847.28
Others	122.66	44.65
Total	1,670.75	1,316.79

Restated pursuant to merger (Refer Note 70)

Movement in the Allowance for doubtful advances and export incentive receivables.

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balance at the beginning of the year	913.42	9.52
Addition during the year	-	907.14
Written off during the year	-	-
Reversal during the year	-	(3.24)
Balance at the end of the year	913.42	913.42

22. Equity share capital

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Authorised		
6,35,00,000 Equity shares of ₹5/- each (as at March 31, 2023 - 4,98,40,000 Equity shares of ₹5/- each)	3,175.00	2,492.00
1,60,000 Unclassified shares of ₹5/- each (as at March 31, 2023 - 1,60,000 Unclassified shares of ₹5/- each)	8.00	8.00
	3,183.00	2,500.00
Issued, subscribed and fully paid-up		
2,94,30,987 Equity shares of ₹5/- each (as at March 31, 2023 - 2,94,30,987 Equity shares of ₹5/- each)	1,471.55	1,471.55
Less: 5,56,880 Equity shares held by FBL ESOP Trust (as at March 31, 2023 - 5,73,684 Equity shares held by FBL ESOP Trust) [Refer note (d) below]	(27.84)	(28.68)
	1,443.71	1,442.87

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	No of Equity Shares	₹ In Lakhs	No of Equity Shares	₹ In Lakhs
At the beginning of the year	2,88,57,303	1,442.87	2,88,47,322	1,442.37
Issued during the year	16,804	0.84	9,981	0.50
At the end of the year	2,88,74,107	1,443.71	2,88,57,303	1,442.87

Notes to the Standalone Financial Statements for the year ended March 31, 2024

22. Equity share capital (Contd.)

(b) Details of shareholders holding more than 5% equity shares in the Company

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
DVK Investments Private Limited, the Holding Company (Refer note 70)	-	-	1,50,75,318	51.22%
Mr. Krishna Datla	1,00,10,225	34.01%	24,61,074	8.36%
Mr.Satish Varma	34,53,325	11.73%	23,160	0.08%
Mrs. Anupama Datla Desai	25,61,265	8.70%	5,13,792	1.75%
Mrs. Preeti Thakkar	22,40,376	7.61%	1,91,847	0.65%

(c) Rights, preferences and restrictions

The Company has issued only one class of equity shares having par value of ₹5/- per share (March 31, 2023; - ₹5/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays the dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to shareholders' approval in the ensuing Annual General Meeting, except in case of interim dividend.

During the year, the Board of directors have declared dividend of 25% (₹1.25 per equity share of ₹5/- each) for the financial year 2023-24. (Refer note 58)

During the previous year, the Board of directors had declared an final dividend of 25% (₹1.25 per equity share of ₹5/- each) for the financial year 2022-23 which has been paid during the year 2023-24. (Refer note 58)

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 shareholder.

(d) FBL ESOP Trust :

The Company had formulated Employee Stock Option Scheme namely Fermenta Biotech Limited - Employee Stock Option 2019 (ESOP 2019) in terms of the Scheme of amalgamation of erstwhile Fermenta Biotech Limited with the Company. The equity shares are held by FBL ESOP Trust (Refer note 60).

(₹ in Lakhs)

Particulars	March 31, 2024 No. of Equity Shares	March 31, 2023 # No. of Equity Shares
Outstanding at the beginning of the year	5,73,684	5,83,665
Issue of shares pursuant to exercise of Employee Stock Option	(16,804)	(9,981)
Outstanding at the end of the year	5,56,880	5,73,684

(e) Details of shareholders holding more than 5% equity shares in the Company

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #		% Change during the year#
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding	
DVK Investments Private Limited, the Holding Company (Refer note 70)	-	-	1,50,75,318	51.22%	-51.22%
Mr. Krishna Datla	1,00,10,225	34.01%	24,61,074	8.36%	25.65%
Mr.Satish Varma	34,53,325	11.73%	23,160	0.08%	11.65%
Mrs. Anupama Datla Desai	25,61,265	8.70%	5,13,792	1.75%	6.96%
Mrs. Preeti Thakkar	22,40,376	7.61%	1,91,847	0.65%	6.96%

#Change in shareholding is pursuant to merger (Refer note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

23. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus								Items of other comprehensive income		Total
	Unrealised (loss) on dilution	Capital redemption reserve	Capital reserve pursuant to amalgamation	Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Equity instruments through OCI		
Balance as at April 01, 2022	(4,242.23)	70.00	1,074.20	1,140.00	-	3,545.80	1,469.19	35,071.57	26.29	38,154.82	
Addition due to scheme of amalgamation (Refer note 70)	-	-	(1,034.48)	-	102.85	196.30	-	940.37	-	205.04	
Loss for the year	-	-	-	-	-	-	-	(5,700.32)	-	(5,700.32)	
Transfer to equity share capital on exercise of options	-	-	-	-	42.09	-	(42.09)	-	-	-	
Premium on issue of equity share on stock option exercise	-	-	-	-	7.85	-	-	-	-	7.85	
Payment of dividend (Gross)	-	-	-	-	-	-	-	(419.97)	-	(419.97)	
Recognition of share based payments (Gain)	-	-	-	-	-	-	(101.85)	-	-	(101.85)	
Other comprehensive income for the year	-	-	-	-	-	-	-	11.16	6.10	17.26	
Balance as at March 31, 2023 #	(4,242.23)	70.00	39.72	1,140.00	152.79	3,742.10	1,325.25	29,902.81	32.39	32,162.83	
Loss for the year	-	-	-	-	-	-	-	(1,874.33)	-	(1,874.33)	
Transfer to equity share capital on exercise of options	-	-	-	-	70.86	-	(70.86)	-	-	-	
Premium on issue of equity share on stock option exercise	-	-	-	-	13.24	-	-	-	-	13.24	
Payment of dividend (Gross)	-	-	-	-	-	-	-	(360.93)	-	(360.93)	
Recognition of share based payments	-	-	-	-	-	-	19.06	-	-	19.06	
Other comprehensive income for the year	-	-	-	-	-	-	-	12.28	6.75	19.03	
Balance as at March 31, 2024	(4,242.23)	70.00	39.72	1,140.00	236.89	3,742.10	1,273.45	27,679.83	39.14	29,978.90	

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

23. Other equity (Contd.)

Description of nature and purpose of each reserve

Unrealised gain/(loss) on dilution: This reserve represents unrealised gain/(loss) due to change in the shareholdings in a subsidiary.

Capital redemption reserve : This reserve was created for redemption of preference shares of ₹70.00 lakhs in the financial year 2010-2011.

Capital reserve pursuant to amalgamation : Reserve created pursuant to amalgamation of a 2 subsidiaries and its Holding.

Capital reserve: Capital reserve was created in the financial years 1995-96 and 1996-97 pursuant to sale of the Company's brands for which non compete fees were received and treated as a capital receipt.

General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Share options outstanding account : The fair value of the equity settled share based payment transactions is recognised to share options outstanding account.

Retained earnings: Retained earnings are the profits/(loss) that the company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Equity instruments through other comprehensive income: This represents the cumulative gains / losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

24 Borrowings

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Non-current	Current	Non-current	Current
Secured				
Term Loans				
From Banks				
For Kullu facility [Refer note below (a)]	1,931.51	681.71	2,613.15	653.29
For Dahej facility [Refer note below (b)]	-	-	-	431.28
For Dahej facility [Refer note below (c)]	275.86	559.50	833.69	561.17
For Dahej facility [Refer note below (d)]	-	91.61	87.83	666.28
For Vehicles [Refer note below (e)]	277.89	135.50	390.78	127.07
For WCTL [Refer note below (f)]	1,168.19	425.00	1,558.33	141.67
For Dahej facility [Refer note below (g)]	108.58	27.14	135.72	27.14
From others				
For business operations [Refer note below (h)]	497.20	318.82	2,734.46	572.08
	4,259.23	2,239.28	8,353.96	3,179.98
Amount disclosed under the head "Borrowings (Current)" (Refer note 28)	-	(2,239.28)	-	(3,179.98)
Total	4,259.23	-	8,353.96	-

Notes to the Standalone Financial Statements for the year ended March 31, 2024

24. Borrowings (Contd.)

Notes

- a) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Premix Plant to be set up at Kullu with interest rate EURIBOR plus 3.0% (Average effective rate 6.38%), (previous year effective rate is 4.36%) repayable in 60 equal monthly instalments starting from Feb-2023. The said loan is secured by first pari-passu charge on the project, first pari passu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.
- b) Term loan (External Commercial Borrowing) is taken from Yes Bank Limited for financing the capital expenditure for new project at Dahej SEZ with interest rate EURIBOR plus 3.5% (Average effective rate 7.08%), (previous year effective rate is 6.38%) repayable in 48 equal monthly instalments starting from February 2020. The said ECB loan was secured by way of first pari-passu charge on the project financed along with Union Bank of India, first pari-passu charge along with Union Bank of India and HDFC Bank Limited on property, plant and equipment at Kullu and Dahej, except Plant 4 at Dahej and Premix Plant at Kullu which is exclusively mortgaged with HDFC Bank Limited, which is not to be shared with HDFC Bank Limited. The said loan was additionally secured by way of first pari passu charge along with Union Bank of India and HDFC Bank Limited on entire unencumbered movable fixed assets (excluding vehicles) and second pari passu charge on entire current assets. The entire loan has been repaid during the financial year.
- c) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Plant 4 at Dahej SEZ with interest rate EURIBOR plus 3.9% (effective rate 3.9%), (previous year effective rate is 3.9%) repayable in 16 equal quarterly instalments starting from July 2021. The said loan is secured by first pari-passu charge on the project, first pari passu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks. Effective rate is 3.9% on account of Interest rate swap agreement entered by the company.
- d) Term loan (Foreign Currency Term Loan and INR Term Loan) is taken from Union Bank of India for financing the capital expenditure for Cholesterol project at Dahej SEZ with interest rate EURIBOR plus 3.10% (effective rate 6.13%) (previous year effective rate is 5.50%) for FCTL, MCLR + 2% (effective rate 10.67% to 11.60%) (previous year effective rate is 9.96% to 10.34%) for Rupee Term Loan repayable in 48 equal monthly instalments starting from April 2020. The said loan is secured by way of first pari-passu charge on the project financed along with Yes Bank Limited not to be shared with HDFC Bank Limited, first pari-passu charge along with Yes Bank Limited and HDFC Bank Limited on property, plant and equipment at Kullu and Dahej, except Plant 4 at Dahej and Premix Plant at Kullu which is exclusively mortgaged with HDFC Bank Limited. The said loan is additionally secured by way of first pari passu charge along with Yes Bank and HDFC bank on entire unencumbered movable fixed assets (excluding vehicles) and second pari passu charge on entire current assets. Foreign Currency Term Loan has been repaid during the period.
- e) Vehicle loans taken from HDFC Bank Limited against hypothecation of the vehicles purchased, repayable in 60 monthly instalments starting from Aug-2020, to Sep-2021 with average interest rates in the range of 7.65% to 8.45%, (previous year at 7.65% to 8.20%). The charge for first loan is yet to be created.

 Vehicle loans taken from the Bank of Baroda Limited against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2021 to May-2021 with average interest rates in the range of 9.65% to 9.85%, (previous year at 9.85%).

 Vehicle loan is taken from the Union Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2022 to Oct-2022 with average interest rates in the range of 9.17% to 10.09% (previous year in the range of 9.05% to 9.90%)

 Vehicle loan is taken from the Yes Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jun-2023 with average interest rates 9.17%, (previous year in the range of NIL)"
- f) Working Capital Term Loan is taken from Union Bank of India for business purpose with interest rate 1 Year MCLR+0.60% effective rate 9.41% (previous year effective rate is 9.18%) repayable in 48 equal monthly instalments starting from Dec -23. The said loan is secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all moveable property, plant and equipments of the Company and second charge on the existing securities of the company except plant 4 at Dahej and Premix Plant at Kullu.
- g) Term loan is taken from HDFC Bank Limited for financing the capital expenditure at Dahej SEZ with average interest rate 9.42% (Previous year effective rate is 7.98%) repayable in 28 equal quarterly instalments starting from Apr 2022. The said loan is secured by first pari-passu charge on the project, first pari passu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is

Notes to the Standalone Financial Statements for the year ended March 31, 2024

24. Borrowings (Contd.)

exclusively Mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.

- h) Loan against property and loan by way of discounting of lease rental of Thane One Building consisting of 1st floor to 13th floor from Bajaj Finance Limited, the effective rate for the current year in the range of 11.20% to 11.45% (previous year effective rate in the range of 8.00% to 11.20%) The said loan is secured by hypothecation of the lease agreements of Thane One (consisting of 1st floor to 13th floor) and equitable mortgage of the premises at Ceejay House. Further these loans have been guaranteed by the personal guarantee of the Executive Vice Chairman of the Company. In the current year the hypothecation of Thane One (consisting of 1st floor to 13th floor) was removed and only the mortgage of the premises at Ceejay House exist.

Restated pursuant to merger (Refer Note 70)

25. Other financial liabilities (Non current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deposits from tenants	353.84	108.38
Total	353.84	108.38

Restated pursuant to merger (Refer Note 70)

26. Provisions (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Provisions for employee benefits:		
Gratuity [Refer note 47 (c)]	256.22	214.28
Compensated absences	279.24	248.18
Total	535.46	462.46

Restated pursuant to merger (Refer Note 70)

27. Other liabilities (Non current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deferred Revenue	1,846.74	894.40
Deposits from Developer (Refer note 62)	1,397.19	1,500.00
Total	3,243.93	2,394.40

Restated pursuant to merger (Refer Note 70)

28. Borrowings (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Loans repayable on demand		
From banks (Secured)		
Cash credit and Bank overdraft	507.74	1,753.59
Packing credit and Bill discounting	3,226.94	3,090.34
Short term working capital loan	2,999.53	5,301.71
From banks (Secured)		
Current maturities of long term debts (Refer note 24)	1,920.46	2,607.90
From others (Secured)		
For business operations (Refer note 24)	318.82	572.08
Total	8,973.49	13,325.62

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

28. Borrowings (Current) (Contd.)

Packing credit, cash credit Loan from Union Bank of India, are secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 6.35% to % 7.39% (EURO PCFC - EURIBOR+3.10%, USD PCFC - 6M LIBOR+3.10%) and average interest rate for cash credit is 11.87 %.

Packing credit and cash credit Loan from Yes Bank Limited is secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 5.50%. and average interest rate for cash credit is 1 YR MCLR+0.95 (from 10.40% to 11.50%)

Packing credit Loan from HDFC Bank Limited is secured by first pari-passu charge on current assets, exclusive charge on assets of plant 4 at Dahej and Premix Plant at Kullu, moveable property, plant and equipment of the Company and equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited (excluding the plant and building financed through term loan from Union Bank of India and Yes Bank Limited).The average interest rate for packing credit in foreign currency is 6.50% .

Short term working capital loan includes Working Capital Demand Loan from Yes Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. It also includes Working Capital Demand Loan from HDFC Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu and short term loans taken from Union Bank of India are secured against the lien of fixed deposits. The average interest rate for short term working capital loan from Union Bank is in the range of 5.77% to 6.77% and Working Capital Demand Loan from Yes Bank is 8.90% and Working Capital Demand Loan from HDFC Bank Limited 8.90% to 9.05%

29. Trade payables (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Total outstanding dues of micro and small enterprises (Refer note 52)	237.63	280.47
Total outstanding dues of creditors other than micro and small enterprises	5,065.49	4,910.38
Disputed dues of micro and small enterprises	-	-
Disputed dues of creditors other than other than micro and small enterprises	-	-
Total	5,303.12	5,190.85

Ageing of trade payables: as at March 31, 2024

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of MSME	-	-	220.61	16.91	0.11	-	237.63
Dues of creditors other than MSME	1,873.74	1,422.44	1,649.94	91.10	10.07	18.20	5,065.49
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	1,873.74	1,422.44	1,870.55	108.01	10.18	18.20	5,303.12

Notes to the Standalone Financial Statements for the year ended March 31, 2024

29. Trade payables (Current) (Contd.)

Ageing of trade payables: as at March 31, 2023

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of MSME	-	3.71	276.00	0.76	-	-	280.47
Dues of creditors other than MSME	885.82	754.25	3,146.76	25.91	25.88	71.76	4,910.38
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	885.79	757.96	3,533.85	26.67	25.88	71.76	5,190.85

Restated pursuant to merger (Refer Note 70)

30. Other financial liabilities (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deposits from tenants	0.70	268.71
Interest accrued but not due on borrowings	51.57	49.81
Payable to employees / directors	596.32	136.58
Liability for capital expenditure	55.36	373.82
Derivatives not designated as hedge.	42.51	64.78
Unclaimed dividend	16.98	15.21
Total	763.44	908.91

Restated pursuant to merger (Refer Note 70)

31. Other current liabilities

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Advances from customers	601.78	1,512.93
Statutory dues	108.36	136.63
Deferred rent	18.31	17.84
Others	101.01	-
Total	829.46	1,667.40

Restated pursuant to merger (Refer Note 70)

32. Provisions (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Provisions for employee benefit:		
Compensated absences	59.43	58.14
Total	59.43	58.14

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

33. Current tax liabilities (net)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Provision for income tax (net of advance tax for tax ₹2,081.38 lakhs [as at March 31, 2023 ₹2,072.42 lakhs])	34.13	32.53
Total	34.13	32.53

Restated pursuant to merger (Refer Note 70)

34. Revenue from operations (Refer Note 71)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Revenue from contracts with customers	22,944.49	26,273.84
Rent Income (Refer Note 59)	430.97	1,150.98
Amortised deferred rent (Refer Note 59)	24.65	52.80
Service income (infrastructure support services to tenants) (Refer Note 59)	432.28	322.25
Sale of services	268.89	230.20
Sale of Investment property (net) (Refer Note 59)	6,387.82	4,772.82
Other operating revenues		
Export incentive	83.78	62.45
Scrap sales	19.60	26.11
Others	116.56	-
Total	30,709.04	32,891.45

Restated pursuant to merger (Refer Note 70)

35. Other income

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Interest income on financial assets carried at amortised cost:		
Bank deposits	214.11	145.51
Other financial assets	179.08	94.17
	393.19	239.68
Dividend income on investment in equity instruments designated as at fair value through other comprehensive income	90.36	90.63
Foreign exchange gain (net)	124.42	210.19
Net gain on fair value changes of derivatives at FVTPL	22.27	-
Insurance claims	5.37	1.29
Liabilities / provisions no longer required written back:		
From Trade receivables	25.63	20.19
From Others	140.92	282.72
	166.55	302.91
Miscellaneous income	13.26	1.51
Total	815.42	846.21

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

36. Cost of materials consumed

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Inventories of raw materials / packing materials at the beginning of the year	4,605.04	4,616.06
Add : Purchases	6,460.71	10,037.54
Less : Inventories of raw materials / packing materials at the end of the year	2,687.23	4,605.04
Total	8,378.52	10,048.56

Restated pursuant to merger (Refer Note 70)

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

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Inventories at the end of the year		
Work-in-progress	3,358.82	3,416.81
Finished goods	850.50	2,178.79
	4,209.32	5,595.60
Inventories at the beginning of the year		
Work-in-progress	3,416.81	6,065.47
Finished goods	2,178.79	1,258.65
	5,595.60	7,324.12
	1,386.28	1,728.52

Restated pursuant to merger (Refer Note 70)

38. Employee benefits expense

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Salaries and wages	4,595.69	4,611.28
Contribution to provident and other funds [Refer Note 47]	262.14	289.83
Gratuity expense [Refer Note 47(d)]	75.35	75.19
Share based payments to employees [Refer Note 60]	19.06	(101.85)
Staff welfare expenses	441.01	506.41
Total	5,393.25	5,380.86

Restated pursuant to merger (Refer Note 70)

39. Finance costs

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Interest on		
Term loans (Refer Note 64)	530.78	1,075.04
Loans repayable on demand	751.26	716.97
Liabilities carried at amortised cost (Unwinding of interest)	138.43	54.52
Lease liabilities (Refer Note 46)	36.76	32.08
Others	137.66	22.56
Other borrowing costs	110.32	179.04
Total	1,705.21	2,080.20

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

40. Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Depreciation on property, plant and equipment (Refer Note 3)	1,902.90	1,748.08
Depreciation on right-of-use assets (Refer Note 5)	130.29	131.63
Depreciation of investment property (Refer Note 6)	18.08	259.95
Amortisation of intangible assets (Refer Note 7)	318.28	308.83
Total	2,369.55	2,448.50

Restated pursuant to merger (Refer Note 70)

41. Other expenses

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Stores and spare parts consumed	1,278.78	1,024.08
Processing charges	789.63	1,102.03
GST other than recovered on sales	46.91	115.54
Contract labour charges	629.61	658.61
Power and fuel	1,940.21	1,786.17
Repairs and maintenance		
Buildings	380.62	73.06
Plant and machinery	220.28	219.61
Others	1,729.81	1,334.38
Water charges	37.56	37.78
Advertising and sales promotion	264.49	291.64
Freight and forwarding charges	396.26	506.00
Commission on sales	47.17	102.31
Rent (including lease rentals)	36.38	37.19
Insurance	262.83	307.49
Rates and taxes	310.17	650.10
Allowance for doubtful debts (net)	160.64	28.57
Allowance for doubtful advances	-	23.05
Trade receivable loans and advances written off	24.95	478.34
Impairment in the value of non-current investment	-	0.88
Travelling and conveyance	479.34	578.60
Professional and legal fees	939.14	767.55
Payment to auditors (Refer Note 44)	50.70	49.11
Postage and telephone	36.17	45.30
Printing and stationery	68.07	77.08
Net loss on fair value changes of derivatives at FVTPL	-	41.21
Security Expenses	90.83	91.38
Staff recruitment expenses	39.60	31.44
Bank charges	34.78	55.22
Brokerage Charges	282.13	99.24
Analytical Charges	49.31	81.88
Loss on sale/ write off, of property, plant and equipment	32.55	31.48
Corporate social responsibility expenses (Refer Note 51)	82.62	112.95
Directors sitting fees	46.50	40.70
Miscellaneous expenses	285.99	137.09
Total	11,074.03	11,017.06

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

42. Related parties disclosures as per Ind AS 24

A) Names of the related parties and description of relationships

(₹ in Lakhs)

Particulars	Country of Incorporation	Proportion of ownership interest as at	
		March 31, 2024	March 31, 2023 #
a) Holding Company:			
DVK Investments Private Limited	India	Note 1	Note 1
Subsidiaries:			
Aegean Properties Limited	India	Note 1	Note 1
Fermenta Biotech GmbH	Germany	100%	100%
Fermenta Biotech (UK) Limited	United Kingdom	100%	100%
Fermenta USA LLC	United States of America	52%	52%
Fermenta Biotech USA LLC	United States of America	100%	100%
G.I. Biotech Pvt Limited (w.e.f. November 26, 2022)	India	Note 2	100%

Note:

- Pursuant to NCLT Order dated May 8, 2023 regarding Composite Scheme of Amalgamation and Arrangement, the Company's Holding company, DVK Investments Private Limited (Transferor Company 1) and the Company's subsidiary, Aegean Properties Limited (Transferor Company 2) have been merged with the Company (Refer Note 70)
- The Company G. I. Biotech Private Limited has been struck off from the Registrar of companies (Mumbai) w.e.f. August, 04, 2023
Restated pursuant to merger (Refer Note 70)

b) Key Management Personnel

Name of Directors and Key Management Personnel	Designation
Mr. Krishna Datla	Executive Vice-Chairman
Mr. Satish Varma	Executive Director
Mr. Sanjay Buch *(upto March 31, 2024)	Non-Executive Director and Chairman
Mrs. Rajeshwari Datla (also relative of the Executive Vice-Chairman)	Non-Executive Director
Mrs. Anupama Datla Desai (also relative of the Executive Vice-Chairman)	Executive Director
Dr. Gopakumar Nair #	Non-Executive Director
Mr. Vinayak Hajare *(upto March 31, 2024)	Non-Executive Director
Mrs. Rajashri Ojha	Non-Executive Director
Mr. Pramod Kasat	Non-Executive Director
Mr. Pradeep Chandan**(w.e.f. February 12, 2024)	Non-Executive Director and Chairman
Mr. Prashant Nagre	Managing Director
Mr. Sumesh Gandhi	Chief Financial Officer
Mr. Srikant N Sharma	Company Secretary

*Mr. Sanjay Buch ceased to be Non - Executive Independent Director and Chairman, and Mr. Vinayak Hajare ceased to be Non-Executive Independent Director from April 01, 2024, due to retirement

**Appointed as Independent Director w.e.f. February 12, 2024 and as Chairman w.e.f. April 01, 2024

#Ceased to be Non-Executive Independent Director w.e.f. May 17, 2024, due to retirement

c) Associate

Health and Wellness India Private Limited

d) Enterprises under significant influence of key management personnel or their relatives:

Magnolia FNB Private Limited (under the process of strike off)

Dupen Laboratories Private Limited

Lacto Cosmetics (Vapi) Private limited

Silk Road Communications Private Limited.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

42. Related parties disclosures as per Ind AS 24 (Contd.)

B) Related party transactions:

Sr. No.	Particulars	Holding Company	Subsidiaries	Key management personnel*	Enterprise significantly influenced by KMP or their relatives	Joint ventures / associates
1	Remuneration to Directors and Key Management Personnel *					
	Mr. Krishna Datla	-	-	204.89	-	-
		(-)	(-)	(227.60)	(-)	(-)
	Mr. Satish Varma	-	-	149.17	-	-
		(-)	(-)	(162.95)	(-)	(-)
	Ms. Anupama Datla Desai	-	-	105.75	-	-
		(-)	(-)	(117.06)	(-)	(-)
	Mr. Prashant Nagre	-	-	158.44	(-)	(-)
		(-)	(-)	(174.75)	(-)	(-)
	Mr. Sumesh Gandhi	-	-	87.27	-	(-)
		(-)	(-)	(95.42)	(-)	(-)
	Mr. Srikant N Sharma	-	-	60.70	-	-
		(-)	(-)	(65.4)	(-)	(-)
2	Directors sitting fees					
	Mr. Sanjay Buch	-	-	8.60	-	-
		(-)	(-)	(8.20)	(-)	(-)
	Mr. Gopakumar Nair	-	-	8.30	-	-
		(-)	(-)	(7.80)	(-)	(-)
	Mrs. Rajeshwari Datla	-	-	8.00	-	-
		(-)	(-)	(7.50)	(-)	(-)
	Mr. Vinayak Hajare	-	-	8.60	-	-
		(-)	(-)	(8.20)	(-)	(-)
	Mrs. Rajashri Ojha	-	-	6.00	-	-
		(-)	(-)	(5.00)	(-)	(-)
	Mr. Pramod Kasat	-	-	6.00	-	-
		(-)	(-)	(4.00)	(-)	(-)
	Mr. Pradeep Chandan	-	-	1.00	-	-
		(-)	(-)	(-)	(-)	(-)
3	Rent and service income					
	Magnolia FNB Private Limited.	-	-	-	0.18	-
		(-)	(-)	(-)	(0.30)	(-)
	Silk Road Communications Private Limited.	-	-	-	1.35	-
		(-)	(-)	(-)	(1.35)	(-)
4	Expenditure incurred on behalf of related parties					
	Fermenta Biotech Gmbh	-	-	-	-	-
		(-)	(1.47)	(-)	(-)	(-)
5	Sale of products					
	Dupen Laboratories Private Limited	-	-	-	43.76	-
		(-)	(-)	(-)	(29.37)	(-)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

42. Related parties disclosures as per Ind AS 24 (Contd.)

Sr. No.	Particulars	Holding Company	Subsidiaries	Key management personnel*	Enterprise significantly influenced by KMP or their relatives	Joint ventures / associates
	Fermenta Biotech Gmbh	-	-	-	-	-
		(-)	(706.54)	(-)	(-)	(-)
	Fermenta USA LLC	-	636.49	-	-	-
		(-)	(1,347.35)	(-)	(-)	(-)
6	Interest on loan given					
	Fermenta Biotech USA LLC	-	35.88	-	-	-
		(-)	(36.14)	(-)	(-)	(-)
7	Investment made					
	Fermenta Biotech Gmbh	-	-	-	-	-
		(-)	(811.88)	(-)	(-)	(-)
	G.I. Biotech Pvt. Limited	-	-	-	-	-
		(-)	(0.38)	(-)	(-)	(-)
8	Loans given					
	Mr. Srikant N Sharma	(-)	(-)	10.00	(-)	(-)
		(-)	(-)	(-)	(-)	(-)
9	Provision for impairment in investment					
	Fermenta Biotech Gmbh	-	-	-	-	-
		(-)	(831.21)	(-)	(-)	(-)
	Fermenta Biotech USA LLC	-	900.00	-	-	-
		(-)	(-)	(-)	(-)	(-)
	G.I. Biotech Pvt. Limited	-	-	-	-	-
		(-)	(0.88)	(-)	(-)	(-)
10	Provision for doubtful trade receivable and expenditure incurred on behalf of related parties					
	Fermenta Biotech Gmbh	-	-	-	-	-
		(-)	(2,280.03)	(-)	(-)	(-)

(Figures in brackets are the corresponding figures in respect of the previous year.)

* The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

C) Balance outstanding as at the end of the year :

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
a. Trade payables and reimbursement payables		
Subsidiary		
Fermenta Biotech Gmbh	20.22	20.04
b. Trade receivables / other and reimbursement receivables (Gross)		
Subsidiary		
Fermenta Biotech Gmbh	4076.04	4076.04
Fermenta USA LLC	1048.83	1012.60
Fermenta Biotech USA LLC	45.16	51.50

Notes to the Standalone Financial Statements for the year ended March 31, 2024

42. Related parties disclosures as per Ind AS 24 (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Enterprises under significant influence of key management personnel or their relatives:		
Dupen Laboratories Pvt Ltd	-	8.66
Silk Road Communications Private Limited.	0.40	0.13
c. Allowance for doubtful debts/advances		
Associate		
Health and Wellness India Private Limited	37.00	37.00
Subsidiary		
Fermenta Biotech Gmbh	2,780.03	2,280.03
d. Provision for diminution in value of investments		
Associate		
Health and Wellness India Private Limited (including share application money)	784.86	784.86
Subsidiary		
Fermenta Biotech Gmbh	831.21	831.21
Fermenta Biotech (UK) Limited	148.65	148.65
Fermenta Biotech USA LLC	900.00	-
G.I. Biotech Pvt. Limited	-	0.88
e. Inter corporate deposits		
Associate		
Health and Wellness India Private Limited	37.00	37.00
f. Loan given		
Subsidiary		
Fermenta Biotech USA LLC	708.90	698.33
Key management personnel		
Mr. Srikant N Sharma	6.94	-
g. Investments (Subsidiary)		
Fermenta Biotech Gmbh	831.21	831.21
Fermenta Biotech (UK) Limited	183.99	183.99
Fermenta Biotech USA LLC	1,184.72	1,184.72
G.I. Biotech Pvt. Limited	-	0.88

Restated pursuant to merger (Refer Note 70)

D) (i) The Company has granted ESOP options to Key management personnel as mentioned below and for terms Refer to note 60.

Sr. No.	Particulars	No. of Option Grant	No. of Option Vested	No. of Option Cancelled	No. of Option Exercise
a)	Mr. Prashant Nagre	-	-	-	-
			-	-	-
b)	Mr. Sumesh Gandhi	-	3,213	4,819	-
			(3,213)	(4,819)	-
c)	Mr. Srikant Sharma	-	2,409	3,614	-
			(2,409)	(3,614)	-

Note. Figure in brackets of previous year

All transactions entered into with Related Parties as defined under Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

42. Related parties disclosures as per Ind AS 24 (Contd.)

D) (i) Options to Key management personnel position :

Sr. No.	Particulars	As at March 31, 2024				
		Total No. of Option Grant	Total No. of Option Vested	Total No. of Option Cancelled /Forfeited*	No. of Option Exercise	Total No. of Option Outstanding
a)	Mr. Prashant Nagre	2,17,410	2,17,410	-		2,17,410
b)	Mr. Sumesh Gandhi	40,161	16,065	24,096	-	16,065
c)	Mr. Srikant Sharma	30,117	12,047	18,070		12,047

* The effect of total no. of option cancelled / forfeited on estimation accounted in the previous year March 31, 2023

43. Commitments and Contingent liabilities

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
(i) Commitments:		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	57.17	2,677.29
(b) Lease commitments	127.38	73.57
(ii) Contingent liabilities:		
Claims against the company not acknowledged as debts*		
(a) Tax matters		
Service tax department raised demand of ₹22.50 Lakhs consisting of Service Tax of ₹7.50 Lakhs and penalty of ₹15.00 Lakhs in connection with services rendered post demerger of the pharmaceutical division. Commissioner of Service Tax Mumbai and CESTAT has upheld the order of Joint Commissioner of Service Tax. The Company has preferred an appeal to Bombay High Court.	22.50	22.50
The Deputy Commissioner of sales tax has confirmed the order of the Assistant Commissioner of sales tax Vapi, Gujarat for year 1992-93 and 1993-94 for demand of interest and penalty due to shortfall in tax payment on account of computation of purchase tax setoff. Company has preferred an appeal to sales tax tribunal Ahmedabad, Gujarat and obtained stay against the order/demand of the Assistant Commissioner pending final disposal.	4.63	4.63
(b) Letter of comfort on behalf of a subsidiary, to the extent of limits	301.46	301.46

Note:- Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various authorities/forums and/or final outcome of the matters.

* Excludes interest.

Restated pursuant to merger (Refer Note 70)

44. Payment to auditors excluding statutory levy

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
For audit	34.00	31.00
For limited review	15.00	15.00
For other services	0.90	0.90
Reimbursement of expenses	0.80	2.21
	50.70	49.11

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

45. Earnings per share (EPS):

The following table sets forth the computation of basic and diluted earnings per share :

	(₹ in Lakhs)	
Particulars	March 31, 2024	March 31, 2023 #
(Loss) / profit before Exceptional Items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs) #	(974.33)	258.60
Loss After Exceptional Items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs) #	(1,874.33)	(5,700.32)
Weighted average number of equity shares used in calculating basic EPS [refer note 22(a)]	2,88,74,107	2,88,57,303
Effect of dilutive potential equity shares	3,12,038	3,28,842
Weighted average number of equity shares used in calculating diluted EPS	2,91,86,145	2,91,86,145
Earnings per equity share of ₹5 each before exceptional items		
Basic earnings per equity share [nominal value of share ₹5 (March 31, 2023: ₹5)]	(3.37)	0.90
Diluted earnings per equity share [nominal value of share ₹5 (March 31, 2023: ₹5)]	(3.37)*	0.90
Earnings per equity share of ₹5 each after exceptional items		
Basic earnings per equity share [nominal value of share ₹5 (March 31, 2023: ₹5)]	(6.49)	(19.75)
Diluted earnings per equity share [nominal value of share ₹5 (March 31, 2023: ₹5)]	(6.49)*	(19.75)*

* Potential equity share are anti dilutive

Restated pursuant to merger (Refer Note 70)

46. Leases

(A) Assets taken on lease

The Company has entered into agreements for taking on lease and license basis certain residential and office premises and also taken vehicles on lease basis. The Company also has lease arrangements for lands taken on lease at Dahej and Saykha. The lease term in respect of these leases ranges from 2 to 99 years. In respect of the said leases, the additional information is as under

Amount recognised in the statements of profit and loss:

	(₹ in Lakhs)	
Particulars	March 31, 2024	March 31, 2023 #
Depreciation charge for right-of-use assets (Refer Note 5)	130.29	131.63
Expenses relating to leases of low-value assets accounted for on straight line basis (included in Rent expenses in Note 41)	36.38	37.19
Finance cost (Refer Note 39)	36.76	32.08

Maturity analysis of lease liabilities (on undiscounted basis)

	(₹ in Lakhs)	
Particulars	March 31, 2024	March 31, 2023 #
Less than one year	143.13	88.02
One to five years	609.37	167.09
More than five years	54.97	93.10
Weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date.	8.75%	10%

Notes to the Standalone Financial Statements for the year ended March 31, 2024

46. Leases (Contd.)

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

(₹ in Lakhs)		
Particulars	March 31, 2024	March 31, 2023 #
As at the beginning of the year	267.78	479.05
Pursuant to scheme of amalgamation (Refer Note 70)	-	(157.30)
Interest payment Lease liabilities (Refer Note 39)	36.76	32.08
Addition(net)	479.08	41.89
Payments	(133.92)	(127.94)
As at the end of the year	649.69	267.78
Leas liabilities		
Current	95.81	68.67
Non-Current	553.88	199.11
Total Lease liabilities	649.69	267.78

General description of significant leasing agreements

- (i) Refundable interest free deposits have been given under lease agreements.
- (ii) Some of the agreements provide for early termination by either party with a specified notice period / renewal with conditions

(B) Assets given on lease

The Company has also entered into various operating lease agreements for its properties in Thane with original lease periods expiring up to January 2028. These agreements have a non-cancellable period at the beginning of the period for 3/5 years and have rent escalation provisions of 5% every year or 15% after 3 years.

(₹ in Lakhs)		
Particulars	March 31, 2024	March 31, 2023 #
a) Rent income recognised in the Standalone statement of profit and loss for the year	430.97	1,150.98
b) Future minimum lease income under the non-cancellable leases in the aggregate and for each of the following periods:		
i) Not later than one year	316.36	276.82
ii) Later than one year and not later than five years	946.98	662.37
iii) More than five years	-	-

Restated pursuant to merger (Refer Note 70)

47. Employee benefits

The Company operates following employee benefit plans

- (I) Defined contribution plans: Provident fund, superannuation fund, employee state insurance scheme (ESIC) and labour welfare fund.
- (II) Defined benefit plan: Gratuity (funded)
- (III) Other long term benefit plan: Compensated absences (unfunded)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

47. Employee benefits (Contd.)

I) Defined contribution plan

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
The Company operates defined contribution retirement benefit plans for all qualifying employees of the Company. The contribution to defined contribution plan, recognised as expenses in the Standalone statement of profit and loss for the year is as under (Refer note 38).		
Employer's contribution to provident fund	253.95	277.99
Employer's contribution to superannuation fund	0.06	1.77
Employer's contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	8.04	9.96
Employer's contribution to labour welfare fund	0.09	0.11

II) Defined benefit plan

The Company operates a defined benefit plan, viz., gratuity.

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination. Provision for Gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in the gratuity fund.

(a) Movements in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening defined benefit obligation	569.76	559.37
Interest cost	38.62	35.44
Current service cost	60.69	63.13
Benefits paid	(78.87)	(77.59)
Actuarial (Gain)/loss on obligations - due to changes in financial assumptions	11.54	(19.48)
Actuarial (Gain)/loss on obligations - due to changes in demographic assumptions	-	-
Actuarial (Gain)/loss on obligations - due to changes in experience adjustment	(22.70)	8.89
Closing defined benefit obligation	579.05	569.76

(b) Movements in the fair value of the plan assets are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening fair value of plan assets	355.48	370.90
Employer's contributions	21.14	38.21
Interest income	23.96	23.39
Remeasurement gain / (loss) :		
Return on plan assets (excluding amounts included in net interest expense)	1.12	0.57
Benefit paid	(78.87)	(77.59)
Closing fair value of plan assets	322.83	355.48

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

47. Employee benefits (Contd.)

c) Reconciliation of fair value of plan assets and defined benefit obligation:

The amount included in the Standalone financial statements arising from the Company's obligation in respect of its defined benefit obligation plan is as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Fair value of plan assets	322.83	355.48
Present value of defined benefit obligation	579.05	569.76
Amounts recognised in the Standalone balance sheet surplus/(deficit)	(256.22)	(214.28)

d) The amount recognised in Standalone statement of profit and loss in respect of the defined benefit plan are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Current service cost	60.69	63.13
Net interest expense / (income)	14.66	12.06
Components of defined benefit costs recognised in Standalone statement of profit and loss	75.35	75.19

e) The amount recognised in other comprehensive income in respect of the defined benefit plan is as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Remeasurement on the net defined benefits liability:		
Return on plan assets (excluding amounts included in net interest expense)	1.12	0.57
Actuarial gains/(losses) arising from changes in financial assumptions	(11.54)	19.48
Actuarial gains/(losses) arising from changes in demographic assumptions	-	-
Actuarial gains/(losses) arising from changes in experience adjustments	22.70	(8.89)
Components of defined benefit recognised as income / (loss) in other comprehensive income	12.28	11.16

f) The principal assumptions used for the purpose of the actuarial valuations are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Discount rate (per annum)	7.20%	7.45%
Salary escalation rate (per annum)	5.00%	5.00%
Expected rate of return on plan assets (per annum)	7.05%	7.05%
Retirement Age	58 Years	58 Years
Mortality rate	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)
Leaving Service (age groups)	21-30 years- 4%	21-30 years- 4%
	31-40 years - 3%	31-40 years - 3%
	41-50 years - 2%	41-50 years - 2%
	Above 50 years - 1%	Above 50 years - 1%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is considered as per declaration from Life Insurance Corporation of India (LIC).

The expected contributions for defined benefit plan for the next financial year is ₹35 Lakhs (March 31, 2023: ₹35.00 Lakhs).

Notes to the Standalone Financial Statements for the year ended March 31, 2024

47. Employee benefits (Contd.)

g) Maturity analysis of projected benefit obligation

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Expected benefits for Year 1	92.28	102.81
Expected benefits for Year 2	38.54	27.71
Expected benefits for Year 3	61.67	38.36
Expected benefits for Year 4	74.23	60.52
Expected benefits for Year 5	40.33	72.92
Expected benefits for Year 6	20.83	44.35
Expected benefits for Year 7	34.90	20.26
Expected benefits for Year 8	26.59	32.97
Expected benefits for Year 9	29.01	30.36
Expected benefits for Year 10 and above	772.48	807.52

Restated pursuant to merger (Refer Note 70)

g) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Insurer managed funds	100%	100%

i) Sensitivity analysis

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at end of year, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in Lakhs)

Particulars	March 31, 2024 (Decrease)/increase in DBO*	March 31, 2023 (Decrease)/increase in DBO*
Discount rate (- 0.50%)	4.20%	4.31%
Discount rate (+ 0.50%)	(-3.92%)	(-4.01%)
Salary escalation rate (- 0.50%)	(-3.84%)	(-3.93%)
Salary escalation rate (+ 0.50%)	4.09%	4.19%

*DBO: Defined benefit obligation

j) Risks exposure:

The plan typically exposes the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields on government bonds denominated in Indian rupees. If the actual return on plan assets is below this rate, it will create a plan deficit. However, the risk is mitigated by investment in LIC managed fund.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's investment in LIC managed fund.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The inherent risk for the Company mainly are adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

47. Employee benefits (Contd.)

III) Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and provision is made as per Company rules with corresponding charge / (credit) to the Standalone statement of profit and loss amounting to ₹116.56 Lakhs [March 31, 2023: (₹77.02 Lakhs)] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined at the year end using the "Projected unit credit model". Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in OCI where as gains and losses in respect of other long term employee benefit plans are recognised in the Standalone statement of profit and loss.

Restated pursuant to merger (Refer Note 70)

48. Income tax

48 A Tax expense recognised in the Standalone statement of profit and loss and other comprehensive income consists of:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Tax expenses:		
Current tax	168.02	18.15
Adjustment of Tax related to earlier years	1,245.55	(115.57)
Deferred tax charge	-	0.02
Income tax expense / (income) recognised in the Standalone statement of profit and loss	1,413.57	(97.40)
Tax expense / (income) recognised in other comprehensive income	-	-
Total Tax expense / (income)	1,413.57	(97.40)

48 B A reconciliation of income tax expense to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Loss before tax	(460.76)	(5,797.72)
Enacted income tax rate in India (%) *	29.120	29.120
Income tax expense calculated at enacted income tax rate	(134.17)	(1,688.30)
Effect of tax on:		
DTA not recognised on losses	-	(1,583.22)
Expenses disallowed under income Tax	(44.99)	(32.89)
MAT credit not recognised	(168.02)	-
Others	(89.19)	(90.36)
	(302.19)	(1,706.47)
Total income tax expense / (income)	168.02	18.17
Adjustment of Tax related to earlier years **	1,245.55	(115.57)
Tax expenses / (income) recognised in Standalone statement of profit and loss	1,413.57	(97.40)
Tax expense / (income) recognised in other comprehensive income	-	-
Total tax expense / (income)	1,413.57	(97.40)

Restated pursuant to merger (Refer Note 70)

*The tax rate used for reconciliation above is the corporate tax rate of 29.12% (March 31, 2023: 29.12%) at which the Company is liable to pay tax on taxable income under the Indian tax Laws.

** During the year, the Company has received intimation / final assessment order for the financial years 2016-17 to 2021-22 basis which an additional provision of tax is required on account of certain disallowances. Accordingly total MAT credit recognised of ₹1,129.83 lakhs and Tax receivable recognised of ₹115.72 lakhs has been written off during the year relating to such earlier years.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

48. Income tax (Contd.)

48C The major components of deferred tax liabilities/(assets) arising on account of temporary differences are as follows:

(₹ in Lakhs)

Parameter	March 31, 2024			
	April 01, 2023	Statement of profit and loss	Other comprehensive income	March 31, 2024
(i) Components of deferred tax liabilities (net)				
Deferred tax liabilities				
Property, plant and equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	(3,669.00)	(592.15)	-	(4,261.16)
Lease Liability	(139.50)	(20.90)		(160.40)
Deferred tax assets				
Expenses claimed for tax purpose on payment basis	158.38	90.83	-	249.21
Allowance for doubtful debts and advances	1,418.04	176.99	-	1,595.03
Allowance for impairment in the value of non current investment and share application money	150.32	250.39	-	400.71
Lease assets	139.50	20.90	-	160.40
Business losses	56.79	73.84		130.63
MAT Credit entitlement	5,218.86	(1,129.83)	-	4,089.03
Others	(3.64)	0.10	-	(3.54)
Deferred tax charge/(credit)		(1,129.83)	-	
Net deferred tax assets*	3,329.75			2,199.91

Restated pursuant to merger (Refer Note 70)

* Deferred tax assets are recognised to the extent of deferred tax liabilities available since Company creates deferred tax assets only to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilised.

(₹ in Lakhs)

Parameter	March 31, 2023#			
	April 01, 2022 #	Statement of profit and loss	Other comprehensive income	March 31, 2023
(i) Components of deferred tax liabilities (net)				
Deferred tax liabilities				
Property, plant and equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	(2,423.36)	(1,245.64)	-	(3,669.00)
Lease Liability		(139.50)		(139.50)
Deferred tax assets				
Expenses claimed for tax purpose on payment basis	193.99	(35.61)	-	158.38
Allowance for doubtful debts and advances	144.11	1,273.93	-	1,418.04
Allowance for impairment in the value of non current investment and share application money	138.32	12.00	-	150.32
Lease assets	-	139.50	-	139.50

Notes to the Standalone Financial Statements for the year ended March 31, 2024

48. Income tax (Contd.)

(₹ in Lakhs)

Parameter	March 31, 2023#			
	April 01, 2022 #	Statement of profit and loss	Other comprehensive income	March 31, 2023
Business losses		56.79		56.79
MAT Credit entitlement	5,292.47	(73.61)	-	5,218.86
Others	(15.78)	12.14	-	(3.64)
Deferred tax charge/(credit)		-	-	
Net deferred tax assets	3,329.75			3,329.75

Restated pursuant to merger (Refer Note 70)

48D Details of unused tax losses and unabsorbed tax depreciation for which deferred tax assets have not been recognised:

(₹ in Crores)

Expiry of losses financial year wise	Business losses	Unabsorbed depreciation
Financial Year 2030-2031	3,200.70	
Indefinite		1,933.33
Total	3,200.70	1,933.33

49. Research and development expenditure

Research and development expenditure of ₹1,334.11 Lakhs (March 31, 2023: ₹1,336.12 Lakhs) has been charged to the Standalone statement of profit and loss. The capital expenditure in the current year on research and development amounts to ₹5.92 Lakhs (March 31, 2023: ₹14.14 Lakhs).

50. During the year ended March 31, 2024, Directors sitting fees to Non-Executive Directors aggregating ₹46.50 Lakhs has been charged to the Standalone statement of profit and loss. (March 31, 2023 ₹40.70 Lakhs)

51. Details of CSR expenditure

(₹ in Lakhs)

Particulars	2023-24			2022-23		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Gross amount required to be spent by the Company as per Section 135 of companies act 2013 and included in other expenses			82.62			112.95
Amount spent during the year						
i) Construction/acquisition of any asset	21.66	-	21.66	4.02	-	4.02
ii) On purposes other than (i) above	61.33	-	61.33	112.62	-	112.62

Notes to the Standalone Financial Statements for the year ended March 31, 2024

51. Details of CSR expenditure (Contd.)

Nature of CSR activities undertaken

Particulars	Amount Spent	
	March 31, 2024	March 31, 2023 #
Promoting health care including preventive health care	15.00	20.00
Contribution for the benefit of armed forces veterans	16.62	6.15
Contribution towards animal protection/ welfare	29.25	51.90
Promoting education and Social welfare	3.93	6.17
Promoting health care	-	3.96
Promoting education	3.08	4.17
Social welfare	10.71	18.64
Protection of art and culture	0.25	-
Administrative Overheads	4.15	5.65
	82.99	116.65

Excess payment of ₹3.69 Lakhs of the year ended March 31, 2023 is set-off in the current year.

Restated pursuant to merger (Refer Note 70)

In case of Section 135(5) excess amount spent is as below:

(₹ in Lakhs)

Opening Balance	Amount required to be spent during the year	Amount spent during the year *	Closing Balance
3.69	82.62	82.99	0.37

*This amount includes excess payment of ₹3.69 lakhs of previous year utilised during the year

52. Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
a (i) Principal amount remaining unpaid to any supplier at the end of the accounting year	237.63	280.47
(ii) Interest due on above	-	-
The Total of (i) and (ii)	237.63	280.47
b The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	10.12	-
d The amount of interest accrued and remaining unpaid at the end of each accounting year; and	12.56	-
e The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

53. Categories of the financial instruments

(₹ in Lakhs)

Particulars	March 31, 2024				
	Ammortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	5.91	-	37.45	43.36	43.36
(ii) Trade receivables	8,884.81	-	-	8,884.81	8,884.81
(iii) Loans	1,204.87	-	-	1,204.87	1,204.87
(iv) Cash and cash equivalents	1,863.43	-	-	1,863.43	1,863.43
(v) Bank balances other than (iv) above	3,800.52	-	-	3,800.52	3,800.52
(vi) Other financial assets	532.24	-	-	532.24	532.24
Total	16,291.78	-	37.45	16,329.23	16,329.23
Financial Liabilities					
Borrowings	13,232.72	-	-	13,232.72	13,232.72
Lease liabilities	649.69	-	-	649.69	649.69
Trade payables	5,303.12	-	-	5,303.12	5,303.12
Other financial liabilities	1,074.77	-	-	1,074.77	1,074.77
Derivatives not designated as hedge	-	42.51	-	42.51	42.51
Total	20,260.30	42.51	-	20,302.81	20,302.81

(₹ in Lakhs)

Particulars	March 31, 2023 #				
	Ammortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	5.91	-	30.70	36.61	36.61
(ii) Trade receivables	8,537.21	-	-	8,537.21	8,537.21
(iii) Loans	818.33	-	-	818.33	818.33
(iv) Cash and cash equivalents	3,207.53	-	-	3,207.53	3,207.53
(v) Bank balances other than (iv) above	2,303.75	-	-	2,303.75	2,303.75
(vi) Investments- Corporate fixed deposit	278.07	-	-	278.07	278.07
(vii) Other financial assets	2,189.42	-	-	2,189.42	2,189.42
Total	17,340.22	-	30.70	17,370.92	17,370.92
Financial Liabilities					
(i) Borrowings	21,679.58	-	-	21,679.58	21,679.58
(ii) Lease liabilities	267.78	-	-	267.78	267.78
(iii) Trade payables	5,190.85	-	-	5,190.85	5,190.85
(iv) Other financial liabilities	952.51	-	-	952.51	952.51
(v) Derivatives not designated as hedge	-	64.78	-	64.78	64.78
Total	28,090.72	64.78	-	28,155.50	28,155.50

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

54. Reconciliation of Level 3 fair value measurements:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening balance	5.91	5.91
Total gains or (losses)	-	-
Recognised in standalone statement of profit and loss.	-	-
Closing balance	5.91	5.91

Restated pursuant to merger (Refer Note 70)

55. Fair value

Fair value of financial assets and financial liabilities that are not measured at fair value but fair value disclosures are required :

(₹ in Lakhs)

Particulars	Non-current		Current	
	March 31, 2024	March 31, 2023 #	March 31, 2024	March 31, 2023 #
Financial assets				
Trade receivables	8,884.81	8,537.21	8,884.81	8,537.21
Cash and cash equivalents	1,863.43	3,207.53	1,863.43	3,207.53
Bank balances other than cash and cash equivalents	3,800.52	2,303.75	3,800.52	2,303.75
Investments- Corporate fixed deposit	-	278.07	-	278.07
Loans	1,204.87	818.33	1,204.87	818.33
Other financial assets	532.24	2,189.42	532.24	2,189.42
Total assets	16,285.87	17,334.31	16,285.87	17,334.32
Financial liabilities				
Trade payables	5,303.12	5,190.85	5,303.12	5,190.85
Lease liabilities	649.69	267.78	649.69	267.78
Borrowings	13,232.72	21,679.58	13,232.72	21,679.58
Other financial liabilities	1,074.77	952.51	1,074.77	952.51
Derivatives not designated as hedge	42.51	64.78	42.51	64.78
Total liabilities	20,302.81	28,155.50	20,302.81	28,155.50

Restated pursuant to merger (Refer Note 70)

The financial assets above do not include investments in subsidiaries which are measured at cost, investments in mutual funds measured at fair value through profit and loss and investments in equity instruments measured at fair value through OCI.

The Management largely due to short term maturity consider that the carrying amounts of financial assets and financial liabilities recognised in the standalone financial statements approximate their fair values.

Fair value hierarchy

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Fair Value	Fair value hierarchy	Fair Value	Fair value hierarchy
Financial assets measured at fair value through Other comprehensive income				
Investments in equity shares-quoted	37.45	Level 1	30.70	Level 1
Investments in equity shares-unquoted	5.91	Level 3	5.91	Level 3
Financial Liabilities measured at fair value through profit or loss				
Derivatives not designated as hedge	42.51	Level 2	64.78	Level 2

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Note 56 - Segment information:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The Managing Director of the Company is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM of the Company. The Company has identified the following segments as reporting segments based on the information reviewed by CODM.

The business segments have been identified considering :

- a) the nature of products and services
- b) the differing risks and returns
- c) the internal organisation and management structure, and
- d) the internal financial reporting systems

The segment information presented is in accordance with the accounting policies adopted by the Company. Segment revenues, expenses and results include inter-segment transfers.

A) The primary reporting of the Company has been performed on the basis of business segments, viz:

Chemicals/Bulk Drug- Manufacturing and selling of chemicals, primarily bulk drugs and enzymes.

Property - Renting and Sale of properties

Segments have been identified and reported based on the nature of the services, the risk and returns, the organisation structure and the internal financial reporting systems.

		2023-2024		
		2022-2023 #		
		Bulk Drug/ Chemicals	Property	Total
a. Revenue				
1	Segment revenue	22,698.29	7,374.15	30,072.44
		25,842.43	6,303.36	32,145.79
	Less : Inter-segment revenue	-	-	-
		-	-	-
	Unallocated revenue (net)			1,452.02
				1,591.87
2	Total			31,524.46
				33,737.66
b. Result				
1	Segment (loss) / profit before Tax and finance cost	(4,396.46)	6,523.94	2,127.48
		(3,204.40)	5,368.89	2,164.49
2	Finance costs			1,705.21
				2,080.20
3	Unallocable income/(expenditure) (net)			16.97
				76.91
4	Profit before Exceptional Items and tax			439.24
				161.20
5	Exceptional item			(900.00)
				(5,958.92)
6	Tax expense/(income)			
	- current tax			168.02
				18.15
	- deferred tax charge			-
				0.02

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Note 56 - Segment information: (Contd.)

	2023-2024		
	2022-2023 #		
	Bulk Drug/ Chemicals	Property	Total
-Adjustment of tax related to earlier years			1,245.55
			<i>(115.57)</i>
7 Loss after tax			(1,874.33)
			<i>(5,700.32)</i>
c. Other information			
1. Segment assets	45,876.77	1,481.83	47,358.60
	<i>50,867.14</i>	<i>3,461.53</i>	<i>54,328.67</i>
2. Unallocated corporate assets			9,099.24
			<i>12,056.99</i>
3. Total assets			56,457.84
			<i>66,385.66</i>
4. Segment liabilities	7,288.68	4,208.26	11,496.94
	<i>6,172.35</i>	<i>3,982.57</i>	<i>10,154.92</i>
5. Unallocated corporate liabilities			13,538.29
			<i>22,625.04</i>
6. Total liabilities			25,035.23
			<i>32,779.96</i>
7. Cost incurred during the year to acquire			
- segment tangible and intangible assets	1,397.74	522.98	1,920.71
	<i>4,048.95</i>	-	<i>4,048.95</i>
- unallocated segment tangible and intangible assets			-
			-
8. Depreciation and amortization expense	2,351.47	18.08	2,369.55
	<i>2,189.63</i>	<i>258.87</i>	<i>2,448.50</i>

(Figures in italics are the corresponding figures in respect of the previous year.)

Restated pursuant to merger (Refer Note 70)

B) Geographical information

Geographical information is reported on the basis of the geographical location of the customers. The management views the Indian market and export markets as distinct geographical markets.

Revenue by market – The following is the distribution of the Company's revenue by geographical market:

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
India		
Bulk Drug/Chemicals	9,405.69	8,811.01
Property	7,374.15	6,303.36
Others	1,452.02	1,591.87
Europe - Bulk Drug/Chemicals	5,513.12	6,741.99
USA - Bulk Drug/Chemicals	1,177.40	2,149.77
Others countries - Bulk Drug/Chemicals	6,602.08	8,139.66
	31,524.46	33,737.66

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Note 56 - Segment information: (Contd.)

The following is an analysis of the carrying amount of Non current assets excluding financials assets, Investment in subsidiaries and deferred Tax Assets, analysed by geographical area in which the assets are located:

(₹ in Lakhs)

Particulars	Assets	
	March 31, 2024	March 31, 2023 #
India	27,762.30	31,851.32
Outside-India	-	-
Total	27,762.30	31,851.32

The Company's operating facilities are located in India.

The Company has not generated revenue aggregating more than 10% of the Company's total revenue from any customer during the period (March 31, 2023 Nil).

Restated pursuant to merger (Refer Note 70)

57. Financial risk management objectives and policies

The Company is exposed to credit risk, liquidity risk and market risk. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates, commodity prices and equity price risk). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term borrowings. The Company is exposed to market risks related to foreign exchange rate risk, commodity rate risk, interest rate risk and other price risks, such as equity price risks. Thus, the Company's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

i) Equity price risk

The Company's unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investments in securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Company's Board of Directors review and approve, all investments in the equity instruments.

As at March 31, 2024 and March 31, 2023 the Company had exposure to equity securities measured at fair value. The changes in fair values of the equity investments were strongly positively co-related with changes in market index.

ii) 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 rate. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term borrowings obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of long term and short term borrowings.

For the years ended March 31, 2024 and March 31, 2023 every 50 basis point decrease in the floating interest rate component applicable to its loan and borrowings would increase the Company's profit by ₹85.48 Lakhs and ₹117.39 Lakhs respectively. A 50 basis point increase in floating interest rate would lead to an equal but opposite effect.

iii) Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. The prices of the Company's raw materials generally are stable. Cost of raw materials forms the largest portion of the Company's cost of revenues.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

57. Financial risk management objectives and policies(Contd.)

A large portion of the Company's sales are subject to commodity rate risk having a volatile pricing. The Company monitors overall demand supply position and pricing movement to decide marketing strategies to overcome risk of changing prices of the products.

iv) Foreign currency risk

The Company's foreign exchange risk arises from its foreign currency revenues and expenses and foreign currency borrowings. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Company largely uses the natural hedge to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

The year end foreign currency exposures that have not been hedged (before giving effects of natural hedge) by derivative instrument or otherwise are given below:

A) Significant foreign currency risk exposure relating to trade receivables and cash and cash equivalents :

(₹ in Lakhs)

Particulars	March 31, 2024			March 31, 2023 #	
	Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial assets					
Cash and cash equivalents (including EEFC)	AED	0.05	1.07	0.01	0.19
	BDT	0.09	0.00	0.09	0.00
	CAD	0.00	0.17	0.00	0.16
	CHF	0.00	0.31	0.00	0.25
	CZK	0.00	0.01	-	-
	EUR	0.03	2.27	0.06	5.35
	JPY	0.19	0.00	-	-
	NOK	0.00	0.00	-	-
	NZD	0.01	0.57	-	-
	OMR	0.00	0.76	0.00	0.74
	RUB	0.01	0.01	0.01	0.01
	SGD	0.02	1.15	0.02	1.05
	TRY	0.01	0.03	-	-
	USD	0.25	20.61	-	0.33
Loan	USD	8.50	708.90	8.50	698.33
Business advances	EUR	10.43	936.83	10.27	915.33
	GBP	0.01	0.76	-	-
	USD	2.41	200.96	0.25	20.49
	AED	0.00	0.04	0.05	1.22
Trade receivables and other financial assets	USD	33.06	2,663.39	36.25	2,978.35
	EURO	70.23	6,310.67	60.07	5,351.01

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

57. Financial risk management objectives and policies (Contd.)

B) Significant foreign currency risk exposure relating to borrowings and trade payables :

(₹ in Lakhs)

Particulars	March 31, 2024			March 31, 2023 #	
	Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial liabilities					
Trade payables	EURO	3.06	275.16	7.11	633.16
	USD	3.81	317.96	0.90	74.29
	SGD	-	-	0.00	0.03
Borrowings (PCFC)	EURO	31.91	2,867.49	34.69	3,090.35
	USD	4.31	359.45	-	-
External Commercial borrowing (ECB)	EURO	-	-	4.90	436.15
Foreign Currency Term Loan (FCTL)	EURO	29.08	2,613.22	40.67	3,623.29

Restated pursuant to merger (Refer Note 70)

C) Foreign currency sensitivity

For the years ended March 31, 2024 and March 31, 2023, every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities would increase the Company's profit and increase the Company's total equity by approximately (net) ₹203.62 Lakhs and ₹105.78 Lakhs, respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to equal but opposite effect. In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

D) Derivative contracts

The Company is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollars and Euros and foreign currency debts in US dollars and Euros. The Company uses cross currency interest rate swap and Currency hedges (known as, "derivatives") to mitigate its risk of changes in foreign currency exchange interest rates and exchange rates. The counterparty for these contracts is generally a bank.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contract:

Particulars	Currency	Currency Amount	Buy/Sell	Cross Currency	March 31, 2024	March 31, 2023 #
Derivatives not designated as hedges						
Currency hedges						
Currency hedges EUR	EUR	14.09	Sell	INR	-	-
Currency hedges USD	USD	11.89	Sell	INR	1.06	-
Cross currency interest rate swap	EUR		Buy	INR	41.46	64.78

Restated pursuant to merger (Refer Note 70)

b) Credit risk

Credit risk is the risk of financial loss, if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers, loans and other financial assets. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counterparty to which the Company grants credit terms in the normal course of business.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

57. Financial risk management objectives and policies (Contd.)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.”

i) Trade receivables

The Company has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers. The Company evaluates the concentration of risk with respect to trade receivables which is low, as its customers are widely spread with small outstanding amounts (For detailed movement in provision for trade receivables - Refer note 16)

Trade receivables

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Not due	4,575.62	3,992.78
Less than 6 months	2,344.69	3,263.18
6 months-1 year	414.06	533.31
1-2 years	1,346.67	1,009.99
2-3 years	996.87	877.67
Beyond 3 years	1,973.64	1,105.78
	11,651.56	10,782.71

Restated pursuant to merger (Refer Note 70)

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Credit risk in case of Intercompany deposit given is managed by the Company in accordance with the Company's policy. ICD only be given out of surplus funds, are made only with the approval of the Board of Directors and are reviewed by the Board on an annual basis.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations as they fall due. The Company's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid banks deposits to meet the Company's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

i) Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

March 31, 2024

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	8,973.49	4,259.23	-	13,232.72
Trade payables	5,303.12	-	-	5,303.12
Lease liabilities	95.81	553.88	-	649.69
Other financial liabilities (including derivatives not designated as hedge)	763.44	353.84	-	1,117.28
Total	15,135.86	5,166.95	-	20,302.81

Notes to the Standalone Financial Statements for the year ended March 31, 2024

57. Financial risk management objectives and policies(Contd.)

March 31, 2023 #

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	13,325.63	8,319.96	34.00	21,679.59
Trade payables	5,190.85	-	-	5,190.85
Lease liabilities	68.67	199.11	-	267.78
Other financial liabilities	908.91	108.38	-	1,017.29
Total	19,494.06	8,627.45	34.00	28,155.50

Restated pursuant to merger (Refer Note 70)

The Company had unutilised credit limit of borrowing facilities as at March 31, 2024: ₹3,171.70 lakhs and as at March 31, 2023 ₹1,211.87 lakhs from banks.

58. Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Company monitors capital on the basis of the carrying amount of debt less Cash and cash equivalents presented on the face of the standalone financial statements. The Company's objective for capital management is to maintain an optimum overall financial structure.

(i) The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Debts (Term loans and loans repayable on demand including current maturities of long term debts)	13,232.72	21,679.59
Less: Cash and cash equivalents (Refer note 17)	1,863.43	3,207.53
Net debt	11,369.29	18,472.06
Total equity	31,422.61	33,605.70
Net debt to equity ratio	36%	55%

Restated pursuant to merger (Refer Note 70)

(ii) Dividend on equity shares paid during the year

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Dividend on equity shares		
Dividend for the year ended March 31, 2023 of ₹1.25 per share on 2,94,30,987 equity shares of ₹5.00/- each, fully paid up (net of 5,56,880 equity shares of ₹5.00/- each which were held by ESOP Trust) [Refer note 22(a)]	360.93	360.59

Dividends not recognised at the end of the reporting period

The Board of Directors of the Company at its meeting held on May 27, 2024 have recommended dividend of ₹1.25 per share. The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as a liability.

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

59. Investment properties

The Company's investment properties consist of Thane One Building, Ceejay House and freehold land located at Majiwade Thane and at Takawe. Out of the 16 floors, ground to 13 floors have been considered as Investment property by the Management of which 13 Floor has been sold.

Criteria used for classification of property as investment property

The Company has considered the following for classification of property as investment property:

- (i) Investment property comprises building and other assets required to provide ancillary services to the occupants of the investment property.
- (ii) The properties that are not occupied by the Company for use in production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation are classified as investment property.

The Company has a building which is primarily meant for renting is classified as an investment property, except for the part of that building which is used for administrative purposes, and hence classified as owner-occupied property. The Company has apportioned the cost of the property between investment property and owner-occupied property in the ratio of area used, respectively, as a percentage of total area.

The Company has sold 5 floors part of its Investment in Property consisting of floors sales in Thane One IT/ITES building accordingly, total income on sale of Investment Property for the year ended March 31, 2024 is ₹2,505.07 lakhs (previous year ended March 31, 2023 ₹4,772.82 lakhs, 8 floors) and has been recognised as income under the head revenue from operation pertaining to property segment.

Further during the previous year, Mr. Krishna Datla and Ms. Rajeshwari Datla on behalf of the Company entered in to "Memorandum of Understanding" to sell Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune admeasuring 21.39 Acres, with M/s. D1 Enterprises (as the Proposed Assignor) to and in favour of Nipro Pharmapackaging India Private Limited as the proposed purchaser of said land.

In the current year, the company has partially sold (1,40,100 Sq Mtr) freehold land located at Village Takawe not held in the name of the Company. The income on sale of such property for the year ended March 31, 2024 is ₹3,882.75 Lakhs which has been recognised as income under the head revenue from operations pertaining to property segment. Company has received advance of ₹329.20 lakhs (net of tax). (as at March 31. 2023 ₹841.50 lakhs [net of tax])

Estimation of fair value

The fair value of the Investment Property has been determined in the financial period March 31, 2024 as ₹6,724.72 Lakhs (March 31, 2023 as ₹21,626.49 Lakhs). The fair value has been determined by an external, independent property valuer, having appropriate professional qualification and recent experience in the location and category of the property being valued. The Company obtained independent valuation for its investment property and fair value measurement has been categorised as Level 3. The fair value has been arrived at by using comparable market rate approach. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in village Majiwada area and Takawe area.

Amount recognised in Standalone statement of profit and loss

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Income from investment properties		
Rent and Service Income	986.33	1,530.54
Sale of properties	6,387.82	4,772.82
Less: Direct operating expenses (including repairs and maintenance) generating income from investment properties	832.13	674.51
Income arising from investment properties	6,542.02	5,628.85
Less: Depreciation	(18.08)	(259.95)
Income arising from investment properties after depreciation	6,523.94	5,368.89

Restated pursuant to merger (Refer Note 70)

Refer note 46(B) for operating lease arrangements and total future minimum lease rentals receivable

Refer note 24 for the existence of restrictions on the realisability of investment property or the remittance of income and proceeds of disposal

Refer note 62 for deposit received against the signed Binding Term Sheet and grant of development rights to Mextech for construction of residential-cum-commercial buildings in the balance portion of Thane land.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

60. Share-based payments

Employee share option plan of the Company

1.1 Details of the employee share option plan of the Company

This ESOP 2019 scheme has been framed pursuant to the Scheme of Amalgamation between the erstwhile Fermenta Biotech Limited ("Transferor Company") with the DIL Limited ("Transferee Company") and their respective shareholders. The Transferor Company prior to the Scheme of Amalgamation had implemented the 'Fermenta Biotech Limited - Employee Stock Option Plan 2019' and were granted employee stock options to its eligible employees. Further, the number of transferee options issued shall equal to the product of number of transferor options outstanding on effectiveness of Scheme multiplied by the Share exchange ratio (0.398) and each transferee option shall have an exercise price per equity share equal to transferor option exercise price per equity shares divided by the share exchange ratio (0.398) and fractions rounded off to the next higher whole number. The terms and conditions of ESOP 2019 Scheme of DIL Limited are not less favourable than those of ESOP Scheme of erstwhile Fermenta Biotech Limited. Under the ESOP 2019 Scheme, stock options have been issued to the eligible employees of erstwhile Fermenta Biotech Limited.

In accordance with the terms of the plan, as approved by the erstwhile shareholders of Fermenta Biotech Limited at an extra general meeting, executives and senior employees with the Company were granted options to purchase equity shares.

Each employee share option converts into one equity share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula and is subject to approval by the remuneration committee. The formula rewards executives and senior employees to the extent of the Company's and the individual's achievement judged against both qualitative and quantitative criteria.

The following share-based payment arrangements were in existence during the current year:

(₹ in Lakhs)

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (60% of options granted under ESOP 2019)	1,01,614	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2025, 12.08.2025 and 28.02.2025	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	49,526	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2026, 12.08.2026 and 28.02.2026	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	28,270	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2027, 12.08.2027 and 28.02.2027	83.67	421.71 and 298.16
Plan 2 (100% of options granted under ESOP 2019)	2,17,410	25.02.2019	25.02.2025	83.67	418.22

Options granted under ESOP 2019 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, fair value at grant dates and exercise price were adjusted in accordance with the Share exchange ratio (0.398:1) as per the scheme of amalgamation.

The above number of options, were adjusted for the Forfeited/ cancellation of option for fullment of year end assessment of ESOP vesting conditions.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

60. Share-based payments(Contd.)

1.2 Fair Price of share options granted

The weighted average fair Price of the share options granted during the financial year is Nil (previous year Nil). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series			
	Plan 1 (60% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 2 (100% of options granted under ESOP 2019)
Grant date share price (₹)	298.16 and 298.16	298.16 and 298.16	298.16 and 298.16	418.22
Exercise price (₹)	83.67	83.67	83.67	83.67
Expected volatility	69.28% and 65.33%	68.83% and 61.84%	68.08% and 60.02%	69.28%
Option life	4.51 years and 4 years	5.51 years and 5 years	6.51 years and 6 years	4.51 years
Dividend yield	0% and 0.57%	0% and 0.57%	0% and 0.57%	0.00%
Risk-free interest rate	7.14% and 5.22%	7.25% and 5.53%	7.35% and 5.78%	7.14%

1.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Balance at beginning of year	3,24,082	83.67	3,96,821	83.67
Granted during the year	-	-	-	-
Forfeited during the year	-	-	62,758	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	16,804	-	9,981	-
Expired during the year	-	-	-	-
Balance at end of year	3,07,278	-	3,24,082	-

The number of options, were adjusted for the Forfeited /cancellation of option for fulfillment of year end assessment of ESOP vesting conditions.

1.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹83.67 (as at March 31, 2023: ₹83.67), and a weighted average remaining contractual life of Nil year.

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

61. Ratio

(₹ in Lakhs)

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023 #	% Variance	Reason for variance
Current Ratio	23,822.77	16,088.89	1.48	1.19	24.37	Due to better realisation of inventory and trade receivables and repayment of borrowings
	(25,331.82)	(21,261.65)				
Debt-Equity Ratio	13,232.72	31,422.61	0.42	0.65	(35.38)	Improvement due to early repayment of debts
	(21,679.58)	(33,605.70)				
Debt Service Coverage Ratio	3,132.98	3,944.49	0.79	0.92	(14.13)	*
	(4,818.78)	(5,260.18)				
Return on Equity Ratio	(974.33)	32,514.16	(0.03)	0.01	(400.00)	Due to Improvement in profitability
	(258.60)	(36,601.45)				
Inventory turnover Ratio	30,709.04	9,417.72	3.26	2.75	18.55	*
	(32,891.45)	(11,966.39)				
Trade Receivables turnover Ratio	30,709.04	8,711.01	3.53	3.24	19.72	*
	(32,891.45)	(10,159.91)				
Trade payables turnover Ratio	7,239.09	5,246.98	1.38	2.20	(37.27)	Due to decrease of trade credit period
	(10,910.30)	(4,954.11)				
Net capital turnover Ratio	30,709.04	7,733.88	3.97	8.08	(50.87)	Due to Improvement of net working capital
	(32,891.45)	(4,070.17)				
Net profit Ratio	(1,874.33)	30,709.04	(0.06)	(0.17)	(64.71)	Due to Improvement in profitability
	(5,700.32)	32,891.45				
Return on Capital employed	2,144.45	44,113.05	0.05	0.04	25.00	Due to Improvement in profitability
	(2,241.40)	(54,230.41)				
Return on investment	Not applicable					

Restated pursuant to merger (Refer Note 70)

* Ratio variance below threshold limit defined as per Schedule III of Companies Act 2013.

Current Ratio :	Current Assets/ Current Liabilities
Debt – Equity Ratio :	Total Debt/Shareholder's Equity
Debt Service Coverage Ratio :	Earnings available for debt service/Debt Service
	Earning for Debt Service = Profit /(loss) after Tax before Exceptional Items + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
	Debt service = Interest & Lease Payments + Principal Repayments

Notes to the Standalone Financial Statements for the year ended March 31, 2024

61. Ratio (Contd.)

Current Ratio :	Current Assets/ Current Liabilities
Return on Equity (ROE) :	Net Profits/(loss) after taxes before Exceptional Items – Preference Dividend (if any)/Average Shareholder's Equity
Inventory Turnover Ratio :	Cost of goods sold OR sales/ Average Inventory
	Average inventory is (Opening + Closing balance) / 2
Trade receivables turnover Ratio :	Net Credit Sales/ Avg. Accounts Receivable
	Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bills receivables
	Average trade debtors = (Opening + Closing balance) / 2
Trade payables turnover Ratio :	Net Credit Purchases/ Average Trade Payables
Net capital turnover Ratio :	Net Sales / Working Capital
	Net sales shall be calculated as total sales minus sales returns.
	Working Capital shall be calculated as Current assets minus Current liabilities.
Net profit Ratio :	Net Profit/ Net Sales
	Net profit shall be after tax before exceptional items
	Net sales shall be calculated as total sales minus sales returns.
Return on capital employed (ROCE) :	Earning before interest and taxes and exceptional items/Capital Employed
	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

62. The Company ('Fermenta') has signed a Binding Term Sheet on January 31, 2022 with Mextech Property Developers LLP ('Mextech') and granted development rights to Mextech for construction of residential-cum-commercial buildings in the balance portion of Thane land. In lieu of this the Company would receive residential flats on an area sharing basis aggregating 120,000 square feet RERA carpet area along with amenities. The Company has accordingly received ₹1,500 lakhs as a deposit from Mextech.

63. Relationship with Struck off companies

(₹ in Lakhs)

Name of struck off Company	Nature of transactions with struck-off Company	As at March 31, 2024	As at March 31, 2023 #	Relationship with the Struck off company, if any, to be disclosed
Jaansi Sampark Consultancy	Trade Payables	5.28	5.28	None
Janak Laboratories Ltd.	Trade Receivables	3.41	-	None
Bombay Rayon Fashions Ltd.	Trade Receivables	0.23	-	None

Restated pursuant to merger (Refer Note 70)

64. Capitalisation of borrowing costs

During the year ended March 31, 2024, the Company capitalised the following borrowing costs attributable to qualifying assets to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, finance costs disclosed under note 39 are net of amounts capitalised by the Company.

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Finance costs (Including forex revaluation)	108.74	97.07
Total	108.74	97.07

Restated pursuant to merger (Refer Note 70)

Notes to the Standalone Financial Statements for the year ended March 31, 2024

65. The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On November 13, 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

66. Events after the reporting period: The company has evaluated subsequent events from the date through May 27, 2024, the date at which the financial statements were available to be issued and determined that there are no material items to disclose.

67. 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 audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the accounting software or the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software where audit trail has been enabled.

68. Quarterly returns and statements of current assets for loans taken from Banks and Financial Institutions on the basis of security of current assets are filed by the Company with banks and Financial Institutions are in agreement with the books of accounts no such variations found further, HDFC Bank and Yes Bank has accepted the non-compliance of debt covenant and relaxed any penal provisions via email dated March 28, 2024 and March 26, 2024 and accordingly the borrowings are disclosed in the financial statements as non current borrowings for the year ended March 31, 2024. (refer note 24 and 28).

69. Exceptional item

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Inventory	-	1,940.54
Trade Receivables	-	2,280.03
Investment in subsidiary	900.00	831.21
Other advances	-	907.14
Total	900.00	5,958.92

The overall business of animal feed of the Company has considerably reduced as compared to the expectation on account of subdued global demands. Basis the earlier expectation of the Company of the animal feeds business, the Company had kept stock of semi-finished goods to be used for the production of such animal feed. Considering the immediate uncertainty on the recovery of animal feed global demand, as a prudence the Company had made provisions against the said inventory. Further, the company made provision against investments, recoverable of expenses and trade receivable from Ferment Biotech GmbH (wholly owned Subsidiary dealing in animal feed business) and other parties for the previous year ended March 31, 2023.

During the current year, considering the prolonged subdued global demands, the Company had revisited its projected future cash flows from its subsidiary Fermenta USA LLC and has determined the value in use of its investments in the said subsidiary. Accordingly, a provision for impairment of investment of ₹900 lakhs was recorded as an exceptional item in the year ended March 31, 2024.

70. Merger of amongst DVK Investments Private Limited (Holding Company) and Aegean Properties Limited (Wholly owned subsidiary) with Fermenta Biotech Limited

Pursuant to scheme of Merger by Absorption under section 230-232 of the Companies Act, 2013, between the Company, its Holding Company DVK Investments Private Limited {DVK} and wholly owned subsidiary Company Aegean Properties Limited {Aegean} (transferor companies) sanctioned by National Company Law Tribunal by virtue of its order dated May 8, 2023 and the certified copies of such approved scheme was submitted with the Registrar of Companies (ROC), Mumbai on May 24, 2023, which is considered as the appointed date and effective date of the merger as per the Scheme. The transferor companies have merged into the Company on a going concern basis from the appointed date of the scheme i.e. May 24, 2023.

The arrangement have been accounted in the books of account of the Company in accordance with Ind AS 103 and considering that the transferor companies are ultimately controlled by the same promoters both before and after the business combination, the said transaction is a common control transaction and has been accounted under pooling of interest method.

Notes to the Standalone Financial Statements for the year ended March 31, 2024

Pursuant to the Scheme, 1,50,75,318 no. of shares held by DVK Investments Private Limited has been cancelled and equivalent shares have been allotted to the shareholders of DVK Investments Private Limited on June 3, 2023 in the ratio of their holding in DVK Investments Private Limited.

Accordingly, the comparative financial information of the Company for the year ended March 31, 2023 included in these standalone financial statements along with the notes to accounts and disclosure have been adjusted to give effect of the merger of transferor companies with effect from the date when such entities came under common control. Following the common control accounting guidance the financial statements of the following companies have been included in the financial statement of the Company from:

Aegean - April 1, 2022

DVK - April 1, 2022

The impact of the merger on the financial statements of the Company is as under: as at April 1, 2022.

(₹ in Lakhs)

Particulars	Aegean Properties Limited	DVK Investments Private Limited	Total
Total Assets (A)	150.46	1,772.10	1,922.56
Total Liability (B)	0.43	0.45	0.88
Net Assets (A-B) {taken over}	150.03	1,771.65	1,921.69
Add: Other reserves {taken over}	(120.03)	(1,119.49)	(1,239.52)
Less : Investment elimination	30.00	1,686.65	1,716.65
Capital Reserve pursuant to merger	0.00	(1,034.48)	(1,034.48)

The Company has accounted for the merger as per the pooling of interest method retrospectively for all periods presented as prescribed under Ind AS 103 Business Combinations of entities under common control. The previous period/ year numbers have been accordingly restated to give effect of the merger from the date when such entities came under common control. The impact of the merger on these results is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2023 Reported	Year ended March 31, 2023 Restated
Total Assets	66,465.70	66,385.66
Total Liability	33,058.61	32,779.96
Total Equity	33,407.09	33,605.70
Total Income	33,648.05	33,737.66
Profit before Tax	90.13	161.20
Loss for the year	(5,753.27)	(5,700.32)
Total comprehensive loss for the year	(5,736.01)	(5,683.06)

71. Revenue from Contracts with Customer :

1. Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers;

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023 #
Type of goods or services		
Sale of products	22,846.06	26,269.34
Sale of services	268.89	230.20
Rent and Service income from investment properties	986.33	1,530.54
Sale of investment properties	6,387.82	4,772.82
Other operating income	219.95	88.56
Total revenue from contract with customers	30,709.04	32,891.45

Notes to the Standalone Financial Statements for the year ended March 31, 2024

71. Revenue from Contracts with Customer : (Contd.)

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023 #
India	17,416.44	15,860.03
Outside India	13,292.60	17,031.42
Total revenue from contract with customers	30,709.04	32,891.45
Timing of revenue recognition		
Goods transferred at a point in time	29,233.88	31,042.16
Services transferred over time (included in other operating income)	1,475.16	1,849.29
Total revenue from contract with customers	30,709.04	32,891.45

2. Contract balances

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023 #
Trade receivables	8,884.81	8,537.21
Contract Assets	314.99	321.98
Contract liabilities	30.01	9.53
Deferred Revenue	1,846.74	894.40

Restated pursuant to merger (Refer Note 70)

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

73. Other Statutory Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended 31st March, 2024.

74. The Standalone financial statements were approved for issue by the Board of Directors on May 27, 2024.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Independent Auditor’s Report

To
 The Members of
Fermenta Biotech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Fermenta Biotech Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) and its associate comprising of the consolidated Balance sheet as at March 31 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 the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2024, their consolidated loss including other comprehensive loss, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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, associate, in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Recoverability of Minimum Alternate Tax (MAT) credit entitlement included under deferred tax assets (as described in Note 59 of the consolidated financial statements)	
The Parent Company has recognised deferred tax assets amounting to ₹4,089.03 lakh representing Minimum Alternate Tax (MAT) credit entitlement, pursuant to the provisions of Section 115JB of the Income-tax Act, 1961 and related rules.	Our audit procedures included the following: <ul style="list-style-type: none"> Evaluated the Group’s accounting policies with respect to recognition of deferred taxes in accordance with Ind AS 12 “Income Taxes”.

Key audit matters	How our audit addressed the key audit matter
<p>Unused tax credits in the form of MAT credits is recognized to the extent there is convincing evidence that sufficient taxable profits will be available in the future against which such MAT credit can be utilized.</p> <p>The recoverability of such MAT credit entitlement is considered as a key audit matter as it involves significant management judgement including accounting estimates relating to profitability forecasts, availability of sufficient taxable income in the future and recoverability within the specified period of time.</p>	<ul style="list-style-type: none"> ▪ Evaluated the design and implementation and tested the operating effectiveness of key internal financial controls related to the assessment of recoverability of MAT credit entitlement. ▪ Obtained and analysed the future projections of taxable profits estimated by management and assessed the key assumptions used and the reasonableness of the future cash flow projections. ▪ Assessed the sensitivity analysis applied by the Group and evaluated if any change in the assumptions will lead to any material change utilisation of the MAT credit entitlement. ▪ Assessed the adequacy of disclosures made in the consolidated financial statements
<p>Provision for Inventory obsolescence (as described in Note 15 of the consolidated financial statements)</p>	
<p>As at March 31, 2024, the carrying amount of inventories amounted to ₹8,738.42 lakh after considering allowances for Inventory</p> <p>Inventories are carried at lower of cost and net realisable value in accordance with the accounting policy of the Group.</p> <p>The Group makes provision for inventory based on category of products, experience, age of Inventory, current trend and future expectations of forecast inventory demand, product expiry dates, estimates for future selling price and plans to dispose of inventories that are close to expiry.</p> <p>The provision for inventory obsolescence has been considered as a key audit matter, as determination of provision for inventory involves significant management judgment and estimates.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ▪ Obtained an understanding of management’s process to identify slow-moving, obsolete and other non-saleable inventory, and process of consequent measurement of required provision for obsolescence. ▪ Evaluated the design, implementation and tested the operating effectiveness of key controls that the Group has in relation to aforesaid process ▪ For the provisions made in respect of expired or near expiry inventory balances, tested such identification from the batch-wise expiry information and reperformed computations to validate the accuracy and completeness of such provision estimates ▪ For provisions made in respect of slow moving and non-saleable Inventory, discussed with management the triggers taken into account for such identification and evaluated the same in view of our understanding of the business and industry conditions. Assessed the management’s estimates regarding the expected timing by which the balance inventory of aforesaid specific products would be sold basis past trends and market conditions. Further, reperformed computations to validate the accuracy and completeness of such provision estimates. Also compared carrying cost to recent sales or to the estimated selling price applied in assessing the Net Realizable Value. ▪ Assessed the adequacy of disclosures made in the consolidated financial statements

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor’s report thereon. The report is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- ❖ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ❖ Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.
- ❖ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ❖ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- ❖ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ❖ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the 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 for the financial year ended March 31, 2024 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 Matter

- (a) We did not audit the financial statements and other financial information, in respect of 3 subsidiaries whose financial statements include total assets of ₹1,884.08 lakh as at March 31, 2024, and total revenues of ₹3,529.67 lakh and net cash outflows of ₹10.59 lakh for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.
- (b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 2 subsidiaries whose financial statements and other financial information reflect total assets of ₹42.30 lakh as at March 31, 2024, and total revenues of ₹Nil lakh and net cash inflows of ₹ Nil lakh for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management.
- (c) The consolidated financial statements also include the Group's share of net loss of ₹ Nil lakh for the year ended March 31, 2024, as considered in the consolidated financial statements,

in respect of 1 associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management.

Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above 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 and other financial information certified by the Management.

- (d) In connection with the merger of erstwhile Holding Company as more fully described in note 67 to the consolidated financial statements, we did not audit the comparative financial statements of such erstwhile Holding Company as considered in these consolidated financial Statements for the year ended March 31, 2023, whose financial statements reflects before inter-company eliminations total revenues of ₹278.44 lakhs, total net profit after tax of ₹230.68 lakhs and total comprehensive income ₹230.68 lakhs for the year ended March 31, 2023.

These financial statements have been audited by the independent auditor of such erstwhile Holding Company and auditor's reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the erstwhile Holding Company, is based solely on the report of independent auditor of such company as adjusted for the accounting effects of the Scheme recorded by the Company (in particular, the accounting effects of IND AS 103- Business Combinations and other consequential adjustments which has been audited by us.

Our opinion is not modified in respect of this matter.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph] we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g);
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's company incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Holding Company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 63 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2024;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2024.
 - iv.
 - a) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management of the Holding Company whose financial statements have been audited under the Act have represented to us, to the best of its knowledge and belief, no funds have been received by the Holding Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall whether, 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; and
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us whose financial statements have been audited under the Act,

nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

- v) The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 57 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi) Based on our examination which included test checks, the Holding 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, audit trail feature is not enabled for direct changes to data when using certain privileged access rights, as described in note 74 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Place of Signature: Thane

Date: May 27, 2024

Membership Number: 136454

UDIN: 24136454BKFOFA3805

Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the auditor in the Companies (Auditors Report) Order (CARO) report of the Holding Company included in the consolidated financial statements are:

Entity Name	CIN	Holding/ Subsidiary	Clause number of the CARO report which is qualified or is adverse
Fermenta Biotech Limited	L99999MH1951PLC008485	Holding Company	(i) (c)
			(iii) (c)
			(iii) (d)
			(iii) (f)
			(vii) (a)

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership Number: 136454

UDIN: 24136454BKFOFA3805

Place of Signature: Thane

Date: May 27, 2024

Annexure 2 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Fermenta Biotech Limited

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

In conjunction with our audit of the consolidated financial statements of Fermenta Biotech Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company incorporated in India, as of that date. There are no subsidiaries which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 with reference to consolidated financial

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors 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 internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company, has maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial

controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Place of Signature: Thane

Date: May 27, 2024

Membership Number: 136454

UDIN: 24136454BKFOFA3805

Consolidated Balance Sheet as at March 31, 2024

(₹ in Lakhs)

	Notes	March 31, 2024	March 31, 2023 #
ASSETS			
Non-current assets			
a)	Property, plant and equipment	3	23,642.37
b)	Capital work-in-progress	4	161.57
c)	Right-of-use assets	5	1,543.34
d)	Investment property	6A	540.68
e)	Goodwill	6B	411.65
f)	Other intangible assets	7	715.52
g)	Intangible assets under development	8	-
h)	Investments in an associate	9A	-
i)	Financial assets		
i)	Investments	9B	43.36
ii)	Share application money	10	-
iii)	Loans	11	29.54
iv)	Others financial assets	12	399.32
j)	Deferred tax assets (net)	59C	2,199.91
k)	Non-current tax assets (net)	13	815.00
l)	Other non-current assets	14	105.44
Total non-current assets		30,607.70	38,349.23
Current assets			
a)	Inventories	15	8,738.42
b)	Financial assets		
i)	Trade receivables	16	6,982.51
ii)	Cash and cash equivalents	17	2,182.87
iii)	Bank balances other than (ii) above	18	3,800.52
(iv)	Investments		-
iv)	Loans	19	466.43
v)	Other financial assets	20	87.78
c)	Other current assets	21	1,601.86
d)	Contract Assets		314.99
Total current assets		24,175.38	25,302.34
TOTAL ASSETS		54,783.08	63,651.57
EQUITY AND LIABILITIES			
Equity			
a)	Equity share capital	22	1,443.71
b)	Other equity	23	27,442.39
Equity attributable to owners of the Company		28,886.10	31,531.38
Non-controlling interests		(369.79)	(274.90)
Total equity		28,516.31	31,256.48
Liabilities			
Non-current liabilities			
a)	Financial liabilities		
i)	Borrowings	24	4,253.60
ii)	Lease liabilities	45	553.88
iii)	Other financial liabilities	25	353.84
b)	Provisions	26	535.46
c)	Other non-current liabilities	27	3,243.92
Total non-current liabilities		8,940.70	11,523.25
Current liabilities			
a)	Financial liabilities		
i)	Borrowings	28	8,973.49
ii)	Lease liabilities	45	95.81
iii)	Trade payables		
A)	Total outstanding dues of micro and small enterprises and;	29 & 64	237.63
B)	Total outstanding dues of creditors other than micro and small enterprises	29	6,252.79
iv)	Other financial liabilities	30	766.33
b)	Other current liabilities	31	829.45
c)	Provisions	32	106.43
d)	Current tax liabilities (net)	33	34.13
e)	Contract Liability		30.01
Total current liabilities		17,326.07	20,871.84
TOTAL EQUITY AND LIABILITIES		54,783.08	63,651.57

See accompanying notes to the Consolidated financial statements 1 to 76

Restated pursuant to merger (Refer Note 67)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Tadarwal

Partner

Membership No. 136454

Thane, May 27, 2024

For and on behalf of the Board of Directors of

Fermenta Biotech Limited

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Lakhs)

	Notes	March 31, 2024	March 31, 2023 #
INCOME:			
Revenue from operations	34	33,566.19	34,994.09
Other income	35	1,180.83	859.59
Total Income		34,747.02	35,853.68
EXPENSES:			
Cost of materials consumed	36	7,700.48	11,201.59
Purchases of stock-in-trade		2,701.99	1,902.46
Changes in inventories of finished goods, stock-in-trade and work-in-progress	37	2,611.46	2,251.40
Employee benefits expense	38	5,854.79	5,799.87
Finance costs	39	1,704.60	2,078.23
Depreciation and amortisation expense	40	2,471.93	2,824.75
Other expenses	41	11,946.43	12,078.22
Total expenses		34,991.68	38,136.52
Loss before Exceptional Items and tax		(244.66)	(2,282.84)
Exceptional Items	70	(742.64)	(2,847.68)
Loss before tax		(987.30)	(5,130.52)
Tax expense/(Income):			
Current tax		168.02	18.15
Adjustment of tax related to earlier years		1,245.55	(115.57)
Deferred tax charge		-	280.07
Total tax expense	59	1,413.57	182.65
Loss for the year		(2,400.87)	(5,313.17)
Other comprehensive income / (loss) :			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan		12.28	11.16
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		(34.45)	(164.74)
Net fair value change in investment in equity instruments through other comprehensive income		6.75	6.10
Total other comprehensive loss for the year		(15.42)	(147.48)
Total comprehensive loss for the year		(2,416.29)	(5,460.65)
Loss for the year attributable to:			
- Owners of the Company		(2,305.98)	(5,107.52)
- Non-controlling interests		(94.89)	(205.65)
		(2,400.87)	(5,313.17)
Total comprehensive loss for the year attributable to:			
- Owners of the Company		(2,321.40)	(5,255.00)
- Non-controlling interests		(94.89)	(205.65)
		(2,416.29)	(5,460.65)
Earnings per equity share of ₹5 each before exceptional items			
Basic (in ₹)	43	(5.42)	(7.83)
Diluted (in ₹)		(5.42)	(7.83)
Earnings per equity share of ₹5 each after exceptional items			
Basic (in ₹)	43	(7.99)	(17.70)
Diluted (in ₹)		(7.99)	(17.70)

See accompanying notes to the Consolidated financial statements 1 to 76

Restated pursuant to merger (Refer Note 67)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Consolidated Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
A. Cash flows from operating activities		
Loss after Exceptional Items and before tax	(987.30)	(5,130.52)
Adjustments for:		
Depreciation and amortisation expenses	2,471.93	2,824.75
Net unrealised foreign exchange Loss / (gain)	349.75	(124.24)
Gain on sale / write off of property, plant and equipment and investment property (net)	(6,355.27)	(4,741.34)
Proceeds on sale of Investment Property	10,167.88	9,217.16
Allowance for doubtful debts	60.64	51.62
Expenses charged/(reversed) on Employee Stock Option	19.06	(101.85)
Finance costs	1,704.60	2,078.23
Interest income	(252.03)	(203.54)
Unwinding of interest on financial assets carried at amortised cost	(105.28)	-
Dividend income	(90.36)	(90.63)
Liabilities / provisions no longer required written back	(566.55)	(351.85)
Trade receivables and advances written off	24.95	478.34
Net (gain) / loss on fair value changes of derivatives measured at FVTPL	(22.27)	41.01
Exceptional items	742.64	2,847.68
Operating profit before working capital changes	7,162.39	6,794.82
Movements in working capital:		
(Increase) / Decrease in trade receivables	(3,394.81)	3,530.72
Decrease in inventories	4,275.56	993.13
Decrease / (Increase) in other assets	443.14	(229.43)
Increase / (decrease) in trade payables	2,431.88	(1,527.12)
(Decrease) / Increase in provisions	(93.72)	41.65
(Decrease)/ Increase in other liabilities	(391.68)	1,686.23
Cash generated from operations	10,432.75	11,290.00
Income taxes (paid) (Net of refund)	101.84	320.83
Net cash generated from operations (A)	10,534.59	11,610.83
B. Cash flows from investing activities		
Payments for purchase of property, plant and equipment, investment property, capital work-in-progress, intangible assets and intangible assets under development	(1,920.71)	(4,048.94)
Proceeds on sale of property, plant and equipment / Non Current investment	6.54	4.60
Intercompany deposits / employee loan given	(385.00)	(120.00)
Interest received	246.62	169.55
Proceeds from employee loan placed	9.02	2.35
Dividend received	90.36	90.63
Deposits realised/(placement) with financial institution (net)	278.07	(15.78)
Withdrawal/(placement) of fixed deposits with bank	125.36	(1,623.26)
Net cash used in investing activities (B)	(1,549.74)	(5,540.85)

Consolidated Cash Flow Statement for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
C. Cash flows from financing activities		
Proceeds from non current borrowings	305.37	3,630.84
Repayment of non current Borrowings	(5,047.81)	(5,395.72)
Proceeds / (repayment) of current borrowings	(2,181.51)	229.14
Finance cost paid	(1,666.38)	(2,054.34)
Repayment of Lease Liabilities	(133.92)	(127.94)
Dividends paid	(360.93)	(419.97)
Net cash used in financing activities (C)	(9,085.18)	(4,137.99)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	(100.33)	1,931.99
Cash and cash equivalents at the beginning of the year	1,775.46	(161.42)
Cash acquired pursuant to merger (Refer Note 67)	-	4.89
Cash and cash equivalents at the end of the year	1,675.13	1,775.46
Components of cash and cash equivalents		
Cash on hand	8.87	4.38
Balances with banks		
In current accounts	2,174.00	3,512.15
Deposits with original maturity of less than 3 months	-	12.52
Cash and cash equivalents (Refer note 17)	2,182.87	3,529.05
Cash credit and Bank overdraft facilities (Refer note 28)	(507.74)	(1,753.59)
Total cash and cash equivalents considered for cash flows	1,675.13	1,775.46

See accompanying notes to the Consolidated financial statements 1 to 76

Restated pursuant to merger (Refer Note 67)

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

(a) Equity share capital

Particulars	₹ in Lakhs	
	March 31, 2024	March 31, 2023 #
Balance at the beginning of the year	1,442.87	1,442.37
Add : Share issued during the year on stock option exercise	0.84	0.50
Balance at the end of the year	1,443.71	1,442.87

(b) Other equity

Particulars	Reserves and surplus							Items of other comprehensive income		Attributable to the Owners of the Parent Company	Non Controlling Interest	Total	
	Capital reserve	Capital reserve pursuant to amalgamation	Capital redemption reserve	Securities premium reserve	Unrealised gain/(loss) on dilution	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve				Equity instruments through OCI
Balance as at April 01, 2022	1,140.00	1,074.20	70.00	-	(4,242.26)	3,545.80	1,469.19	32,638.05	49.83	26.29	35,771.10	(68.28)	35,702.82
Pursuant to merger (Refer note 67)	-	(1,034.48)	-	102.85	-	196.30	-	820.35	-	-	85.02	-	85.02
Loss for the year	-	-	-	-	-	-	-	(5,107.52)	-	-	(5,107.52)	(205.65)	(5,313.17)
Transfer to equity share capital on exercise of options	-	-	-	42.09	-	-	(42.09)	-	-	-	-	-	-
Premium on issue of equity share on stock option exercise	-	-	-	7.85	-	-	-	-	-	-	7.85	-	7.85
Payment of dividend (Gross)	-	-	-	-	-	-	-	(419.97)	-	-	(419.97)	-	(419.97)
Recognition of share based payments	-	-	-	-	-	-	(101.85)	-	-	-	(101.85)	-	(101.85)
Other comprehensive income for the year	-	-	-	-	-	-	-	11.16	(164.74)	6.10	(147.48)	-	(147.48)
Payment towards acquisition of minority interest	-	-	-	-	-	-	-	1.36	-	-	1.36	(0.97)	0.39
Balance as at March 31, 2023 #	1,140.00	39.72	70.00	152.79	(4,242.26)	3,742.10	1,325.25	27,943.43	(114.91)	32.39	30,088.51	(274.90)	29,813.61
Loss for the year	-	-	-	70.86	-	-	(70.86)	(2,305.98)	-	-	(2,305.98)	(94.89)	(2,400.87)
Transfer to equity share capital on exercise of options	-	-	-	13.24	-	-	-	-	-	-	13.24	-	13.24
Premium on issue of equity share on stock option exercise	-	-	-	-	-	-	-	(360.93)	-	-	(360.93)	-	(360.93)
Payment of dividend (Gross)	-	-	-	-	-	-	19.06	-	-	-	19.06	-	19.06
Recognition of share based payments	-	-	-	-	-	-	-	12.28	(34.45)	6.75	(15.42)	-	(15.42)
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	1,140.00	39.72	70.00	236.89	(4,242.26)	3,742.10	1,273.45	25,288.80	(149.36)	39.14	27,442.39	(369.79)	27,072.60

Restated pursuant to merger (Refer Note 67)

See accompanying notes to the Consolidated financial statements 1 to 76

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E3000003

For and on behalf of the Board of Directors of
Fermenta Biotech Limited

per Poanam Tadarwal

Partner

Membership No. 136454

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

1.1 Corporate information

Fermenta Biotech Limited (Formerly Known as DIL Limited or 'the Parent Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1913. Its shares are listed on Bombay Stock Exchange. The registered office of the Company is located at A- 1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) 400610. The Parent Company is engaged in the business of manufacturing and marketing of chemicals, bulk drugs, enzymes, pharmaceutical formulations and environmental solution products and renting properties. The Parent Company caters to both domestic and international markets. The Parent Company also has strategic investments in subsidiaries / associate companies primarily dealing in manufacturing and marketing bulk drugs and providing services of sporting and health awareness activities / education activities.

1.2 Scheme of amalgamation

The National Company Law Tribunal, Mumbai Bench, has approved the Scheme of Amalgamation amongst DVK Investments Private Limited (Holding Company) and Aegean Properties Limited (Wholly owned subsidiary) with the Company which has been approved by the National Company Law Tribunal, Mumbai Bench (NCLT) on May 8, 2023 and the certified copies of such approved scheme was submitted with the Registrar of Companies (ROC), Mumbai on May 24, 2023, which is considered as the appointed date and effective date of the merger as per the Scheme.

Accordingly, the effect of the Scheme has been given in these standalone financial statements the year ended March 31, 2024. The figures for the corresponding previous year as presented in these standalone financial statements have been restated to give effect of such amalgamation. The amalgamation has been accounted as common control transaction in accordance with Appendix C of Ind AS 103 'Business Combinations'.

Pursuant to the Scheme, 1,50,75,318 no. of shares held by DVK Investments Private Limited has been cancelled and equivalent shares have been allotted to the shareholders of DVK Investments Private Limited on June 3, 2023 in the ratio of their holding in DVK Investments Private Limited.2. Significant accounting policies

2. Significant accounting policies

2.1 Statement of compliance

The consolidated financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to consolidated financials.

2.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis, except for: (i) certain financial instruments that are measured at fair values at the end of each reporting period; and (ii) defined benefit plan – plan assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

a) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, share based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company, and its subsidiaries as disclosed in Note 47. Control is achieved when the Parent Company:

- ❖ has power over the investee;
- ❖ is exposed, or has rights, to variable returns from its involvement with the investee and
- ❖ has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

Profit or loss and each component or other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owner of the Parent Company 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.

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-Group balances, transactions including unrealised gain / loss from such transactions and cash flows relating to transactions between members of the Group are eliminated upon consolidation.

(c) Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets/liabilities and their realization/settlement in cash and cash equivalents, the Group has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

(d) Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in 'Other equity' under 'gain / (loss) on dilution' and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(e) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated losses, if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Investments in associates and joint ventures

Associates are those entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the entities but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. The joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses of an associate or a joint venture exceeds its interest in that associate or joint venture, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has obligations or has made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture and discontinues from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

(g) Foreign currencies

Foreign currency transactions

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are translated at exchange rates at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- ❖ exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings
- ❖ exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate). When a foreign operation is disposed of, the relevant amount in the Foreign Currency Translation Reserve is reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(i) Employee Benefits

i) Short term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

ii) Termination benefits:

A) Defined contribution plans: The Group contributes towards state governed provident fund scheme, employee state insurance scheme (ESIC) and labour welfare fund to all applicable employees and superannuation scheme for eligible employees. The Group has no further payment obligations once the contributions have been paid. Hence payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

B) Defined benefit plan: The employees' gratuity fund scheme represents the defined benefit plan. The cost of providing benefits is determined using projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of changes to the assets (if applicable) and the return on plan assets (excluding net 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. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- i) service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii) net interest expenses or income; and
- iii) remeasurement

The Group presents the first two components of defined benefit costs in the consolidated statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service cost.

iii) Share-based payments:

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 60.

- (a) Includes impact of market performance conditions (e.g. entity's share price)
- (b) Excludes impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- (c) Excludes the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time)

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the "Share options outstanding account".

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

(j) Income Taxes

Income Tax expense represents the sum of the tax currently payable and deferred tax.

i) Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances

ii) Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under the Income Tax Act, 1961.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognized for all the deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflect the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

iii) Presentation of current and deferred tax:

Current and deferred tax are recognized in the profit and loss, except when they relate to items that are recognised in Other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

(k) Revenue recognition

The group derives revenue primarily from sale of manufactured chemicals, bulk drugs. Enzymes, pharmaceutical formulations, environmental solutions products and rental income from investment property. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts offered by the group as part of the agreed contractual terms and excluding taxes or duties collected on behalf of the government

Sale of Goods/ Investment Property:

The Group recognises revenue when it transfers control of a product or service to a customer. The control of goods is transferred to the customer depending upon the incoterms or as agreed with customer or delivery basis. Control is considered to be transferred to the customer:

- when the customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery,
- the customer has full discretion over the manner of distribution and price to sell the goods,
- the customer has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Revenue received in connection with sale of goods is deferred and recognized over the period in which it satisfies the performance obligation by transferring promised good or service to a customer.

Recognition of revenue from contractual projects

Revenue from contractual project is recognized over time, using an input method with reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

The Group recognizes revenue only when it can reasonably measure its progress in satisfying the performance obligation. Until such time, the Company recognizes revenue to the extent of cost incurred, provided the Group expects to recover the costs incurred towards satisfying the performance obligation.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately when such probability is determined.

Rental income from investment property

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. 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.

Rendering of services:

Revenue from services rendered is recognised pro-rata over the period of the contract as the underlying services are performed.

Infrastructure support services, consists of maintenance of common area in the investment property and supply of essentials. Revenue from such services are recognised in accordance with the terms of the agreement entered into with individual lessees.

Interest and dividend:

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Interest on income tax refund is recognised on receipt of refund order.

Dividend income is recognized when the Group's right to receive payment is established which is generally when shareholders approve the dividend.

Export Incentives:

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and net benefit / obligation is accounted by making suitable adjustments in raw material consumption.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

The benefit under the Duty Drawback, Mercantile Export Incentive Scheme and other schemes as per the Import and Export policy in respect of exports made under the said schemes is included as 'Export Incentives' under the head "Other Operating Revenue" in the consolidated statement of profit and loss and is accounted in the year of export.

(l) Property, plant and equipment (PPE)

Measurement at recognition:

Items of property, plant and equipment are stated in balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is not depreciated. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of property, plant and equipment and is recognised in profit or loss.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and capital work-in-progress) less their residual values on straight-line method over their useful lives as indicated in Part C of Schedule II of the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment are as follows:

Assets	Estimated useful life (in years)
Buildings	30-60
Lease hold improvements (included in buildings)	5-10
Plant and equipment	5-20
Office Equipment (included in plant and equipment)	5-6
Computers (included in plant and equipment)	3-6
Furniture and fixtures	6-10
Vehicles	8

(m) Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured-initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

Transfers to, or from, investment property shall be made when, and only when, there is a change in use, evidenced by:

- commencement of owner-occupation, for a transfer from investment property to owner-occupied property
- commencement of development with a view to sale, for a transfer from investment property to inventories
- end of owner-occupation, for a transfer from owner-occupied property to investment property;
- commencement of an operating lease to another party, for a transfer from inventories to investment property

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

The estimated useful lives of Investment property are as follows:

Assets	Estimated useful life (in years)
Building	60
Plant and equipment	15

(n) Intangible assets

(a) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from use or disposal. Any gain or loss arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit and loss when the assets is derecognised.

(b) Internally-generated intangible assets - Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An Internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if and only if, all the below stated conditions are fulfilled:

- (i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (ii) its intention to complete the asset and use or sell it;
- (iii) its ability to use or sell the asset;
- (iv) how the asset will generate probable future economic benefits;
- (v) the availability of adequate resources to complete the development and to use or sell the asset; and
- (vi) the ability to measure reliably the expenditure attributable to the intangible asset during development.

The amount initially recognised for internally-generated intangible assets is the sum of expenditure incurred from the date when the intangible assets first meets the recognition criteria listed above. Where no internally-generated intangible assets can be recognised, development expenditure is recognised in the consolidated statement of profit and loss in the period in which incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible as intangible assets that are acquired separately.

The estimated useful lives of intangible assets are as follows:

Assets	Estimated useful life (in years)
Computer software	3-6
Product know-how	3-5

(o) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the assets belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for a reasonable and consistent allocation basis to be identified.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in the case of a cash generating unit (a Group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

[The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset.]

For this purpose, a cash generating unit is ascertained as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

If recoverable amount of an asset (or a cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the consolidated statement of profit and loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or a cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

(p) Impairment of goodwill

Goodwill is tested for impairment annually 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.

Any impairment loss for goodwill is recognised directly in profit or loss and is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(q) Inventories

Inventories consisting of raw materials and packing materials, work-in-progress, stock-in-trade and finished goods are measured at the lower of cost and net realisable value. The cost of all categories of inventories is based on the weighted average method. Cost of raw materials and packing materials and stock-in-trade comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

(r) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement:

All financial assets are recognised initially at fair value excluding trade receivables which is recorded at transaction cost. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial asset on initial recognition. Transaction costs directly attributable to the acquisition of financial assets as at fair value through profit or loss are

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

recognised immediately in profit or loss. All regular way purchases or sales of financial assets are recognised or derecognised on a trade date basis. Regular way purchases or sales of financial assets are financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories -

- (1) Debt instruments at amortised cost
- (2) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- (4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(1) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in other income of the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit or loss.

(2) Debt instrument at FVTOCI

A 'debt instrument' is measured as at 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 contractual terms of the instrument that give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

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

(3) Debt instrument at 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. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

(4) Equity Instruments

All equity Instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, 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 at FVTOCI, then all fair value changes on the instrument including foreign exchange gain or loss, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to consolidated statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

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:

- 1) The contractual rights to receive cash flows from the asset have expired, or
- 2) 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.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial assets, and guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss 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 Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchase or originated credit-impaired financial assets). The Group estimates cash flow by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within the 12-months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12-months.

If the Group's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

For 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, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Financial liabilities and equity instruments

Classification as debts or equity:

Debts and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue cost.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in consolidated statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities:

Initial recognition and measurement:

All financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the issue of financial liabilities as at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement:

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts, issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- ❖ it has been incurred principally for the purpose of repurchasing it in the near term; or
- ❖ on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- ❖ it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit, or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit and loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Gains or losses on financial guarantee contracts and loan commitments issued by the company that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Fair value is determined in the manner described in note 54.

Financial liabilities at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (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 financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

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.

(s) **Leasing**

The Group as a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. Ind AS 116 does not change substantially how a lessor accounts for leases. Under Ind AS 116, a lessor continues to classify leases as either finance leases or operating leases and account for those two types of leases differently. However, Ind AS 116 has changed and expanded the disclosures required, in particular with regard to how a lessor manages the risks arising from its residual interest in leased assets.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for Residential premises, Office Premises, Godown, Industrials land and Vehicle. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

line basis over the term of the lease. The right-of-use assets and lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

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

- ❖ Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- ❖ Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- ❖ The amount expected to be payable by the lessee under residual value guarantees;
- ❖ The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- ❖ Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- ❖ The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- ❖ A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Also refer Note 45.

In respect of short-term leases and leases of low-value assets, the Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(t) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are not recognized in the consolidated financial statements of the Group. 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 in extremely rare cases 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 consolidated financial statements.

(u) Earnings per share

The Group presents basic and diluted earnings per share data for its equity shares.

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Dilutive EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

(v) 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 consist of cash and short-term deposits, as defined above, net of cash credit / overdraft balances as they are considered an integral part of the Group's cash management.

(w) Operating segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments of the Group and accordingly is identified as the chief operating decision maker.

(x) Dividends

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(y) Use of estimates and judgements

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques which involve various judgements and assumptions.

Useful lives of property, plant and equipment, investment property and intangible assets:

Property, plant and equipment, investment property and intangible assets represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by the management at the time when the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Assets and obligations relating to employee benefits:

The employment benefit obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

Tax expense: [refer note 2(j)and note 59]

The Parent Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, if any, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA cannot be recognised on want of probable taxable profits.

Minimum Alternate Tax ("MAT") credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Parent Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists

Valuation of investment property [refer note 58]

Impairment of tangible and intangible assets other than goodwill [refer note 2(o)]

Impairment of Goodwill [refer note 2(p)]

Provisions: [refer note 2(t)]

Write down in value of inventories: (refer note 15)

(z) Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

3. Property, plant and equipment

(₹ in Lakhs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Leasehold Improvements	Total
At cost or deemed cost as at April 01, 2022	34.30	7,012.07	16,612.02	647.67	734.70	498.56	25,539.32
Additions	-	163.66	742.60	73.07	324.67	1,617.83	2,921.83
Disposals	-	-	(180.42)	(14.64)	(17.29)	-	(212.35)
Balance as at March 31, 2023	34.30	7,175.73	17,174.20	706.10	1,042.08	2,116.39	28,248.80
Additions	-	2,902.16	2,159.49	0.67	17.08	-	5,079.40
Disposals	-	(6.68)	(53.01)	(2.48)	(36.99)	-	(99.16)
Balance as at March 31, 2024	34.30	10,071.21	19,280.68	704.29	1,022.17	2,116.39	33,229.04
Accumulated depreciation							
As at April 01, 2022	-	1,154.74	4,275.22	329.81	211.84	220.33	6,191.94
Depreciation expense	-	287.04	1,168.05	91.29	96.58	106.40	1,749.36
Disposals	-	-	(147.90)	(14.59)	(14.96)	-	(177.45)
Balance as at March 31, 2023	-	1,441.78	5,295.37	406.51	293.46	326.73	7,763.85
Depreciation expense	-	317.59	1,263.70	47.11	114.42	160.08	1,902.90
Disposals	-	(6.63)	(40.69)	(2.41)	(30.35)	-	(80.08)
Balance as at March 31, 2024	-	1,752.74	6,518.38	451.21	377.53	486.81	9,586.67
Carrying amount							
As at March 31, 2023	34.30	5,733.95	11,878.83	299.59	748.62	1,789.66	20,484.95
As at March 31, 2024	34.30	8,318.47	12,762.30	253.08	644.64	1,629.58	23,642.37

4. Capital work-in-progress (CWIP)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Project in progress	161.57	4,190.25
Projects temporarily suspended	-	-
Total	161.57	4,190.25

(Refer Notes 24 and 28- For details of assets pledged as security)

CWIP Comprises of projects for expansion of existing business along with factory set up for new/upgraded business line

Restated pursuant to merger (Refer Note 67)

Movement of Capital work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening Balance	4,190.25	2,989.35
Addition during the year	1,050.72	4,122.73
Capitalised during the year	(5,079.40)	(2,921.83)
Total	161.57	4,190.25

Restated pursuant to merger (Refer Note 67)

Ageing of Capital work-in-progress

(₹ in Lakhs)

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2024					-
Project in progress	70.30	-	91.27	-	161.57
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2023 #					-
Project in progress	2,910.47	1,272.78	7.00	-	4,190.25
Projects temporarily suspended	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

CWIP completion schedule for project overdue or has exceeded its cost: as at March 31, 2024

(₹ in Lakhs)

Project overdue	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Saykha project (green field project)	91.27	-	-	-	91.27
Total	91.27	-	-	-	91.27

Projects cost consists of (green filed project) fees and other direct cost.

CWIP completion schedule for project overdue or has exceeded its cost: as at March 31, 2023#

(₹ in Lakhs)

Project Overdue / Cost over Run	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Premix Plant	3,997.54	-	-	-	3,997.54
Saykha project	-	-	-	-	-
Capacity enhancement of Biotech Plant at Kullu Plant	41.03	-	-	-	41.03
AD 2 Project	14.30	-	-	-	14.30
Total	4,052.87	-	-	-	4,052.87

Restated pursuant to merger (Refer Note 67)

Projects cost consists of Civil structural, Mechanical, Fabrication work, related equipments of Productions, HVAC System, Fire protection etc and other direct cost.

5. Right-of-use Assets

(₹ in Lakhs)

Particulars	Leasehold land	Buildings	Vehicles	Total
At Cost				
At April 1, 2022	1,055.85	832.40	166.21	2,054.46
Pursuant to Merger (Refer Note 67)	-	(187.30)	-	(187.30)
Disposals #	-	(92.90)	(166.21)	(259.11)
Balance as at March 31, 2023	1,055.85	552.20	-	1,608.05
Additions	-	502.18	-	502.18
Disposals / Deletions	-	-	-	-
Balance as at March 31, 2024	1,055.85	1,054.38	-	2,110.23
Accumulated depreciation				
At April 1, 2022	55.04	275.99	152.16	483.19
Pursuant to Merger (Refer Note 67)	-	(12.01)	-	(12.01)
Depreciation expenses	18.33	99.26	14.05	131.64
Disposals #	-	-	(166.21)	(166.21)
Balance as at March 31, 2023	73.37	363.24	-	436.60
Depreciation expense	18.41	111.88	-	130.29
Disposals #	-	-	-	-
Balance as at March 31, 2024	91.78	475.11	-	566.89
Carrying amount				
As at March 31, 2023 #	982.48	188.97	-	1,171.45
As at March 31, 2024	964.07	579.27	-	1,543.34

Restated pursuant to merger (Refer Note 67)

(Refer Notes 24 and 28- For details of assets pledged as security)

(Refer Note 45)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 6A. - Investment property

(₹ in Lakhs)

Particulars	Leasehold land	Buildings	Plant and equipment	Total
At cost or deemed cost as at April 01, 2022	20.79	6,174.08	2,039.74	8,234.61
Pursuant to Merger (Refer Note 67)	-	66.51	-	66.51
Disposal	-	(3,421.67)	(1,170.89)	(4,592.56)
Balance as at March 31, 2023 #	20.79	2,818.92	868.85	3,708.56
Additions	370.79	152.18	-	522.97
Disposal	(387.76)	(2,403.56)	(784.27)	(3,575.59)
Balance as at March 31, 2024	3.82	567.54	84.58	655.94
Accumulated depreciation				
As at April 01, 2022	-	765.80	790.18	1,555.98
Pursuant to Merger (Refer Note 67)	-	17.51	-	17.51
Depreciation expense #	-	125.95	134.00	259.95
Disposal	-	(476.98)	(518.74)	(995.72)
Balance as at March 31, 2023 #	-	432.28	405.44	837.72
Depreciation expense	-	15.15	2.93	18.08
Disposal #	-	(365.26)	(375.28)	(740.54)
Balance as at March 31, 2024	-	82.17	33.09	115.26
Carrying amount				
As at March 31, 2023 #	20.79	2,386.64	463.41	2,870.85
As at March 31, 2024	3.82	485.37	51.49	540.68

Restated pursuant to merger (Refer Note 67)

Notes 24 and 28 - For details of assets pledged as security (Refer Note 58)

Title deeds of immovable property not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross Value of property* (₹ in Lakhs)	Title deed held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment property	Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune admeasuring 11.95 (21.39) Acres	3.44 (8.06)	Mr. Krishna Datla "held in trust" on behalf of the Company	Executive Vice-Chairman	Various date from December 27, 1992 to July 04, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to registered in individual names.
			Ms. Rajeshwari Datla "held in trust" on behalf of the Company	Non-Executive Director (relative of Executive Vice-Chairman)	Various date from December 27, 1992 to July 04, 1995	The plot of land is an agricultural land lying in the industrial zone and is required to registered in individual names.

* Bold figures represents current year figures.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 6A. - Goodwill

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deemed cost as goodwill*	411.65	411.65
Goodwill on Consolidation	780.69	780.69
Other adjustments	82.95	81.70
Accumulated impairment losses(Refer Note 70)	(863.64)	(121.00)
	411.65	1,153.04

* The amount of goodwill recognised is pursuant to shares acquisition by the company of its subsidiary in the earlier year.

Restated pursuant to merger (Refer Note 67)

7. Other Intangible assets

(₹ in Lakhs)

Particulars	Computer software	Product know -how	Total
At cost or deemed cost as at April 01, 2022	389.45	2,000.41	2,389.86
Additions #	6.07	377.71	383.78
Other adjustments	-	68.28	68.28
Disposal	-	-	-
Balance as at March 31, 2023 #	395.52	2,446.40	2,841.92
Additions	2.49	115.17	117.66
Disposal	(4.92)	-	(4.92)
Balance as at March 31, 2024	393.09	2,561.57	2,954.66
Accumulated amortisation			
As at April 01, 2022	303.78	793.72	1,097.50
Amortisation expense #	46.42	637.37	683.79
Other adjustments	-	45.40	45.40
Balance as at March 31, 2023 #	350.20	1,476.49	1,826.69
Amortisation expense	26.48	394.17	420.65
Other adjustments	(4.92)	(3.28)	(8.20)
Balance as at March 31, 2024	371.76	1,867.38	2,239.14
Carrying amount			
As at March 31, 2023 #	45.32	969.91	1,015.23
As at March 31, 2024	21.33	694.19	715.52

Restated pursuant to merger (Refer Note 67)

8. Intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Project in progress	-	311.96
Projects temporarily suspended	-	-
Total	-	311.96

Movement of intangible assets under development

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening Balance	311.96	467.16
(Written off)/Addition during the year	(194.30)	228.58
Capitalised during the year	(117.66)	(383.78)
Total	-	311.96

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

8. Intangible assets under development (Contd.)

Ageing of Intangible assets under development : as at March 31, 2024

(₹ in Lakhs)

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2024					
Project in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Balance as at March 31, 2023 #					
Project in progress	2.56	2.50	142.59	164.31	311.96
Projects temporarily suspended	-	-	-	-	-

Restated pursuant to merger (Refer Note 67)

Intangible assets under development completion schedule for project overdue or has exceeded its cost: as at March 31, 2023

(₹ in Lakhs)

Project overdue / Cost over run	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Penicillin G acylases	91.78	-	-	-	91.78
Phyto to stegma sterol	68.94	-	-	-	68.94
Calcifidiol	58.90	-	-	-	58.90
25-OH	26.15	-	-	-	26.15
4HBCBiotech	23.08	-	-	-	23.08
Others	38.05	-	-	-	38.05
Total	306.89	-	-	-	306.89

Projects cost consists of Stores and spare parts consumed, other direct cost and consulting cost

Restated pursuant to merger (Refer Note 67)

Note 9A - Investments in associate (Non-current):In equity instruments unquoted (fully paid up)

(At cost less impairment in value of investments, if any)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Health and Wellness India Private Limited	475.00	475.00
30,12,504 Equity shares of ₹10 each		
Less: Impairment in the value of investments	(475.00)	(475.00)
Total	-	-
Aggregate Carrying value of unquoted investments before impairment	475.00	475.00
Aggregate amount of impairment in value of investments	475.00	475.00
Notes:		
The financial information in respect of this associate is not material to the group.		
Proportion of Group's ownership interest in the associate [Refer note 47]		
Accumulated unrecognised share of losses of associate		
Health and Wellness India Private Limited	-	-
Unrecognised share of losses of associate for the year		
Health and Wellness India Private Limited	-	-
Accumulated recognised share of losses of associate		
Health and Wellness India Private Limited	598.53	598.53

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 9B - Investments (Non-current):

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Investment in other entities - In equity instruments:		
(i) Unquoted Investments (all fully paid up)		
Investments in equity instruments at FVTOCI		
Shivalik Solid Waste Management Limited	4.11	4.11
20,000 Equity shares of ₹10 each.		
Zela Wellness Private Limited	126.52	126.52
58,048 Equity shares of ₹10 each		
Less: Impairment in the value of investments	(126.52)	(126.52)
Island Veerchemie Private Limited		
12 Equity Shares of ₹15,000 each	1.80	1.80
Total aggregate unquoted Investments (A)	5.91	5.91
(ii) Quoted Investments (all fully paid)		
Investments in equity instruments at FVTOCI		
Abbott India Limited	37.45	30.70
139 Equity shares of ₹10 each		
Total aggregate quoted investments (B)	37.45	30.70
Total Non-current investments (A+B)	43.36	36.61
Aggregate carrying value of unquoted investments before impairment	132.43	132.43
Aggregate amount of quoted investments and market value thereof	37.45	30.70
Aggregate amount of impairment in value of investments	126.52	126.52

Restated pursuant to merger (Refer Note 67)

Note 10- Share application money

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Health and Wellness India Private Limited	309.86	309.86
Less: Impairment in the value of share application money	(309.86)	(309.86)
Total	-	-

Restated pursuant to merger (Refer Note 67)

Note 11- Loans (Non-current)

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Loan to employees, - unsecured (considered good)	29.54	17.50
Inter corporate deposit - unsecured (considered doubtful) (Refer Note 49)	37.00	37.00
Less : Allowance for doubtful inter corporate deposit	(37.00)	(37.00)
Total	29.54	17.50

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 11- Loans (Non-current) (Contd.)

As at March 31, 2024

(₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Amount of loan or advance in the nature of loans			
- Repayable on demand (A) (Refer Note 21 and Note 19)	944.14	-	37.00
- Agreement does not specify any terms or period of repayment (B)	-	-	-
Total	944.14*	-	37.00*
Percentage of loans / advances in the nature of loans to the total loans (Advance of ₹907.14, loan to D.K.Biopharma Private Limited ₹455.00 Lakhs, loan to employees ₹40.98 Lakhs, Intercorporate deposit ₹37.00 Lakhs)	65.56%		2.57%

* The amounts reported are at gross amounts, without considering provisions made.

As at March 31, 2023 #

(₹ in Lakhs)

Particulars	All Parties	Promoters	Related Parties
Related Party			
Amount of loan or advance in the nature of loans			
- Repayable on demand (A) (Refer Note 21 and Note 19)	944.14		37.00
- Agreement does not specify any terms or period of repayment (B)	-		-
Total	944.14*		37.00*
Percentage of loans / advances in the nature of loans to the total loans (Advance of ₹907.14, loan to D.K.Biopharma Private Limited ₹100.00 Lakhs, loan to employees ₹20.00 Lakhs, Intercorporate deposit ₹37.00 Lakhs)	88.72%		3.92%

* The amounts reported are at gross amounts, without considering provisions made.

Restated pursuant to merger (Refer Note 67)

Particulars	March 31, 2024	March 31, 2023 #
Amount outstanding as at year end		
Health and Wellness India Private Limited - (Associate) (Refer note 11)	37.00	37.00
Inter Gest Germany GmbH - (Others)	907.14	907.14
Loan to employees	40.98	20.00
D.K.Biopharma Private Limited - (Others) (Refer note 19)	455.00	100.00
Total (Gross)	1,440.12	1,064.14
Provided	944.14	944.14
Maximum amount outstanding during the year		
Health and Wellness India Private Limited - (Associate)	37.00	37.00
Inter Gest Germany GmbH - (Others)	907.14	1,107.34
D.K.Biopharma Private Limited - (Others)	455.00	100.00

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 12- Other financial assets (Non current):

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Security deposits - unsecured (considered good)	270.96	230.97
Bank deposits with remaining maturity of more than 12 months*	54.86	1,675.22
Interest accrued but not due from banks - unsecured (considered good)	5.29	52.08
Others	68.21	145.99
Total	399.32	2,104.26
# Restated pursuant to merger (Refer Note 67)		
* 'Deposits held under lien by bank against guarantees and other commitments with Union Bank of India		
Yes Bank Limited	0.57	-
Union Bank of India	53.36	1,674.22

Note 13 - Non-current tax assets (net)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Advance income-tax (net of provision for tax ₹961.99 Lakhs [as at March 31, 2023 ₹1,545.37 Lakhs])	815.00	1,030.96
Total	815.00	1,030.96

Restated pursuant to merger (Refer Note 67)

Note 14 - Other assets (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Capital advances		
Considered good(unsecured)	23.32	104.75
Considered doubtful (unsecured)	44.21	44.21
	44.21	44.21
Less: Allowance for doubtful advances	(44.21)	(44.21)
	-	-
Deferred rent	11.49	-
Prepaid expenses	66.88	527.87
Balances with government authorities - considered good	3.75	3.75
Total	105.44	636.37

Restated pursuant to merger (Refer Note 67)

Note 15 - Inventories

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
(At lower of cost and net realisable value)		
Raw materials and packing materials [includes stock in transit of ₹330.22 Lakhs (as at March 31, 2023 ₹121.25 Lakhs)]	2,997.74	4,913.85
Traded goods	374.80	475.68
Work-in-progress	3,358.82	3,416.81
Finished goods	1,043.01	3,433.45
Stores and spares	964.05	774.19
Total	8,738.42	13,013.98

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 15 - Inventories (Contd.)

Notes :

- (i) Inventory write downs are accounted considering the nature of inventory, ageing, liquidation plan and net realisable value. Provision for write downs of inventories amounted to ₹2,229.02 lakhs. The changes in write downs are recognised as an expense in the consolidated statement of profit and loss amounting to ₹288.48 Lakhs (as at March 31, 2023 ₹271.81 Lakhs) and ₹ Nil Lakhs considered as exceptional items. (as at March 31, 2023 ₹1940.54 Lakhs)
- (ii) Inventories have been hypothecated as security against certain bank borrowings, details relating to which has been described in note 24 and note 28.
- (iii) During the year ended March 31, 2024 ₹731.98 lakhs (as at March 31, 2023 ₹774.94 lakhs) was recognised as an expense for inventories carried at net realisable value.

Note 16 Trade receivables (unsecured)

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Non-current	Current	Non-current	Current
Undisputed Trade receivables – considered good	-	6,982.51	-	4,164.94
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	450.94	-	429.69
Disputed Trade Receivables – considered good	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-
Disputed Trade Receivables – credit Impaired	-	-	-	-
	-	7,433.45	-	4,594.63
Less : Allowance for doubtful debts (Expected credit loss allowance)	-	(450.94)	-	(429.69)
Less : Others (Sales discount)	-	-	-	-
Total	-	6,982.51	-	4,164.94

Restated pursuant to merger (Refer Note 67)

Trade receivables are carried at amortised cost.

Trade receivables are non-interest bearing and generally on terms of 60-90 Days.

No trade and other receivables are due from directors or other officer of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which director is a partner, a director or member (Refer note 49)

For explanation on the credit risk management process (Refer note 56)

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balance at the beginning of the year	429.69	421.31
Addition during the year	21.25	23.05
Written off during the year	-	-
Reversal during the year	-	(14.67)
Balance at the end of the year	450.94	429.69

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 16 Trade receivables (unsecured) (Contd.)

Ageing of trade receivables :as at March 31, 2024

(₹ in Lakhs)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,514.34	2,306.73	86.86	8.45	61.90	4.23	6,982.51
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	10.64	33.35	406.95	450.94
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
Total	4,514.34	2,306.73	86.86	19.09	95.25	411.18	7,433.45

There are no unbilled receivables as on Balance sheet date

Ageing of trade receivables : as at March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,754.35	2,328.88	-	76.35	5.36	-	4,164.94
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	18.31	20.17	391.21	429.69
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit Impaired	-	-	-	-	-	-	-
Total	1,754.35	2,328.88	-	94.66	25.53	391.21	4,594.63

There are no unbilled receivables as on Balance sheet date

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 17 Cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balances with banks		
In current accounts	2,174.00	3,512.15
In deposit accounts with original maturity for less than 3 months	-	12.52
Cash on hand	8.87	4.38
Total	2,182.87	3,529.05

Restated pursuant to merger (Refer Note 67)

Note 18 Bank balances other than cash and cash equivalents

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Balances with banks		
In Unpaid dividend accounts	16.98	15.21
In escrow account	0.01	38.38
In deposit accounts with original maturity for more than 3 months but less than 12 months*	3,783.53	2,250.16
Total	3,800.52	2,303.75

*This includes deposits held under lien by bank against guarantees and other commitments amounting to ₹ Nil (as at March 31, 2023: ₹65.51 Lakhs)

Restated pursuant to merger (Refer Note 67)

Note 19- Loans (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Unsecured, considered good		
Inter corporate deposit		
D.K.Biopharma Private Limited \$	455.00	100.00
Loans to employees	11.43	2.50
Total	466.43	102.50

\$ The inter-corporate deposits amounting to ₹455.00 Lakhs were granted to the entity @ 9% p.a. for the purpose of its business.

Restated pursuant to merger (Refer Note 67)

Note 20 - Other financial assets (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Interest accrued but not due		
On fixed deposits from banks	44.19	16.80
On Inter corporate deposits	27.60	2.79
Others		
Unsecured, considered good	15.99	14.08
Total	87.78	33.67

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 21 - Other current assets

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Advance for supply of goods and services		
Considered good	169.04	101.82
Considered doubtful	913.42	913.42
Less: Allowance for doubtful advances	(913.42)	(913.42)
	169.04	101.82
Deferred rent	28.41	46.26
Prepaid expenses	517.01	267.65
Travel advances to employees	12.70	40.82
Export incentive receivables		-
Considered good	22.10	15.47
Balances with government authorities	852.60	1,037.37
Others	-	45.01
Total	1,601.86	1,554.40
Movement in the Allowance for doubtful advances		
Balance at the beginning of the year	913.42	9.52
Addition during the year	-	907.14
Reversal during the year	-	(3.24)
Balance at the end of the year	913.42	913.42

Restated pursuant to merger (Refer Note 67)

Note 22 - Equity share capital:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Authorised:		
6,35,00,000 Equity shares of ₹5/- each (as at March 31, 2023- 4,98,40,000 Equity shares of ₹5/- each)	3,175.00	2,492.00
1,60,000 Unclassified shares of ₹5/- each (as at March 31, 2023 - 1,60,000 Unclassified shares of ₹5/- each)	8.00	8.00
	3,183.00	2,500.00
Issued, subscribed and paid-up :		
29,430,987 Equity shares of ₹5/- each (as at March 31, 2023 - 29,430,987 Equity shares of ₹5/- each)	1,471.55	1,471.55
Less: 5,56,880 Equity shares held by FBL ESOP Trust (as at March 31, 2023 5,73,684 Equity shares held by FBL ESOP Trust) [Refer note (d) below]	(27.84)	(28.68)
	1,443.71	1,442.87

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	No of Equity Shares	₹ In Lakhs	No of Equity Shares	₹ In Lakhs
Opening Balance	2,88,57,303	1,442.87	2,88,47,322	1,442.37
Change during the year	16,804	0.84	9,981	0.50
Closing Balance	2,88,74,107	1,443.71	2,88,57,303	1,442.87

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

22. Equity share capital (Contd.)

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

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	No. of Equity Shares	% Holding	No. of Equity Shares	% Holding
DVK Investments Private Limited, the Holding Company (Refer note 67)	-	-	1,50,75,318	51.22%
Mr. Krishna Datla	1,00,10,225	34.01%	24,61,074	8.36%
Mr. Satish Varma	34,53,325	11.73%	23,160	0.08%
Mrs. Anupama Datla Desai	25,61,265	8.70%	5,13,792	1.75%
Mrs. Preeti Thakkar	22,40,376	7.61%	1,91,847	0.65%

(c) Rights, preferences and restrictions

The Group has issued only one class of equity shares having par value of ₹5/- per share (March 31, 2023; - ₹5/- per share). Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays the dividend in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to shareholders' approval in the ensuing Annual General Meeting, except in case of interim dividend.

During the year, the Board of directors have declared dividend of 25% (₹1.25 per equity share of ₹5/- each) for the financial year 2023-24. (Refer note 57)

During the previous year, the Board of directors had declared an interim dividend of 25% (₹1.25 per equity share of ₹5/- each) for the financial year 2022-23 which has been paid during the year 2023-24. (Refer note 57)

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 shareholder.

(d) FBL ESOP Trust :

The Company had formulated Employee Stock Option Scheme namely Fermenta Biotech Limited - Employee Stock Option 2019 (ESOP 2019) in terms of the Scheme of amalgamation of erstwhile FBL with the Company. The equity shares are held by FBL ESOP Trust (Refer note 60).

(₹ in Lakhs)

Particulars	March 31, 2024 Number of Shares	March 31, 2023 # Number of Shares
Outstanding at the beginning of the year	5,73,684	5,83,665
Issue of shares pursuant to exercise of Employee Stock Option	(16,804)	(9,981)
Outstanding at the end of the year	5,56,880	5,73,684

(e) Details of Shares held by promoters at the end of the year

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #		% change during the year
	No of Shares in lakhs	% holding in the class	No of Shares in lakhs	% holding in the class	
DVK Investments Private Limited, the Holding Company (Refer note 67)	-	-	150.75	51.22%	-51.22%
Mr. Krishna Datla	100.10	34.01%	24.61	8.36%	25.65%
Mr. Satish Varma	34.53	11.73%	0.23	0.08%	11.65%
Mrs. Anupama Datla Desai	25.61	8.70%	5.14	1.75%	6.96%
Mrs. Preeti Thakkar	22.40	7.61%	1.92	0.65%	6.96%

Changes in shareholding is pursuant to merger (Refer note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 23- Other equity

(₹ in Lakhs)

Particulars	Reserves and surplus							Items of other comprehensive income			Total
	Capital reserve	Capital reserve pursuant to amalgamation	Capital redemption reserve	Securities premium reserve	Unrealised gain/(loss) on dilution	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Equity instruments through OCI	
Balance as at April 01, 2022	1,140.00	1,074.20	70.00	-	(4,242.26)	3,545.80	1,469.19	32,638.05	49.83	26.29	35,771.10
Pursuant to merger (Refer note 67)		(1,034.48)		102.85		196.30		820.35			85.02
Loss for the year	-	-	-	-	-	-	-	(5,107.52)	-	-	(5,107.52)
Transfer to equity share capital on exercise of options				42.09			(42.09)				-
Premium on issue of equity share on stock option exercise				7.85							7.85
Payment of dividend (Gross)				-				(419.97)			(419.97)
Recognition of share based payments				-			(101.85)				(101.85)
Other comprehensive income for the year				-				11.16	(164.74)	6.10	(147.48)
Payment towards acquisition of minority interest								1.36			1.36
Balance as at March 31, 2023 #	1,140.00	39.72	70.00	152.79	(4,242.26)	3,742.10	1,325.25	27,943.43	(114.91)	32.39	30,088.51
Loss for the year	-	-	-	-	-	-	-	(2,305.98)	-	-	(2,305.98)
Transfer to equity share capital on exercise of options				70.86			(70.86)	3.91			3.91
Premium on issue of equity share on stock option exercise				13.24							13.24
Payment of dividend (Gross)				-				(360.93)			(360.93)
Recognition of share based payments				-			19.06				19.06
Other comprehensive income for the year				-				12.28	(34.45)	6.75	(15.42)
Balance as at March 31, 2024	1,140.00	39.72	70.00	236.89	(4,242.26)	3,742.10	1,273.45	25,288.80	(149.36)	39.14	27,442.39

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 23- Other equity (Contd.)

Description of nature and purpose of each reserve

Capital reserve: Capital reserve was created in the financial years 1995-96 and 1996-97 pursuant to sale of the Parent Company's brands for which non compete fees were received and treated as a capital receipt.

Capital reserve pursuant to amalgamation : This reserve created pursuant to amalgamation of 2 subsidiaries and its holding company.

Capital redemption reserve: This reserve was created for redemption of preference shares of ₹70.00 lakhs in the financial year 2010-2011.

Unrealised gain/(loss) on dilution: This reserve represents unrealised gain/(loss) due to change in the shareholdings in a subsidiary.

General Reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

Share options outstanding account: The fair value of the equity settled share based payment transactions is recognised in share options outstanding account.

Retained earnings: Retained earnings are the profits/(loss) that the company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Equity instruments through other comprehensive income: This represents the cumulative gains / losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

Foreign currency translation reserve: Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference in the foreign currency translation reserve are reclassified to consolidated profit or loss on the disposal of the foreign operations.

Note 24- Long-term borrowings:

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Non-current	Current	Non-current	Current
Secured				
Term Loans				
From Banks				
For Kullu facility [Refer note below (a)]	1,931.51	681.71	2,613.15	653.29
For Dahej facility [Refer note below (b)]	-	-	-	431.28
For Dahej facility [Refer note below (c)]	270.23	559.50	838.64	561.17
For Dahej facility [Refer note below (d)]	-	91.61	87.83	666.28
For Vehicles [Refer note below (e)]	277.89	135.50	390.78	127.07
For WCTL [Refer note below (f)]	1,168.19	425.00	1,558.33	141.67
For Dahej facility [Refer note below (g)]	108.58	27.14	135.71	27.14
From others				
For business operations [Refer note below (h)]	497.20	318.82	2,734.46	572.08
	4,253.60	2,239.28	8,358.90	3,179.98
Amount disclosed under the head "other current financial liabilities" (Refer note 28)	-	(2,239.28)	-	(3,179.98)
Total	4,253.60	-	8,358.90	-

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 24- Long-term borrowings: (Contd.)

Notes

- a) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Premix Plant to be set up at Kullu with interest rate EURIBOR plus 3.0% (Average effective rate 6.38%), (previous year effective rate is 4.36%) repayable in 60 equal monthly instalments starting from Feb-2023. The said loan is secured by first pari-passu charge on the project, first pari passu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.
- b) Term loan (External Commercial Borrowing) is taken from Yes Bank Limited for financing the capital expenditure for new project at Dahej SEZ with interest rate EURIBOR plus 3.5% (Average effective rate 7.08%), (previous year effective rate is 6.38%) repayable in 48 equal monthly instalments starting from February 2020. The said ECB loan was secured by way of first pari-passu charge on the project financed along with Union Bank of India, first pari-passu charge along with Union Bank of India and HDFC Bank Limited on property, plant and equipment at Kullu and Dahej, except Plant 4 at Dahej and Premix Plant at Kullu which is exclusively mortgaged with HDFC Bank Limited, which is not to be shared with HDFC Bank Limited. The said loan was additionally secured by way of first pari passu charge along with Union Bank of India and HDFC Bank Limited on entire unencumbered movable fixed assets (excluding vehicles) and second pari passu charge on entire current assets. The entire loan has been repaid during the financial year.
- c) Term loan is taken from HDFC Bank Limited for financing the capital expenditure for Plant 4 at Dahej SEZ with interest rate EURIBOR plus 3.9% (effective rate 3.9%), (previous year effective rate is 3.9%) repayable in 16 equal quarterly instalments starting from July 2021. The said loan is secured by first pari-passu charge on the project, first pari passu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks. Effective rate is 3.9% on account of Interest rate swap agreement entered by the company.
- d) Term loan (Foreign Currency Term Loan and INR Term Loan) is taken from Union Bank of India for financing the capital expenditure for Cholesterol project at Dahej SEZ with interest rate EURIBOR plus 3.10% (effective rate 6.13%) (previous year effective rate is 5.50%) for FCTL, MCLR + 2% (effective rate 10.67% to 11.60%) (previous year effective rate is 9.96% to 10.34%) for Rupee Term Loan repayable in 48 equal monthly instalments starting from April 2020. The said loan is secured by way of first pari-passu charge on the project financed along with Yes Bank Limited not to be shared with HDFC Bank Limited, first pari-passu charge along with Yes Bank Limited and HDFC Bank Limited on property, plant and equipment at Kullu and Dahej, except Plant 4 at Dahej and Premix Plant at Kullu which is exclusively mortgaged with HDFC Bank Limited. The said loan is additionally secured by way of first pari passu charge along with Yes Bank and HDFC bank on entire unencumbered movable fixed assets (excluding vehicles) and second pari passu charge on entire current assets. Foreign Currency Term Loan has been repaid during the period.
- e) "Vehicle loans taken from HDFC Bank Limited against hypothecation of the vehicles purchased, repayable in 60 monthly instalments starting from Aug-2020, to Sep-2021 with average interest rates in the range of 7.65% to 8.45%, (previous year at 7.65% to 8.20%). The charge for first loan is yet to be created.

Vehicle loans taken from the Bank of Baroda Limited against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2021 to May-2021 with average interest rates in the range of 9.65% to 9.85%, (previous year at 9.85%).

Vehicle loan is taken from the Union Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jan-2022 to Oct-2022 with average interest rates in the range of 9.17% to 10.09% (previous year in the range of 9.05% to 9.90%)

Vehicle loan is taken from the Yes Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Jun-2023 with average interest rates 9.17%, (previous year in the range of NIL)"

Vehicle loan is taken from the Union Bank of India against hypothecation of the vehicle purchased, repayable in 60 monthly instalments starting from Oct-2022 with interest rates 9.05%, (previous year in the range of NIL)

- f) Working Capital Term Loan is taken from Union Bank of India for business purpose with interest rate 1 Year MCLR+0.60% effective rate 9.41% (previous year effective rate is 9.18%) repayable in 48 equal monthly instalments starting from Dec -23. The said loan is secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all moveable property, plant and equipments of the Company and second charge on the existing securities of the company except plant 4 at Dahej and Premix Plant at Kullu.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 24- Long-term borrowings: (Contd.)

- g) Term loan is taken from HDFC Bank Limited for financing the capital expenditure at Dahej SEZ with average interest rate 9.42% (Previous year effective rate is 7.98%) repayable in 28 equal quarterly instalments starting from Apr 2022. The said loan is secured by first pari-passu charge on the project , first pari pasu charge on property, plant and equipment at Dahej and Kullu except plant 3 at Dahej which is exclusively Mortgaged with Yes Bank Limited and Union Bank of India, and second pari passu charge on entire current assets along with other banks.
- h) Loan against property and loan by way of discounting of lease rental of Thane One Building consisting of 1st floor to 13th floor from Bajaj Finance Limited, the effective rate for the current year in the range of 11.20% to 11.45% (previous year effective rate in the range of 8.00% to 11.20%) The said loan is secured by hypothecation of the lease agreements of Thane One (consisting of 1st floor to 13th floor) and equitable mortgage of the premises at Ceejay House. Further these loans have been guaranteed by the personal guarantee of the Executive Vice Chairman of the Company. In the current year the hypothecation of Thane One (consisting of 1st floor to 13th floor) was removed and only the mortgage of the premises at Ceejay House exist.

Restated pursuant to merger (Refer Note 67)

Note 25 - Other financial liabilities (Non- current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deposits from tenants	353.84	108.38
Total	353.84	108.38

Restated pursuant to merger (Refer Note 67)

Note 26 - Provisions (Non- current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Provisions for employee benefits:		
Gratuity [Refer note 44(c)]	256.22	214.28
Compensated absences	279.24	248.18
Total	535.46	462.46

Restated pursuant to merger (Refer Note 67)

Note 27 - Other liabilities (Non-current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deferred revenue	1,846.74	894.40
Deposits from Developers [Refer note 66]	1,397.18	1,500.00
Total	3,243.92	2,394.40

Restated pursuant to merger (Refer Note 67)

Note 28 - Borrowings (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Loans repayable on demand		
From banks (Secured)		
Cash credit and Bank overdraft	507.74	1,753.59
Packing credit	3,226.94	3,090.35
Short term Working capital loan	2,999.53	5,301.70
From banks (Secured)		
Current maturities of long-term debts (Refer note 24)	1,920.46	2,607.90
From others (Secured)		
For business operations (Refer note 24)	318.82	572.08
Total	8,973.49	13,325.62

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 28 - Borrowings (Current) (Contd.)

Packing credit, cash credit Loan from Union Bank of India, are secured by first pari-passu charge on hypothecation of stocks, book debts and and by equitable mortgage with Yes Bank limited and HDFC Bank Limited of factory land and buildings at Dahej and Kullu and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 6.35% to % 7.39% (EURO PCFC - EURIBOR+3.10%, USD PCFC - 6M LIBOR+3.10%) and average interest rate for cash credit is 11.87 %.

Packing credit and cash credit Loan from Yes Bank Limited is secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. The average interest rate for packing credit in foreign currency is 5.50%. and average interest rate for cash credit is 1 YR MCLR+0.95 (from 10.40% to 11.50%)

Packing credit Loan from HDFC Bank Limited is secured by first pari-passu charge on current assets, exclusive charge on assets of plant 4 at Dahej and Premix Plant at Kullu, moveable property, plant and equipment of the Company and equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited (excluding the plant and building financed through term loan from Union Bank of India and Yes Bank Limited).The average interest rate for packing credit in foreign currency is 6.50% .

Short term working capital loan includes Working Capital Demand Loan from Yes Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and HDFC Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu. It also includes Working Capital Demand Loan from HDFC Bank Limited secured by first pari-passu charge on current assets of the Company and by equitable mortgage of factory land and buildings at Dahej and Kullu with Union Bank of India and Yes Bank Limited and all moveable property, plant and equipment of the Company except vehicles and Plant 4 at Dahej and Premix Plant at Kullu and short term loans taken from Union Bank of India are secured against the lien of fixed deposits. The average interest rate for short term working capital loan from Union Bank is in the range of 5.77% to 6.77% and Working Capital Demand Loan from Yes Bank is 8.90% and Working Capital Demand Loan from HDFC Bank Limited 8.90% to 9.05%

Note 29 Trade payables (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Total outstanding dues of micro and small enterprises (Refer note 64)	237.63	280.47
Total outstanding dues of creditors other than micro and small enterprises	6,252.79	4,299.02
Disputed dues of micro and small enterprises	-	-
Disputed dues of creditors other than micro and small enterprises	-	-
Total	6,490.42	4,579.49

Restated pursuant to merger (Refer Note 67)

Ageing of trade payables: as at March 31, 2024

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of (MSME)	-	-	220.61	16.91	0.11	-	237.63
Dues of creditors other than MSME	1,873.72	1,317.28	2,145.92	132.11	60.29	723.47	6,252.79
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	1,873.72	1,317.28	2,366.54	149.01	60.40	723.47	6,490.42

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 29 Trade payables (Current) (Contd.)

Ageing of trade payables: as at March 31, 2023

(₹ in Lakhs)

Particulars	Unbilled	Not due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of (MSME)	-	3.71	276.00	0.76	-	-	280.47
Dues of creditors other than MSME	885.95	754.25	2,535.27	25.91	25.88	71.76	4,299.02
Disputed dues of MSME	-	-	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-	-	-
Total	885.95	757.96	2,811.27	26.67	25.88	71.76	4,579.49

Restated pursuant to merger (Refer Note 67)

Note 30 - Other financial liabilities (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Deposits from tenants	0.70	268.71
Payable to the employees / directors	600.08	136.58
Liability for capital expenditure	55.36	373.82
Interest accrued but not due on borrowings	50.70	49.24
Derivatives not designated as hedge	42.51	64.78
Unclaimed dividend	16.98	15.21
Total	766.33	908.34

Restated pursuant to merger (Refer Note 67)

Note 31 - Other current liabilities (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Advance from customers	601.78	1,512.93
Statutory dues	108.36	156.01
Deferred rent	18.31	17.84
Others	101.00	0.01
Total	829.45	1,686.79

Restated pursuant to merger (Refer Note 67)

Note 32 - Provisions (Current)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Provision for employee benefits		
Compensated absences	59.43	58.14
Other provisions		
Others	47.00	202.73
Total	106.43	260.87

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 33 - Current tax liabilities (net)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Provision for income tax (net of advance tax for tax ₹2081.38 lakhs [as at March 31, 2023 ₹2104.95 lakhs])	34.13	32.53
Total	34.13	32.53

Restated pursuant to merger (Refer Note 67)

Note 34 - Revenue from operations

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Revenue from contracts with customers	25,801.64	28,376.54
Rent income (Refer Note 58)	430.97	1,150.92
Amortised deferred rent (Refer Note 58)	24.65	52.80
Sale of services	268.89	230.20
Service income (infrastructure support services to tenants) (Refer Note 58)	432.28	322.25
Sale of Investment property (net) (Refer Note 58)	6,387.82	4,772.82
Other operating revenues		
Export incentive	83.78	62.45
Scrap sales	19.60	26.11
Others	116.56	
Total	33,566.19	34,994.09

Restated pursuant to merger (Refer Note 67)

Note 35 - Other income:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Interest income on financial assets carried at amortised cost:		
Bank deposits	214.11	145.51
Other financial assets	143.20	58.03
	357.31	203.54
Dividend income on investment in equity instruments designated as at fair value through other comprehensive income	90.36	90.63
Net gain on fair value changes of derivatives at FVTPL	22.27	-
Insurance Claims	5.37	1.29
Foreign exchange gain (net)	125.71	210.77
Liabilities / provisions no longer required written back		
From Trade receivables	25.63	20.19
From Others	540.92	331.66
	566.55	351.85
Miscellaneous income	13.26	1.51
Total	1,180.83	859.59

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 36 - Cost of materials consumed:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Inventories of raw materials / packing materials at the beginning of the year	4,913.85	5,818.08
Add: Purchases	5,824.21	10,287.27
Add: Foreign currency translation difference	(39.84)	10.09
Less : Inventories of raw materials / packing materials at the end of the year	2,997.74	4,913.85
Total	7,700.48	11,201.59

Restated pursuant to merger (Refer Note 67)

Note 37 - Changes in inventories of finished goods, stock-in-trade and work-in-progress

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Inventories at the end of the year		
Work-in-progress	3,358.82	3,416.81
Stock-in-Trade	374.80	475.68
Finished goods	1,043.01	3,433.45
	4,776.63	7,325.94
Inventories at the beginning of the year		
Work-in-progress	3,416.81	6,065.47
Stock-in-Trade	475.68	890.58
Finished goods	3,433.45	2,458.61
	7,325.94	9,414.66
Foreign currency translation difference	(62.15)	(162.68)
Total	2,611.46	2,251.40

Restated pursuant to merger (Refer Note 67)

Note 38 - Employee benefits expense

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Salaries and wages	5,057.24	5,030.29
Contribution to provident and other funds [Refer note 44]	262.14	289.83
Gratuity expense [Refer note 44]	75.35	75.19
Share based payments to employees [Refer note 60]	19.06	(101.85)
Staff welfare expenses	441.00	506.41
Total	5,854.79	5,799.87

Restated pursuant to merger (Refer Note 67)

Note 39 - Finance costs:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Interest on		
Term loans (Refer Note 65)	530.78	1,075.04
Loans repayable on demand	751.26	716.97
Lease liabilities (Refer Note 45)	36.76	32.08
Liabilities carried at amortised cost (Unwinding of interest)	138.43	54.52
Others	137.06	20.58
Other borrowing costs	110.31	179.04
Total	1,704.60	2,078.23

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 40 - Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Depreciation of property, plant and equipment (Refer note 3)	1,902.90	1,749.37
Depreciation on right-of-use assets (Refer note 5)	130.29	131.64
Depreciation of investment property (Refer note 6A)	18.08	259.95
Amortisation of intangible assets (Refer note 7)	420.65	683.79
Total	2,471.93	2,824.75

Restated pursuant to merger (Refer Note 67)

Note 41 - Other expenses:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Stores and spare parts consumed	1,278.78	1,024.08
Processing charges	815.24	1,109.30
GST other than recovered on sales	46.91	115.54
Contract labour charges	629.61	658.61
Power and fuel	1,940.21	1,786.17
Repairs and maintenance		
Buildings	380.62	73.06
Plant and machinery	220.28	219.61
Others	1,729.81	1,334.38
Water charges	37.56	37.78
Advertising and sales promotion expenses	264.49	291.64
Freight and forwarding charges	814.09	949.13
Commission on sales	57.09	156.41
Rent (including lease rentals)	88.71	94.50
Insurance	312.63	365.00
Rates and taxes	310.17	650.09
Allowance for doubtful debts	60.64	28.57
Allowance for doubtful advances	-	23.05
Trade receivables and advances written off	24.95	478.34
Travelling and conveyance	508.35	605.83
Professional and legal fees	1,228.04	1,059.30
Payment to auditors (Refer note 42)	90.19	87.17
Postage and telephone	48.95	53.56
Printing and stationery	68.74	79.83
Net loss on fair value changes of derivatives at FVTPL	-	41.21
Security Expenses	90.83	91.38
Staff recruitment expenses	39.60	31.44
Bank charges	37.94	59.01
Initial cost for operating leases	282.13	99.24
Analytical Charges	49.30	81.88
Loss on sale/write off, of property, plant and equipment (net)	32.55	31.48
Corporate social responsibility expenses	87.56	112.95
Directors sitting fees	46.50	40.70
Miscellaneous expenses	323.96	207.98
Total	11,946.43	12,078.22

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 42 - Payment to auditors including subsidiary auditors excluding statutory levy

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
For audit	73.49	68.56
For limited review	15.00	15.00
For other services	0.90	1.40
Reimbursement of expenses	0.80	2.21
	90.19	87.17

Restated pursuant to merger (Refer Note 67)

Note 43 - Earnings per share (EPS):

The following table sets forth the computation of basic and diluted earnings per share :

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Loss before exceptional items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs) #	(1,563.34)	(2,259.84)
Loss after exceptional items for the year used for computation of basic and diluted earnings per share (₹ in Lakhs) #	(2,305.98)	(5,107.52)
Weighted average number of equity shares used in calculating basic EPS [refer note 22(a)]	2,88,74,107	2,88,57,303
Effect of dilutive potential equity shares	3,12,038	3,28,842
Weighted average number of equity shares used in calculating diluted EPS	2,91,86,145	2,91,86,145
Earnings per equity share of ₹5 each before exceptional items		
Basic earnings per equity share [nominal value of share ₹5 each (March 31, 2023: ₹5)]	(5.42)	(7.83)
Diluted earnings per equity share [nominal value of share ₹5 (March 31, 2023: ₹5)]	(5.42)*	(7.83)*
Earnings per equity share of ₹5 each after exceptional items		
Basic earnings per equity share [nominal value of share ₹5 each (March 31, 2023: ₹5)]	(7.99)	(17.70)
Diluted earnings per equity share [nominal value of share ₹5 (March 31, 2023: ₹5)]	(7.99)*	(17.70)*

* Potential equity share are anti dilutive

Restated pursuant to merger (Refer Note 67)

Note: 44 - Employee benefits

The Group operates following employee benefit plans

- I) Defined contribution plans: Provident fund, Superannuation fund, Employee state insurance scheme (ESIC) and Labour welfare fund.
- II) Defined benefit plan: Gratuity (funded)
- III) Other long term benefit plan: Compensated absences (unfunded)

I) Defined Contribution Plans

(₹ in Lakhs)

Particulars

The Group operates defined contribution retirement benefit plans for all qualifying employees of the Group. The contribution to defined contribution plan recognised as expenses in the Consolidated statement of profit and loss for the year is as under (Refer Note 38).

Particulars	March 31, 2024	March 31, 2023 #
Employer's contribution to provident fund	253.95	277.99
Employer's contribution to superannuation fund	0.06	1.77
Employer's contribution to ESIC and Employees Deposit Linked Insurance (EDLI)	8.04	9.96
Employer's contribution to labour welfare fund	0.09	0.11

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note: 44 - Employee benefits (Contd.)

II) Defined benefit plan

The Group operates a defined benefit plan, viz., gratuity.

In respect of Gratuity, a defined benefit plan, contributions are made to LIC's Recognised Group Gratuity Fund Scheme. It is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination. Provision for Gratuity is based on actuarial valuation done by an independent actuary as at the year end. Each year, the Company reviews the level of funding in the gratuity fund.

(a) Movements in the present value of the defined benefit obligation are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening defined benefit obligation	569.76	559.37
Interest cost	38.62	35.44
Current service cost	60.69	63.13
Benefits paid	(78.87)	(77.59)
Actuarial (Gain)/loss on obligations- due to change in financial assumptions	11.54	(19.48)
Actuarial (Gain)/Loss on obligations- due to change in demographic assumptions	-	-
Actuarial (Gain)/loss on obligations- due to change in experience adjustment	(22.70)	8.89
Closing defined benefit obligation	579.05	569.76

Restated pursuant to merger (Refer Note 67)

(b) Movements in the fair value of the plan assets are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening fair value of plan assets	355.48	370.90
Employer's contributions	21.14	38.21
Interest income	23.96	23.39
Administration expenses	-	-
Remeasurement gain / (loss) :		
Return on plan assets (excluding amounts included in net interest expense)	1.12	0.57
Benefit paid	(78.87)	(77.59)
Closing fair value of plan assets	322.83	355.48

Restated pursuant to merger (Refer Note 67)

(c) Reconciliation of fair value of plan assets and defined benefit obligation:

The amount included in the financial statements arising from the Group's obligation in respect of its defined benefit obligation plan is as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Fair value of plan assets	322.83	355.48
Present value of obligation	579.05	569.76
Amounts recognized in the Consolidated balance sheet surplus/(deficit)	(256.22)	(214.28)

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note: 44 - Employee benefits (Contd.)

d) The amount recognised in Consolidated statement of profit and loss in respect of the defined benefit plan are as follows: (₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Current service cost	60.69	63.13
Net interest expense / (income)	14.66	12.06
Components of defined benefit costs recognised in Consolidated statement of profit and loss	75.35	75.19

Restated pursuant to merger (Refer Note 67)

e) The amount recognised in other comprehensive income in respect of the defined benefit plan is as follows: (₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Remeasurement on the net defined benefits liability:		
Return on plan assets (excluding amounts included in net interest expense)	1.12	0.57
Actuarial gains/ (losses) arising from changes in financial assumptions	(11.54)	19.48
Actuarial gains / (losses) arising from changes in demographic assumptions	-	-
Actuarial gains / (losses) arising from changes in experience adjustments	22.70	(8.89)
Components of defined benefit recognised as income / (loss) in other comprehensive income	12.28	11.16

Restated pursuant to merger (Refer Note 67)

f) The principal assumptions used for the purpose of the actuarial valuations were as follows: (₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Discount rate (per annum)	7.20%	7.45%
Salary escalation rate (per annum)	5.00%	5.00%
Expected rate of return on plan assets (per annum)	7.05%	7.05%
Retirement age	58 Years	58 Years
Mortality rate during employment (per annum)	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)
Leaving Service (Age groups)	21-30 years - 4%	21-30 years - 4%
	31-40 years - 3%	31-40 years - 3%
	41-50 years - 2%	41-50 years - 2%
	Above 50 years - 1%	Above 50 years - 1%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is considered as per declaration from Life Insurance Corporation of India (LIC).

The expected contributions for defined benefit plan for the next financial year is ₹35 Lakhs (March 31, 2023: ₹35.00 Lakhs).

(g) Maturity analysis of projected benefit obligation

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Expected benefits for Year 1	92.28	102.81
Expected benefits for Year 2	38.54	27.71
Expected benefits for Year 3	61.67	38.36
Expected benefits for Year 4	74.23	60.52
Expected benefits for Year 5	40.33	72.92
Expected benefits for Year 6	20.83	44.35
Expected benefits for Year 7	34.90	20.26

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note: 44 - Employee benefits (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Expected benefits for Year 8	26.59	32.97
Expected benefits for Year 9	29.01	30.36
Expected benefits for Year 10 and above	772.48	807.52

Restated pursuant to merger (Refer Note 67)

h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Insurer managed funds	100%	100%

(i) Sensitivity analysis

Significant actuarial assumptions for determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at end of year, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in Lakhs)

Particulars	March 31, 2024 (Decrease)/increase in DBO*	March 31, 2023 (Decrease)/increase in DBO*
Discount rate (- 0.50%)	4.20%	4.31%
Discount rate (+ 0.50%)	(-3.92%)	(-4.01%)
Salary Escalation Rate (- 0.50%)	(-3.84%)	(-3.93%)
Salary Escalation Rate (+ 0.50%)	4.09%	4.19%

*DBO: Defined benefit obligation

(j) Risks exposure:

The plan typically exposes the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to market yields on government bonds denominated in Indian rupees. If the actual return on plan assets is below this rate, it will create a plan deficit. However, the risk is mitigated by investment in LIC managed fund.

Interest risk : A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's investment in LIC managed fund.

Longevity risk : The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk : The inherent risk for the Company mainly are adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

III) Other long term benefit plan

Actuarial valuation for compensated absences is done as at the year end and provision is made as per Company rules with corresponding charge / (credit) to the Standalone statement of profit and loss amounting to ₹116.56 Lakhs [March 31, 2023: (₹77.02 Lakhs)] and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

Obligation in respect of defined benefit plan and other long term employee benefit plans are actuarially determined at the year end using the "Projected unit credit model". Gains and losses on changes in actuarial assumptions relating to defined benefit obligation are recognised in OCI where as gains and losses in respect of other long term employee benefit plans are recognised in the Standalone statement of profit and loss.

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 45 - Leases:

(A) Assets taken on lease

The Group has entered into agreements for taking on leave and license basis certain residential and office premises and also taken vehicles on lease basis. The Group also has lease arrangements for lands taken on lease at Dahej and Saykha. The lease term in respect of these leases ranges from 2 to 99 years. In respect of the said leases, the additional information is as under

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Depreciation charge for right-of-use assets	130.29	131.63
Expenses relating to leases of low-value assets accounted for on straight line basis (included in Rent expenses in Note 41)	88.71	94.50
Finance cost	36.76	32.08

Maturity analysis of lease liabilities (on undiscounted basis)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Less than one year	143.13	88.02
One to five years	609.37	167.09
More than five years	54.97	93.10
Weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet	8.75%	10%

Set out below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
As at the beginning of the year	267.78	479.05
Pursuant to scheme of amalgamation (Refer Note 67)	-	(157.30)
Interest payment Lease liabilities (Refer Note 39)	36.76	32.08
Addition(net)	479.08	41.89
Payments	(133.92)	(127.94)
As at the end of the year	649.69	267.78
Leas liabilities		
Current	95.81	68.67
Non-Current	553.88	199.11
Total Lease liabilities	649.69	267.78

Restated pursuant to merger (Refer Note 67)

General description of significant leasing agreements

- (i) Refundable interest free deposits have been given under lease agreements.
- (ii) Some of the agreements provide for early termination by either party with a specified notice period / renewal with conditions

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 45 - Leases: (Contd.)

B. Assets given on lease

The Group has also entered into various operating lease agreements for its properties in Thane with original lease periods expiring up to January 2028. These agreements have a non-cancellable period at the beginning of the period for 3/5 years and have rent escalation provisions of 5% every year or 15% after 3 years.

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
a) Rent income recognised in the Consolidated statement of profit and loss	430.97	1,150.92
b) Future minimum lease income under the non-cancellable leases in the aggregate and for each of the following periods:		
i) Not later than one year	316.36	276.82
ii) Later than one year and not later than five years	946.98	662.37
iii) More than five years	-	-

Restated pursuant to merger (Refer Note 67)

Note 46 - Segment information:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Parent Company. The Managing Director of the Parent Company, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM of the Parent Company. The Group has identified the following segments as reporting segments based on the information reviewed by CODM.

The business segments have been identified considering :

- the nature of products and services
- the differing risks and returns
- the internal organisation and management structure, and
- the internal financial reporting systems

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group. Segment revenues, expenses and results include inter-segment transfers.

A) The primary reporting of the Group has been performed on the basis of business segments, viz:

Chemicals/Bulk Drug- Manufacturing and selling of chemicals, primarily bulk drugs and enzymes.

Property - Renting and sale of properties

Segments have been identified and reported based on the nature of the services, the risk and returns, the organisation structure and the internal financial reporting systems.

	2023-2024		
	2022-2023 #		
	Bulk Drug/Chemicals	Property	Total
a. Revenue			
1 Segment revenue	25,920.84	7,374.15	33,294.99
	27,958.16	6,303.36	34,261.52
Less : Inter-segment revenue	-	-	-
	-	-	-
Unallocated revenue (net)			1,452.03
			1,592.16
2 Total			34,747.02
			35,853.68

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 46 - Segment information: (Contd.)

	2023-2024		
	2022-2023 #		
	Bulk Drug/Chemicals	Property	Total
b. Result			
1 Segment (loss) / profit before Tax and finance cost	(5,081.40)	6,523.94	1,442.54
	<i>(5,650.53)</i>	<i>5,368.89</i>	<i>(281.64)</i>
2 Finance costs			1,704.60
			<i>2,078.23</i>
3 Unallocable income/(expenditure) (net)			17.40
			<i>77.03</i>
4 Loss before Exceptional Items and tax			(244.66)
			<i>(2,282.84)</i>
5 Exceptional item (Loss)			(742.64)
			<i>(2,847.68)</i>
6 Tax expense			
- current tax			168.02
			<i>18.15</i>
- deferred tax charge			-
			<i>280.07</i>
- Adjustment of tax related to earlier years			1,245.55
			<i>(115.57)</i>
7 Loss after tax			(2,400.87)
			<i>(5,313.17)</i>
c. Other information			
1. Segment assets	44,201.98	1,481.83	45,683.81
	<i>47,322.15</i>	<i>3,461.53</i>	<i>50,783.68</i>
2 Unallocated corporate assets			9,099.27
			<i>12,867.89</i>
3. Total assets			54,783.08
			<i>63,651.57</i>
4. Segment liabilities	8,520.60	4,208.26	12,728.86
	<i>5,505.36</i>	<i>3,982.57</i>	<i>9,487.93</i>
5. Unallocated corporate liabilities			13,537.91
			<i>22,907.16</i>
6. Total liabilities			26,266.77
			<i>32,395.09</i>
7. Cost incurred during the year to acquire			
- segment tangible and intangible assets	1,397.73	522.98	1,920.71
	<i>4,048.94</i>	-	<i>4,048.94</i>
- unallocated segment tangible and intangible assets			-
			-
8. Depreciation and amortization expense	2,453.85	18.08	2,471.93
	<i>2,564.80</i>	<i>259.95</i>	<i>2,824.75</i>

(Figures in italics are the corresponding figures in respect of the previous year.)

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 46 - Segment information: (Contd.)

B) Geographical information

Geographical information is reported on the basis of the geographical location of the customers. The management views the Indian market and export markets as distinct geographical markets.

Revenue by market – The following is the distribution of the Group's revenue by geographical market:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
India		
Bulk Drug/Chemicals	9,405.69	8,811.01
Property	7,374.15	6,303.36
Others	1,452.02	1,592.87
Europe - Bulk Drug/Chemicals	5,711.85	6,819.94
USA - Bulk Drug/Chemicals	3,728.82	4,187.84
Others countries - Bulk Drug/Chemicals	7,074.49	8,139.66
	34,747.02	35,853.68

Restated pursuant to merger (Refer Note 67)

The following is an analysis of the carrying amount of Non current assets excluding financials assets and deferred Tax Assets, analysed by geographical area in which the assets are located:

(₹ in Lakhs)

Particulars	Assets	
	March 31, 2024	March 31, 2023 #
India	27,762.30	31,851.32
Outside-India	173.25	1,013.74
Total	27,935.55	32,865.06

The Group has not generated revenue aggregating more than 10% of the Group total revenue from any customer during the period (March 31, 2023 ₹ Nil).

Restated pursuant to merger (Refer Note 67)

Note 47 - List of entities included in the consolidated financial statements is as under

(₹ in Lakhs)

Particulars	Country of Incorporation	Proportion of ownership interest as at	
		March 31, 2024	March 31, 2023
Parent Company:			
Fermenta Biotech Limited	India	Note 1	Note 1
Subsidiaries			
Aegean Properties Limited	India	Note 1	Note 1
Fermenta Biotech GmbH	Germany	100%	100%
Fermenta Biotech (UK) Limited	United Kingdom	100%	100%
G.I. Biotech Private Limited(w.e.f. November 26,2023)*	India	Note 2	Note 2
Fermenta Biotech USA LLC	United States	100%	100%
Fermenta USA LLC	United States	52%	52%
Associate			
Health and Wellness India Private Ltd	India	47%	47%

Note:

- Pursuant to NCLT Order dated May 8, 2023 regarding Composite Scheme of Amalgamation and Arrangement, the Company's Holding company, DVK Investments Private Limited (Transferor Company 1) and the Company's subsidiary, Aegean Properties Limited (Transferor Company 2) have been merged with the Company (Refer Note 67)
- The Company G. I. Biotech Private Limited has been struck off from the Registrar of companies (Mumbai) w.e.f. August, 04, 2023

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 48. Disclosure of additional information pertaining to the Parent Company, subsidiaries, associate as per Schedule III of Companies Act, 2013:

Sr No	Particulars	Name of the Entity	March 31, 2024						March 31, 2023 #									
			Net assets, i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income/(loss)		Share in profit/(loss)		Share in other comprehensive income/(loss)		Share in total comprehensive income/(loss)					
			%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs	%	₹ in Lakhs				
I	Parent Company	Fermenta Biotech Limited	110%	31,422.61	78%	(1,874.33)	-123%	19.03	77%	(1,855.30)	108%	33,605.70	107%	(5,700.32)	-12%	17.26	104%	(5,683.06)
II	Subsidiary Companies																	
	a.India	Aegean Properties Limited	0%	-	0%	-	-	-	0%	-	0%	-	0%	-	-	-	0%	-
		G I Biotech Private Limited	0%	-	0%	-	-	-	0%	-	0%	-	0%	(2.53)	-	-	0%	(2.53)
	b.Foreign	Fermenta Biotech (UK) Limited	0%	34.44	0%	(0.03)	-	-	0%	(0.03)	0%	34.46	0%	(0.64)	-	-	0%	(0.64)
		Fermenta Biotech GmbH	-16%	(4,428.32)	39%	(927.62)	237%	(36.51)	40%	(964.13)	-11%	(3,464.19)	45%	(2,416.66)	-	(203.13)	48%	(2,619.79)
		Fermenta Biotech USA LLC (Consolidated with its subsidiary) *	-3%	(878.11)	43%	(1,039.73)	-13%	2.06	43%	(1,037.67)	1%	159.57	11%	(562.37)	-	38.39	10%	(523.99)
III	Non-controlling interests in all subsidiaries		-1%	(369.79)	4%	(94.89)	-	-	4%	(94.89)	1%	(274.90)	4%	(205.65)	-	-	4%	(205.65)
IV																		
		Total Eliminations / Consolidation Adjustments	8%	2,365.29	-60%	1,440.84	-	-	-60%	1,440.84	3%	920.94	-63%	3369.36	-	-	-62%	(3,369.36)
		Total	100%	28,516.31	100%	(2400.87)	100%	(15.42)	100%	(2,416.29)	100%	31,256.48	100%	(5313.17)	-12%	(147.48)	100%	(5460.65)

Restated pursuant to merger (Refer Note 6.7)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 49 - Related parties disclosures as per Ind AS 24

A) Names of the related parties where there are transactions and description of relationships

a) Holding Company:

DVK Investments Private Limited §

b) Key Management Personnel

Name of Key Management Personnel	Designation
Mr. Krishna Datla	Executive Vice-Chairman
Mr. Satish Varma	Executive Director
Mr. Sanjay Buch *(upto March 31, 2024)	Non-Executive Director and Chairman
Mrs. Rajeshwari Datla (also relative of the Executive Vice-Chairman)	Non-Executive Director
Mrs. Anupama Datla Desai (also relative of the Executive Vice-Chairman)	Executive Director
Dr. Gopakumar Nair #	Non-Executive Director
Mr. Vinayak Hajare *(upto March 31, 2024)	Non-Executive Director
Mrs. Rajashri Ojha	Non-Executive Director
Mr. Pramod Kasat	Non-Executive Director
Mr. Pradeep Chandan**(w.e.f. February 12, 2024)	Non-Executive Director and Chairman
Mr. Prashant Nagre	Managing Director
Mr. Sumesh Gandhi	Chief Financial Officer
Mr. Srikant N Sharma	Company Secretary

§ Pursuant to NCLT Order dated May 8, 2023 regarding Composite Scheme of Amalgamation and Arrangement, the Company's Holding company, DVK Investments Private Limited (Transferor Company 1) and the Company's subsidiary, Aegean Properties Limited (Transferor Company 2) have been merged with the Company (Refer Note 67)

*Mr. Sanjay Buch ceased to be Non - Executive Independent Director and Chairman, and Mr. Vinayak Hajare ceased to be Non-Executive Independent Director from April 01, 2024, due to retirement

**Appointed as Independent Director w.e.f. February 12, 2024 and as Chairman w.e.f. April 01, 2024

#Ceased to be Non-Executive Independent Director w.e.f. May 17, 2024, due to retirement

c) Associate

Health and Wellness India Private Limited

d) Enterprises under significant influence of key management personnel or their relatives:

Magnolia FNB Private Limited (under the process of strike off)

Dupen Laboratories Private Limited

Lacto Cosmetics (Vapi) Private limited

Silk Road Communications Private Limited.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 49 - Related parties disclosures as per Ind AS 24 (Contd.)

B) Related party transactions:

(₹ in Lakhs)

Sr. No.	Particulars	Holding Company	Key management personnel*	Enterprises under significant influence of key management personnel or their relatives	Associates
1	Remuneration to Directors and Key Management Personnel (including commission)*				
	Mr. Krishna Datla	- (-)	204.89 (227.60)	- (-)	- (-)
	Mr. Satish Varma	- (-)	149.17 (162.95)	- (-)	- (-)
	Ms. Anupama Datla Desai	- (-)	105.75 (117.06)	- (-)	- (-)
	Mr. Prashant Nagre	- (-)	158.44 (174.75)	- (-)	- (-)
	Mr. Sumesh Gandhi	- (-)	87.27 (95.42)	- (-)	- (-)
	Mr. Srikant N Sharma	- (-)	60.70 (65.40)	- (-)	- (-)
2	Directors sitting fees				
	Mr. Sanjay Buch	- (-)	8.60 (8.20)	- (-)	- (-)
	Dr. Gopakumar Nair	- (-)	8.30 (7.80)	- (-)	- (-)
	Ms. Rajeshwari Datla	- (-)	8.00 (7.50)	- (-)	- (-)
	Mr. Vinayak Hajare	- (-)	8.60 (8.20)	- (-)	- (-)
	Ms. Rajashri Ojha	- (-)	6.00 (5.00)	- (-)	- (-)
	Mr. Pramod Kasat	- (-)	6.00 (4.00)	- (-)	- (-)
	Mr. Pradeep Chandan	- (-)	1.00 (-)	- (-)	- (-)
3	Sale of products				
	Dupen Laboratories Private Limited	- (-)	- (-)	43.76 (29.37)	- (-)
4	Rent income				
	Magnolia FNB Private Limited	- (-)	- (-)	0.18 (0.30)	- (-)
	Silk Road Communications Private Limited	- (-)	- (-)	1.35 (1.35)	- (-)
5	Loan given				
	Mr. Srikant N Sharma	- (-)	(10.00) (-)	- (-)	- (-)

(Figures in brackets are the corresponding figures in respect of the previous year.)

* Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 49 - Related parties disclosures as per Ind AS 24 (Contd.)

C) Balance outstanding as at the end of the year :

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
a. Trade receivables		
Enterprises under significant influence of key management personnel or their relatives		
Dupen Laboratories Pvt Ltd	-	8.66
Silk Road Communications Private Limited	0.40	0.13
b. Allowance for doubtful debts/advances		
Associate		
Health and Wellness India Private Limited	37.00	37.00
c. Provision for diminution in value of investments		
Associate		
Health and Wellness India Private Limited (including share application money)	784.86	784.86
d. Inter corporate deposits		
Associate		
Health and Wellness India Private Limited	37.00	37.00
e. Loan given		
Key management personnel		
Mr. Srikant N Sharma	6.94	-

Restated pursuant to merger (Refer Note 67)

D) The Group has granted ESOP options to Key management personnel as mentioned below and for terms Refer to note 60

Particulars	No of Option Grant	No of Option Vested	No of Option Cancelled	No of Option Exercise
Mr. Sumesh Gandhi	-	3,213	4,819.00	-
	-	(3,213)	(4,819.00)	-
Mr. Srikant Sharma	-	2,409	3,614.00	-
	-	(2,409)	(3,614.00)	-

Note. Figure in brackets of previous year

All transactions entered into with Related Parties as defined under Regulations during the financial year were in the ordinary course of business and on arm's length pricing basis.

Options to Key management personnel position :

Particulars	No of Option Grant	No of Option Vested	No of Option Cancelled / Forfeited *	No of Option Exercise	Total No. of Option Outstanding
Mr. Prashant Nagre	2,17,410	2,17,410	-	-	2,17,410
Mr. Sumesh Gandhi	40,161	16,065	24,096	-	16,065
Mr. Srikant Sharma	30,117	12,047	18,070	-	12,047

* The effect of total no. of option cancelled / forfeited on estimation accounted in the previous year March 31, 2023

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 50 - Research and development expenditure:

Research and development expenditure of ₹1334.11 Lakhs (March 31, 2023: ₹1,338.60 Lakhs) (excluding interest and depreciation) has been charged to the Consolidated statement of profit and loss. The capital expenditure in the current year on research and development amounts to ₹5.92 Lakhs (March 31, 2023: ₹14.14 Lakhs).

Note 51 - During the year ended March 31, 2024, directors sitting fees to Non-Executive Directors aggregating ₹46.50 Lakhs has been charged to the Consolidated statement of profit and loss. (March 31, 2023 ₹40.70 Lakhs)

52 Categories of the financial instruments

(₹ in Lakhs)

Particulars	March 31, 2024				
	Ammortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	5.91	-	37.45	43.36	43.36
(ii) Trade receivables	6,982.51	-	-	6,982.51	6,982.51
(iii) Loans	495.97	-	-	495.97	495.97
(iv) Cash and cash equivalents	2,182.87	-	-	2,182.87	2,182.87
(v) Bank balances other than (iv) above	3,800.52	-	-	3,800.52	3,800.52
(vi) Other financial assets	487.10	-	-	487.10	487.10
Total	13,954.88	-	37.45	13,992.33	13,992.33
Financial Liabilities					
Borrowings	13,227.09	-	-	13,227.09	13,227.09
Lease liabilities	649.69	-	-	649.69	649.69
Trade payables	6,490.42	-	-	6,490.42	6,490.42
Other financial liabilities	1,077.66	-	-	1,077.66	1,077.66
Derivatives not designated as hedge	-	42.51	-	42.51	42.51
Total	21,444.86	42.51	-	21,487.37	21,487.37

(₹ in Lakhs)

Particulars	March 31, 2023 #				
	Ammortised Cost	FVTPL	FVTOCI	Total Carrying value	Total Fair value
Financial Assets					
(i) Investments	5.91	-	30.70	36.61	36.61
(ii) Trade receivables	4,164.94	-	-	4,164.94	4,164.94
(iii) Loans	120.00	-	-	120.00	120.00
(iv) Cash and cash equivalents	3,529.05	-	-	3,529.05	3,529.05
(v) Bank balances other than (iv) above	2,303.75	-	-	2,303.75	2,303.75
(vi) Investments- Corporate fixed deposit	278.07	-	-	278.07	278.07
(vii) Other financial assets	2,137.93	-	-	2,137.93	2,137.93
Total	12,539.65	-	30.70	12,570.35	12,570.35
Financial Liabilities					
(i) Borrowings	21,684.52	-	-	21,684.52	21,684.52
(ii) Lease liabilities	267.78	-	-	267.78	267.78
(iii) Trade payables	4,579.49	-	-	4,579.49	4,579.49
(iv) Other financial liabilities	951.94	-	-	951.94	951.94
(v) Derivatives not designated as hedge	-	64.78	-	64.78	64.78
Total	27,483.73	64.78	-	27,548.51	27,548.51

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

53 Reconciliation of Level 3 fair value measurements:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Opening balance	5.91	5.91
Total gains or (losses)		
Recognised in standalone statement of profit and loss.	-	-
Closing balance	5.91	5.91

Note 54 - Fair Value

Fair value of financial assets and financial liabilities that are not measured at fair value but fair value disclosures are required :

(₹ in Lakhs)

Particulars	Non-current		Current	
	March 31, 2024	March 31, 2023 #	March 31, 2024	March 31, 2023 #
Financial assets				
(i) Trade receivables	6,982.51	4,164.94	6,982.51	4,164.94
(ii) Cash and cash equivalents	2,182.87	3,529.05	2,182.87	3,529.05
(iii) Bank balances other than (ii) above	3,800.52	2,303.75	3,800.52	2,303.75
(iv) Investments- Corporate fixed deposit	-	278.07	-	278.07
(iv) Loans	495.97	120.00	495.97	120.00
(v) Others financial assets	487.10	2,137.93	487.10	2,137.93
Total assets	13,948.97	12,533.74	13,948.97	12,533.74
Financial liabilities				
(i) Borrowings	13,227.09	21,684.52	13,227.09	21,684.52
(ii) Lease liabilities	649.69	267.78	649.69	267.78
(iii) Trade payables	6,490.42	4,579.49	6,490.42	4,579.49
(iv) Other financial liabilities	1,077.66	951.94	1,077.66	951.94
(v) Derivatives not designated as hedge	42.51	64.78	42.51	64.78
Total liabilities	21,487.37	27,548.51	21,487.37	27,548.51

Restated pursuant to merger (Refer Note 67)

The financial assets above do not include investments in equity instruments measured at fair value through OCI.

The Management largely due to short term maturity consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

Note 55 -Fair value hierarchy :

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Fair Value	Fair value hierarchy	Fair Value	Fair value hierarchy
Financial assets measured at fair value through Other comprehensive income				
Investments in equity shares-quoted	37.45	Level 1	30.70	Level 1
Investments in equity shares-unquoted	5.91	Level 3	5.91	Level 3
Financial Liabilities measured at fair value through profit or loss				
Derivatives not designated as hedge	42.51	Level 2	64.78	Level 2

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 56 - Financial risk management objectives and policies

The Group is exposed to credit risk, liquidity risk and market risk. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

a) Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates, commodity prices and equity price risk). Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term borrowings. The Group is exposed to market risks related to foreign exchange rate risk, commodity rate risk, interest rate risk and other price risks, such as equity price risks. Thus, the Group's exposure to market risk is a function of borrowing activities, revenue generating and operating activities in foreign currencies.

i) Equity price risk

The Group's unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investments in securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Group's Board of Directors review and approve, all investments in the equity investments.

As at March 31, 2024 and March 31, 2023, the group had exposure to equity securities measured at fair value. The changes in fair values of the equity investments were strongly positively co-related with changes in market index.

ii) 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 rate. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short term borrowings obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of long term and short term borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the borrowings. With all other variables held constant, the Group's profit before tax will be affected as below due to change in interest rate:

Year ended	(+)Increase/(-) decrease in basis points	Effect on profit (decrease) / increase #
March 31, 2024	+0.50	(85.48)
	-0.50	85.48
March 31, 2023	+0.50	(117.39)
	-0.50	117.39

(₹ in Lakhs)

Loss before tax will have an equal but opposite impact.

iii) Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Group's purchases and sales of active pharmaceutical ingredients, including the raw material components for such active pharmaceutical ingredients. The prices of the Group's raw materials generally are stable. Cost of raw materials forms the largest portion of the Group's cost of revenues. A large portion of the Group's sales are subject to commodity rate risk having a volatile pricing. The group monitors overall demand supply position and pricing movement to decide marketing strategies to overcome risk of changing prices of the products.

iv) Foreign currency risk

The Group's foreign exchange risk arises from its foreign currency revenues and expenses and foreign currency borrowings. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Group's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future. Consequently, the Group largely uses the natural hedge to mitigate the risk of changes in foreign currency exchange rates in respect of its highly probable forecasted transactions and recognised assets and liabilities.

The year end foreign currency exposures that have not been hedged (before giving effects of natural hedge) by derivative instrument or otherwise are given below:

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 56 - Financial risk management objectives and policies (Contd.)

A) Significant foreign currency risk exposure relating to trade receivables, other financial assets and cash and cash equivalents :

(₹ in Lakhs)

Particulars	March 31, 2024			March 31, 2023 #	
	Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial assets					
Cash and cash equivalents (including EEFC)	AED	0.05	1.07	0.01	0.19
	BDT	0.09	0.00	0.09	0.00
	CAD	0.00	0.17	0.00	0.16
	CHF	0.00	0.31	0.00	0.25
	CZK	0.00	0.01	-	-
	EUR	0.03	2.27	0.06	5.35
	JPY	0.19	0.00	-	-
	NZD	0.01	0.57	-	-
	OMR	0.00	0.76	0.00	0.74
	RUB	0.01	0.01	0.01	0.01
	SGD	0.02	1.15	0.02	1.05
	TRY	0.01	0.03	-	-
	USD	0.25	20.61	0.00	0.33
Business advances	EUR	10.43	936.83	10.27	915.33
	GBP	0.01	0.76	-	-
	USD	2.41	200.96	0.25	20.49
Trade receivables and other financial assets	AED	0.00	0.04	0.05	1.22
	USD	21.80	1,817.95	25.15	2,124.62
	GBP	0.00	0.24	-	-
	EURO	26.11	2,348.02	16.01	1,767.87

Restated pursuant to merger (Refer Note 67)

B) Significant foreign currency risk exposure relating to borrowings and trade payables :

(₹ in Lakhs)

Particulars	March 31, 2024			March 31, 2023 #		
	Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs	Currency	Amount in foreign currency (in Lakhs)	₹ in Lakhs
Financial liabilities						
Trade payable	EURO	15.61	1,403.62	EURO	7.11	633.16
	USD	3.23	269.66	USD	0.90	74.29
	SGD	-	-	SGD	0.00	0.03
	GBP	0.07	7.86	GBP	-	-
Borrowings (PCFC)	EURO	31.91	2,867.49	EURO	34.69	3,090.35
	USD	4.31	359.45	USD	-	-
External Commercial borrowing (ECB)	EURO	-	-	EURO	4.90	436.15
Foreign Currency Term Loan (FCTL)	EURO	29.08	2,613.22	EURO	40.67	3,623.29

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 56 - Financial risk management objectives and policies (Contd.)

C) Foreign currency sensitivity

For the years ended March 31, 2024 and March 31, 2023, every 5% strengthening in the exchange rate between the Indian rupee and the respective currencies for the above mentioned financial assets / liabilities would increase the Group's profit and increase the Company's total equity by approximately (net) ₹131.29 Lakhs and ₹211.52 Lakhs, respectively. A 5% weakening of the Indian rupee and the respective currencies would lead to equal but opposite effect. In Management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

D) Derivative contracts

The Parent is exposed to exchange rate risk that arises from its foreign exchange revenues and expenses, primarily in US Dollars and Euros and foreign currency debts in US dollars and Euros. The Group uses cross currency interest rate swap (known as, "derivatives") to mitigate its risk of changes in foreign currency exchange rates. The counterparty for these contracts is generally a bank.

The following table gives details in respect of the notional amount of outstanding foreign exchange derivative contract:

Particulars	Currency	Currency Amount	Buy/Sell	Cross Currency	March 31, 2024	March 31, 2023 #
Derivatives not designated as hedges	-	-	-	-	-	-
Currency hedges						
Currency hedges EUR	EUR	14.09	Sell	INR	-	-
Currency hedges USD	USD	11.89	Sell	INR	1.06	-
Cross currency interest rate swap	EUR		Buy	INR	41.46	64.78

Restated pursuant to merger (Refer Note 67)

b) Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers, loans and other financial assets. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of counter party to which the Group grants credit terms in the normal course of business.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

i) Trade receivables

The Group has used expected credit loss (ECL) model for assessing the impairment loss. For this purpose, the Group uses a provision matrix to compute the expected credit loss amount. The provision matrix takes into account external and internal risk factors and historical data of credit losses from various customers. The Group evaluates the concentration of risk with respect to trade receivables which is low, as its customers are widely spread with small outstanding amounts (For detailed movement in provision for trade receivables - Refer note 16)

Trade receivables

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Not due	4,514.34	1,754.35
Less than 6 months	2,306.73	2,328.88
6 months-1 year	86.86	-
1-2 years	19.09	94.66
2-3 years	95.25	25.53
Beyond 3 years	411.18	391.21
	7,433.45	4,594.63

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 56 - Financial risk management objectives and policies (Contd.)

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Credit risk in case of Intercompany deposit given is managed by the Group's in accordance with the Group's policy. ICD only be given out of surplus funds, are made only with the approval of the Group's Board of Directors and are reviewed by the Group's Board on an annual basis.

c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations as they fall due. The Group's policy on liquidity risk is to maintain sufficient liquidity in the form of cash and investment in liquid mutual funds to meet the Group's operating requirements with an appropriate level of headroom. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

March 31, 2024

(₹ in Lakhs)

	Amount	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	13,227.09	8,973.49	4,253.60	-
Other financial liabilities (including derivatives not designated as hedge)	1,120.17	766.33	353.84	-
Lease liabilities	649.69	95.81	553.88	-
Trade payables	6,490.42	6,490.42	-	-
Total	21,487.37	16,326.05	5,161.32	-

March 31, 2023

(₹ in Lakhs)

Particulars	Amount	Less than 1 year	1 to 5 years	More than 5 years
Borrowings	21,684.52	13,325.62	8,324.90	34.00
Other financial liabilities	1,016.72	908.34	108.38	-
Lease liabilities	267.78	68.67	115.81	83.30
Trade payables	4,579.49	4,579.49	-	-
Total	27,548.51	18,882.12	8,549.09	117.30

Restated pursuant to merger (Refer Note 67)

The Group had unutilised credit limit of borrowing facilities as at March 31, 2024: ₹3,171.70 lakhs and as at March 31, 2023 ₹1,211.87 lakhs from banks.

Note 57 - Capital management

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders through optimisation of debts and equity balance.

The Group monitors capital on the basis of the carrying amount of debt less cash and cash equivalents as presented on the face of the Consolidated financial statements. The Group's objective for capital management is to maintain an optimum overall financial structure.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 57 - Capital management (Contd.)

(i) The gearing ratio at the end of the year was as follows:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Debts (Term loans and loans repayable on demand including current maturities of long term borrowings)	13,227.09	21,684.52
Less: Cash and cash equivalents (Refer note 17)	2,182.87	3,529.05
Net debt	11,044.22	18,155.47
Total equity	28,516.31	31,256.48
Net debt to equity ratio	39%	58%

Restated pursuant to merger (Refer Note 67)

(ii) Dividend on equity shares paid during the year

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Dividend on equity shares		
Dividend for the year ended March 31, 2023 of ₹1.25 per share on 2,94,30,987 equity shares of ₹5.00/- each, fully paid up (net of 5,56,880 equity shares of ₹5.00/- each which were held by ESOP Trust) [Refer note 23(c)]	360.93	360.59

Dividends not recognised at the end of the reporting period

The Board of Directors of the Company at its meeting held on May 27, 2024 have recommended dividend of ₹1.25 per share. The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting and hence not recognised as a liability.

Restated pursuant to merger (Refer Note 67)

Note 58 - Investment properties

The Group investment properties consist of Thane One Building, Ceejay House and freehold land located at Majiwade Thane and at Takawe. Out of the 16 floors, ground to 13 floors have been considered as Investment property by the Management of which 13 floors has been sold.

Criteria used for classification of property as investment property

The Group has considered the following for classification of property as investment property:

- (i) Investment property comprises building and other assets required to provide ancillary services to the occupants of the investment property.
- (ii) The properties that are not occupied by the Group for use in production or supply of goods or services or for administrative purposes, or for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation are classified as investment property.

The Group has a building which is primarily meant for renting is classified as an investment property, except for the part of that building which is used for administrative purposes, and hence classified as owner-occupied property. The Group has apportioned the cost of the property between investment property and owner-occupied property in the ratio of area used, respectively, as a percentage of total area.

The Group has sold 5 floors part of its Investment in Property consisting of floors sales in Thane One IT/ITES building accordingly, total income on sale of Investment Property for the year ended March 31, 2024 is ₹2,505.07 lakhs (previous year ended March 31, 2023 ₹4,772.82 lakhs, 8floors) and has been recognised as income under the head revenue from operation pertaining to property segment.

Further during the previous year Mr. Krishna Datla and Ms. Rajeshwari Datla on behalf of the Group entered in to "Memorandum of Understanding" to sell Freehold land located at Village Takwe (Budruk), Tal – Maval District – Pune admeasuring 21.39 Acres, with M/s. D1 Enterprises (as the Proposed Assignor) to and in favour of Nipro Pharmapackaging India Private Limited as the proposed purchaser of said land.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 58 - Investment properties (Contd.)

In the current year, the Group has partially sold (1,40,100 Sq Mtr) freehold land located at Village Takawe not held in the name of the Group. The income on sale of such property for the year ended March 31, 2024 is ₹3,882.75 Lakhs which has been recognised as income under the head revenue from operations pertaining to property segment. Group has received advance of ₹329.20 lakhs (net of tax). (as at March 31, 2023 ₹841.50 lakhs [net of tax])”

Estimation of fair value

The fair value of the Investment Property has been determined in the financial period March 31, 2024 as ₹6724.72 Lakhs (March 31, 2023 as ₹21,626.49 Lakhs). The fair value has been determined by an external, independent property valuer, having appropriate professional qualification and recent experience in the location and category of the property being valued. The Company obtained independent valuation for its investment property and fair value measurement has been categorised as Level 3. The fair value has been arrived at by using comparable market rate approach. The main inputs used are quantum, area, location, demand, restrictive entry to the complex, age of building and trend of fair market rent in village Majiwada area and Takawe area.

Amount recognised in Consolidated statement of profit and loss

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Income from investment properties		
Rent and Service Income	986.33	1,530.54
Sale of Property	6,387.82	4,772.82
Less: Direct operating expenses (including repairs and maintenance) generating income from investment properties	832.13	674.51
Income arising from investment properties	6,542.02	5,628.85
Less: Depreciation	(18.08)	(259.95)
Income/(loss) arising from investment properties after depreciation	6,523.94	5,368.89

Restated pursuant to merger (Refer Note 67)

Refer note 45B for operating lease arrangements and total future minimum lease rentals receivable.

Refer note 6A for the existence of restrictions on the realisability of investment property or the remittance of income and proceeds of disposal.

Refer note 66 for deposit received against the signed Binding Term Sheet and grant of development rights to Mextech for construction of residential-cum-commercial buildings in the balance portion of Thane land.

Note 59 - Income tax

A Tax expense recognised in the Consolidated statement of profit and loss and other comprehensive income consists of

Particulars	(₹ in Lakhs)	
	March 31, 2024	March 31, 2023 #
Tax expenses:		
Current tax	168.02	18.15
Adjustment of tax related to earlier years	1,245.55	(115.57)
Deferred tax charge/(credit)	-	280.07
Income tax expense recognised in the Consolidated statement of profit and loss	1,413.57	182.65
Tax expense recognised in other comprehensive income	-	-
Total tax expense	1,413.57	182.65

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 59 - Income tax (Contd.)

B A reconciliation of income tax expense to the amount computed by applying the statutory income tax rate to the profit before income tax is summarised below: (₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Loss before tax	(987.30)	(5,130.52)
Average Statutory Income tax rate as applicable to group companies (%)	27.750%	28.800%
Income tax expense calculated at enacted income tax rate	(273.98)	(1,477.59)
Effect of tax on:		
DTA not recognised on losses	(139.81)	(1,873.47)
MAT credit not recognised	(168.02)	-
Expenses disallowed under Income Tax Act	(44.99)	-
Others	(89.19)	97.66
	(442.00)	(1,775.81)
Total income tax expense	168.02	298.22
Adjustment of Tax related to earlier years **	1,245.55	(115.57)
Tax expense recognised in profit or loss	1,413.57	182.65
Tax expense recognised in other comprehensive income	-	-
Total tax expense	1,413.57	182.65

Restated pursuant to merger (Refer Note 67)

** During the year, the parent company has received intimation / final assessment order for the financial years 2016-17 to 2021-22 basis which an additional provision of tax is required on account of certain disallowances. Accordingly total MAT credit recognised of ₹1129.83 lakhs and Tax receivable recognised of ₹115.72 lakhs has been written off during the year relating to such earlier years.

C The major components of deferred tax (liabilities)/assets arising on account of temporary differences are as follows: (₹ in Lakhs)

Parameter	March 31, 2024			
	As at April 01, 2023	Statement of profit and loss	Other comprehensive income	As at March 31, 2024
(I) Components of deferred tax assets (net)				
Deferred tax liabilities				
Property, Plant and Equipment, investment property and intangible assets: Impact of difference between written down value as per books of account and income tax	(3,669.00)	(592.15)	-	(4,261.15)
Lease Liability	(139.50)	(20.90)		(160.40)
Deferred tax assets				
Expenses claimed for tax purpose on payment basis	158.38	90.83	-	249.21
Allowance for doubtful debts and advances	500.14	31.39	-	531.53
Allowance for impairment in the value of non current investment and share application money	150.33	-		150.33
Lease assets	139.50	20.90		160.40
MAT Credit entitlement	5,218.86	(1,129.83)	-	4,089.03
Unabsorbed carried forward losses	983.45	469.82	-	1,453.27
Others	(16.36)	0.10	-	(12.31)
Deferred tax credit		(1,129.83)	-	6,621.47
Net deferred tax assets*	3,325.80			2,199.91

* Deferred tax assets are recognised to the extent of deferred tax liabilities available since Group creates deferred tax assets only to the extent that it is probable that taxable profit will be available against which the deductible temporary difference could be utilised.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 59 - Income tax (Contd.)

(₹ in Lakhs)

Parameter	March 31, 2023#			
	As at April 01, 2022 #	Statement of profit and loss	Other comprehensive income	As at March 31, 2023 #
(I) Components of deferred tax assets (net)				
Deferred tax liabilities				
Property, Plant and Equipment, investment property and intangible assets: Impact of difference between written down value as per books of account and income tax	(2,426.96)	(1,242.04)	-	(3,669.00)
Lease Liability		(139.50)		(139.50)
Deferred tax assets				
Expenses claimed for tax purpose on payment basis	195.12	(36.74)	-	158.38
Allowance for doubtful debts and advances	142.99	357.15	-	500.14
Allowance for impairment in the value of non current investment and share application money	138.33	12.00	-	150.33
Effect of deferred tax on Inventory and other related items	163.80	(163.90)		-
Lease assets		139.50		139.50
MAT Credit entitlement	5,292.47	(73.61)	-	5,218.86
Unabsorbed depreciation/carried forward losses	109.47	873.98	-	983.45
Others	(15.79)	(7.01)		(16.36)
Deferred tax credit / (charge)		(280.07)	-	7,134.30
Net deferred tax assets	3,599.43			3,325.80

Restated pursuant to merger (Refer Note 67)

D Details of unused tax losses and unabsorbed tax depreciation for which deferred tax assets have not been recognised:

(₹ in Crores)

Expiry of losses financial year wise	Business losses	Unabsorbed depreciation
Financial Year 2031-32	2,768.48	-
Financial Year 2030-31	2,416.66	-
Financial Year 2029-30	1,300.38	-
Financial Year 2028-29	190.64	-
Financial Year 2027-28	223.85	-
Indefinite	-	1,933.33

Note 60 - Share-based payments

Employee share option plan of the Parent Company

1.1 Details of the employee share option plan of the Parent Company

This ESOP 2019 scheme had been framed pursuant to the Scheme of Amalgamation between the erstwhile Fermenta Biotech Limited ("Transferor Company") with the DIL Limited ("Transferee Company") and their respective shareholders. The Transferor Company prior to the Scheme of Amalgamation had implemented the 'Fermenta Biotech Limited - Employee Stock Option Plan 2019' and were granted employee stock options to its eligible employees. Further, the number of transferee options issued shall equal to the product of number of transferor options outstanding on effectiveness of Scheme multiplied by the Share exchange ratio (0.398) and each transferee option

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 60 - Share-based payments (Contd.)

shall have an exercise price per equity share equal to transferor option exercise price per equity shares divided by the share exchange ratio (0.398) and fractions rounded off to the next higher whole number. The terms and conditions of ESOP 2019 Scheme of DIL Limited are not less favourable than those of ESOP Scheme of erstwhile Fermenta Biotech Limited. Under the ESOP 2019 Scheme, stock options have been issued to the eligible employees of erstwhile Fermenta Biotech Limited

In accordance with the terms of the plan, as approved by the erstwhile shareholders of Fermenta Biotech Limited at an extra general meeting, executives and senior employees with the Company were granted options to purchase equity shares.

Each employee share option converts into one equity share of the Parent Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula and is subject to approval by the remuneration committee. The formula rewards executives and senior employees to the extent of the Parent Company and the individual's achievement judged against both qualitative and quantitative criteria.

The following share-based payment arrangements were in existence during the current year: (₹ in Lakhs)

Options series	Number	Grant date	Expiry date	Exercise price	Fair value at grant date
Plan 1 (60% of options granted under ESOP 2019)	1,01,614	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2025, 12.08.2025 and 28.02.2025	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	49,526	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2026, 12.08.2026 and 28.02.2026	83.67	421.71 and 298.16
Plan 1 (20% of options granted under ESOP 2019)	28,270	25.02.2019, 12.08.2019 and 01.09.2020	25.02.2027, 12.08.2027 and 28.02.2027	83.67	421.71 and 298.16
Plan 2 (100% of options granted under ESOP 2019)	2,17,410	25.02.2019	25.02.2025	83.67	418.22

Options granted under ESOP 2019 shall vest not before 1 (one) year and not later than maximum Vesting Period of 5 (five) years from the date of grant of such Options. Subject to the minimum vesting period of one year, the Nomination and Remuneration Committee of the Board at its discretion approve for acceleration of Vesting of any or all unvested Options of the Option Grantee.

The above number of options, fair value at grant dates and exercise price were adjusted in accordance with the Share exchange ratio (0.398:1) as per the scheme of amalgamation.

The number of options are after giving effect of the amalgamation and bonus shares issued during the previous year.

1.2 Fair Price of share options granted

The weighted average fair Price of the share options granted during the financial year is Nil (Previous year ₹298.16). Options were priced using Black-Scholes option pricing model. Where relevant, the expected life used in the model has been calculated based on a weighted average of vests. Expected volatility is based on the historical share price information of similar listed entities.

Inputs into the model	Option series			
	Plan 1 (60% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 1 (20% of options granted under ESOP 2019)	Plan 2 (100% of options granted under ESOP 2019)
Grant date share price (₹)	298.16 and 298.16	298.16 and 298.16	298.16 and 298.16	418.22
Exercise price (₹)	83.67	83.67	83.67	83.67
Expected volatility	69.28% and 65.33%	68.83% and 61.84%	68.08% and 60.02%	69.28%
Option life	4.51 years and 4 years	5.51 years and 5 years	6.51 years and 6 years	4.51 years
Dividend yield	0% and 0.57%	0% and 0.57%	0% and 0.57%	0.00%
Risk-free interest rate	7.14% and 5.22%	7.25% and 5.53%	7.35% and 5.78%	7.14%

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 60 - Share-based payments (Contd.)

1.3 Movements in share options during the year

The following reconciles the share options outstanding at the beginning and end of the year:

(₹ in Lakhs)

Particulars	March 31, 2024		March 31, 2023 #	
	Number of options	Weighted average exercise price"	Number of options	Weighted average exercise price"
Balance at beginning of year	3,24,082	83.67	3,96,821	83.67
Granted during the year	-	-	-	-
Forfeited during the year	-	-	62,758	-
Bonus options issued during the year	-	-	-	-
Exercised during the year	16,804	-	9,981	-
Expired during the year	-	-	-	-
Balance at end of year	3,07,278		3,24,082	

The number of options, were adjusted for the Forfeited /cancellation of option for Fulfilment of year end assessment of ESOP vesting conditions.

1.4 Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹83.67 (as at March 31, 2023: ₹83.67), and a weighted average remaining contractual life of Nil year.

Restated pursuant to merger (Refer Note 67)

61. Ratio

(₹ in Lakhs)

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023 #	% Variance	Reason for variance
Current Ratio	24,175.38 (25,302.34)	17,326.07 (20,871.84)	1.40	1.21	15.70%	*
Debt-Equity Ratio	13,227.09 (21,684.52)	28,886.10 (31,531.38)	0.46	0.69	(33.33%)	Improvement due to early repayment of debts
Debt Service Coverage Ratio	1,065.57 3,226.39	3,943.88 (5,258.21)	0.27	(0.61)	38.30%	Due to improvement in profitability
Return on Equity Ratio	(3,143.51) (8,160.85)	30,208.74 (34,372.43)	(0.10)	(0.24)	(28.57%)	Due to improvement in profitability
Inventory turnover Ratio	33,566.19 (34,994.09)	10,876.20 (14,480.82)	3.09	2.42	27.69%	Due to increase of inventory
Trade Receivables turnover Ratio	33,566.19 (34,994.09)	5,573.73 (6,436.98)	6.02	5.44	10.66%	*
Trade payables turnover Ratio	8,526.20 (12,189.73)	5,534.96 (5,518.73)	1.54	2.21	(30.21%)	Due to decrease of trade credit period
Net capital turnover Ratio	33,566.19 (34,994.09)	6,849.31 (4,430.50)	4.90	7.90	(37.97%)	Due to improvement of net working capital
Net profit Ratio	(2,400.87) (5,313.17)	33,566.19 34,994.09	(0.07)	(0.15)	(53.33%)	Due to improvement in profitability
Return on Capital employed	1,459.94 (204.61)	40,616.23 50,460.77	0.04	(0.00405)	10.88%	*

* Ratio variance below threshold limit defined as per Schedule III

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 60 - Share-based payments (Contd.)

Current Ratio :	Current Assets/ Current Liabilities
Debt – Equity Ratio :	Total Debt/Shareholder's Equity
Debt Service Coverage Ratio :	Earnings available for debt service/Debt Service
	Earning for Debt Service = Net Profit/(loss) after taxes and before exceptional items + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
	Debt service = Interest & Lease Payments + Principal Repayments
Return on Equity (ROE) :	Net Profits/(loss) after taxes before exceptional items – Preference Dividend (if any)/Average Shareholder's Equity
Inventory Turnover Ratio :	Cost of goods sold OR sales/ Average Inventory
	Average inventory is (Opening + Closing balance)/2
Trade receivables turnover Ratio :	Net Credit Sales/ Avg. Accounts Receivable
	Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bills receivables
	Average trade debtors = (Opening + Closing balance)/2
Trade payables turnover Ratio :	Net Credit Purchases/ Average Trade Payables
Net capital turnover Ratio :	Net Sales / Working Capital
	Net sales shall be calculated as total sales minus sales returns.
	Working Capital shall be calculated as Current assets minus Current liabilities.
Net profit Ratio :	Net Profit/ Net Sales
	Net profit shall be after tax and before exceptional items.
	Net sales shall be calculated as total sales minus sales returns.
Return on capital employed (ROCE) :	Earning before interest and taxes/Capital Employed
	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

Note 62 - Commitments:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	57.17	2,677.29
(b) Lease commitments	127.38	73.57

Restated pursuant to merger (Refer Note 67)

Note 63 - Contingent liabilities:

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Claims against the Group not acknowledged as debts;		
Tax matters		
Service tax department raised demand of ₹22.50 Lakhs consisting of Service Tax of ₹7.50 Lakhs and penalty of ₹15.00 Lakhs in connection with services rendered post demerger of the pharmaceutical division. Commissioner of Service Tax Mumbai and CESTAT has upheld the order of Joint Commissioner of Service Tax. The Group Company has preferred an appeal to Bombay High Court.	22.50	22.50

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 63 - Contingent liabilities: (Contd.)

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
The Deputy Commissioner of sales tax has confirmed the order of the Assistant Commissioner of sales tax Vapi, Gujarat for year 1992-93 and 1993-94 for demand of interest and penalty due to shortfall in tax payment on account of computation of purchase tax setoff. Company has preferred an appeal to sales tax tribunal Ahmedabad, Gujarat and obtained stay against the order/demand of the Assistant Commissioner pending final disposal. The Deputy Commissioner of sales tax has confirmed the order of the Assistant Commissioner of sales tax Vapi, Gujarat for year 1992-93 and 1993-94 for demand of interest and penalty due to shortfall in tax payment on account of computation of purchase tax setoff. Company has preferred an appeal to sales tax tribunal Ahmedabad, Gujarat and obtained stay against the order/demand of the Assistant Commissioner pending final disposal.	4.63	4.63

Note: Future cash outflows in respect of the above are determinable only on receipt of judgements/decisions pending with various authorities/forums and/or final outcome of the matters.

Restated pursuant to merger (Refer Note 67)

Note 64 - Details of dues to micro and small enterprises as per Micro, Small and Medium Enterprise Development Act, 2006

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
(a) i) Principal amount remaining unpaid to any supplier at the end of the accounting year	237.63	280.47
ii) Interest due on above	-	-
The Total of (i) and (ii)	237.63	280.47
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	10.12	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	12.56	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 65- Capitalisation of borrowing costs

During the year ended March 31, 2024, the Group capitalised the following borrowing costs attributable to qualifying assets to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, finance costs disclosed under note 39 are net of amounts capitalised by the Group Company.

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Finance costs (Including forex revaluation)	108.74	97.07
Total	108.74	97.07

Restated pursuant to merger (Refer Note 67)

Note 66 - The Group company ('Fermenta') has signed a Binding Term Sheet on January 31, 2022 with Mextech Property Developers LLP ('Mextech') and granted development rights to Mextech for construction of residential-cum-commercial buildings in the balance portion of Thane land. In lieu of this the Group would receive residential flats on an area sharing basis aggregating 120,000 square feet RERA carpet area along with amenities. The Group has accordingly received ₹1,500 lakhs as a deposit from Mextech.

Note 67 - Merger of DVK Investments Private Limited (Holding Company) and Aegean Properties Limited (Wholly owned subsidiary) with Fermenta Biotech Limited

Pursuant to scheme of Merger by Absorption under section 230-232 of the Companies Act, 2013, between the Parent Company, its Holding Company DVK Investments Private Limited {DVK} and wholly owned subsidiary Company Aegean Properties Limited {Aegean} (transferor companies) sanctioned by National Company Law Tribunal by virtue of its order dated May 8, 2023 and the certified copies of such approved scheme was submitted with the Registrar of Companies (ROC), Mumbai on May 24, 2023, which is considered as the appointed date and effective date of the merger as per the Scheme. The transferor companies have merged into the Parent Company on a going concern basis from the appointed date of the scheme i.e. May 24, 2023.

The arrangement have been accounted in the books of account of the Group in accordance with Ind AS 103 and considering that the transferor companies are ultimately controlled by the same promoters both before and after the business combination, the said transaction is a common control transaction and has been accounted under pooling of interest method.

Pursuant to the Scheme, 1,50,75,318 no. of shares held by DVK Investments Private Limited has been cancelled and equivalent shares have been allotted to the shareholders of DVK Investments Private Limited on June 3, 2023 in the ratio of their holding in DVK Investments Private Limited.

Accordingly, the comparative financial information of the Group for the year ended March 31, 2023 included in these standalone financial statements along with the notes to accounts and disclosure have been adjusted to give effect of the merger of transferor companies with effect from the date when such entities came under common control. Following the common control accounting guidance the financial statements of the following companies have been included in the financial statement of the Group from:"

Aegean - April 1, 2022 - No impact of Aegean Properties Limited ,as it was already consolidated under the current parent company (Fermenta Biotech Limited)

DVK - April 1, 2022

The impact of the merger on the financial statements of the Group is as under: as at April 1, 2022.

(₹ in Lakhs)

Particulars	DVK Investments Private Limited
Total Assets (A)	1,772.10
Total Liability (B)	0.45
Net Assets (A-B) {taken over}	1,771.65
Add: Other reserves {taken over}	(1,119.49)
Less : Investment elimination	1,686.65
Capital Reserve pursuant to merger	(1,034.48)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 67 - Merger of DVK Investments Private Limited (Holding Company) and Aegean Properties Limited (Wholly owned subsidiary) with Fermenta Biotech Limited (Contd.)

The Group company has accounted for the merger as per the pooling of interest method retrospectively for all periods presented as prescribed under Ind AS 103 Business Combinations of entities under common control. The previous period/ year numbers have been accordingly restated to give effect of the merger from the date when such entities came under common control. The impact of the merger on these results is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2023 Reported	Year ended March 31, 2023 Restated
Total Assets	63,580.71	63,651.57
Total Liability	32,392.12	32,395.09
Total Equity	31,188.59	31,256.48
Total Income	35,763.77	35,853.68
Loss before Tax	(2,339.68)	(2,282.84)
Loss for the year	(5,355.42)	(5,313.17)
Total comprehensive loss for the year	(5,502.90)	(5,460.65)

Note 68 - Revenue from Contracts with Customer :

1. Disaggregated Revenue Information

Set out below is the disaggregation of the Group's revenue from contracts with customers

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Type of goods or services		
Sale of products	25,801.64	28,376.54
Sale of services	268.89	230.20
Rent and service income from investment properties	887.90	1,525.97
Sale of investment properties	6,387.82	4,772.82
Other operating income	219.94	88.56
Total revenue from contract with customers	33,566.19	34,994.09
India	17,051.03	15,847.65
Outside India	16,515.15	19,146.44
Total revenue from contract with customers	33,566.19	34,994.09
Timing of revenue recognition		
Goods transferred at a point in time	25,801.64	28,376.54
Services transferred over time (included in other operating income)	7,764.55	6,617.55
Total revenue from contract with customers	33,566.19	34,994.09

2. Contract balances

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Trade receivables	6,982.51	4,164.94
Contract assets	314.99	321.98
Contract liabilities	30.01	9.53
Deferred revenue	1,846.74	894.40

Restated pursuant to merger (Refer Note 67)

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 69 - Quarterly returns and statements of current assets for loans taken from Banks and Financial Institutions on the basis of security of current assets are filed by the Group Company with banks and Financial Institutions are in agreement with the books of accounts no such variations found further, HDFC Bank and Yes Bank has accepted the non-compliance of debt covenant and relaxed any penal provisions via email dated March 28, 2024 and March 26, 2024 and accordingly the borrowings are disclosed in the financial statements as non current borrowings for the year ended March 31, 2024. (refer note 24 and 28)

Note 70 - Exceptional item

(₹ in Lakhs)

Particulars	March 31, 2024	March 31, 2023 #
Inventory	-	1,940.54
Other advance	-	907.14
Goodwill	742.64	-
Total	742.64	2,847.68

The overall business of animal feed of the Group Company has considerably reduced as compared to the expectation on account of subdued global demands. Basis the earlier expectation of the Group Company of the animal feeds business, the Group Company had kept stock of semi-finished goods to be used for the production of such animal feed. Considering the immediate uncertainty on the recovery of animal feed global demand, as a prudence the Group Company had made provisions against the said inventory and other advances to other parties for the previous year ended March 31, 2023,

During the current year, considering the prolonged subdued global demands, the Group had revisited its projected future cash flows from its subsidiary Fermenta USA LLC. Accordingly an impairment of ₹742.64 lakhs was recorded against Goodwill created at the time of acquisition of such subsidiary, which has been disclosed as an exceptional item in the year ended March 31, 2024 .

Restated pursuant to merger (Refer Note 67)

Note 71 - Previous year figures have been re-grouped /re-classified wherever necessary.

Note 72 - The President has given his assent to the Code on Social Security, 2020 ("Code") in September 2020. On November 13, 2020 the Ministry of Labour and Employment released draft rules for the Code. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact to its financial statements in the period in which the Code becomes effective.

Note 73 - Events after the reporting period: The Group has evaluated subsequent events from the date through May 27, 2024, the date at which the financial statements were available to be issued and determined that there are no material items to disclose.

Note 74 - The Group 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 audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the accounting software or the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software where audit trail has been enabled.

Note 75 - Other Statutory Information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year
- (iv) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended 31st March, 2024.

Notes to the Consolidated Financial Statements for the year ended March 31, 2024

Note 76 -The Consolidated financial statements are approved for issue by the Board of Directors of the Parent Company at its meeting held on May 27, 2024.

As per our report of even date

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Poonam Todarwal

Partner

Membership No. 136454

Thane, May 27, 2024

**For and on behalf of the Board of Directors of
Fermenta Biotech Limited**

Krishna Datla

Executive Vice-Chairman

DIN 00003247

Sumesh Gandhi

Chief Financial Officer

Thane, May 27, 2024

Prashant Nagre

Managing Director

DIN 09165447

Srikant N. Sharma

Company Secretary

FERMENTA BIOTECH LIMITED

Corporate Identification Number (CIN): L99999MH1951PLC008485

Registered Office: A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) – 400 610, Maharashtra, India

Tel: +91-22-6798 0800/888 • Fax: +91-22-6798 0899

Email : info@fermentabiotech.com • Website: www.fermentabiotech.com

NOTICE

Notice is hereby given that the **Seventy-second Annual General Meeting (“AGM”)** of the Members of Fermenta Biotech Limited (“FBL”/“Company”) will be held on **Monday, August 12, 2024 at 3:00 p.m. (IST)** through Video Conferencing/Other Audio-Visual Means, to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt:
 - the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, Reports of the Board of Directors and the Auditors thereon; and
 - the audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, and the Report of the Auditors thereon.
- To declare dividend of ₹1.25 (One Rupee and Twenty Five paise) per equity share of ₹5 each (25%) for the financial year ended March 31, 2024.
- To appoint a director in place of Mr. Satish Varma (DIN: 00003255), who retires by rotation and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS

- To consider, and if thought fit, pass with or without modification, the following resolution as a **Special** Resolution:

To approve the continuation of Ms. Rajeshwari Datla (DIN: 00046864) as a Non-Executive Director on the Board of Directors of the Company after attaining 75 years:

“RESOLVED THAT pursuant to provisions of Regulation 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable statutory provisions, consent of the members of the Company be and is hereby accorded for continuation of Ms. Rajeshwari Datla (DIN: 00046864) as a Non-Executive Director on the Board of Directors of the Company after attaining Seventy Five (75) years of her age on April 1, 2025.”
- To consider, and if thought fit, pass with or without modification, the following resolution as an **Ordinary** Resolution:

Remuneration of Cost Auditor of the Company:

“RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), the members of the Company hereby approve the payment of remuneration of ₹2,75,000/- (Rupees Two Lakhs Seventy Five Thousand only) plus taxes as applicable and reimbursement of out of pocket expenses, if any, to M/s Joshi Apte & Associates, Cost Accountants (Firm Registration Number: 00240), [“**Cost Auditor**”] to conduct the cost audit in respect of applicable product(s) manufactured by the Company, for the financial year ending on March 31, 2025.”
- To consider, and if thought fit, pass with or without modification, the following resolution as an **Ordinary** Resolution:

Approval for Material Related Party Transactions:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) read with the applicable rules issued thereunder (including any statutory modification(s) or re-enactment thereof), Regulation 2(1)(ZC), Regulation 23(4) and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) read with Securities and Exchange Board of India (“**SEBI**”) Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and other relevant circulars (“**SEBI Circulars**”), the Company’s Related Party Transactions Policy and based on recommendation of the Audit Committee and the Board of Directors, the consent of the members

of the Company be and is hereby accorded to enter into contract(s)/ arrangement(s) / transaction(s) at arm's length basis and in the ordinary course of business, with Fermenta USA LLC, a step-down subsidiary of the Company, for an aggregate amount not exceeding the ₹25,00,00,000 (Rupees Twenty-Five Crores only) and shall be valid from this AGM till the date of the next AGM for a period not exceeding fifteen months, and the Board of Directors is hereby authorized to decide the terms and conditions of the above contracts as may be considered appropriate in the interest of the Company;

RESOLVED FURTHER THAT the Board (includes its committee) be and is hereby authorized to execute relevant deeds and documents and to do all such acts, deeds, and things, as it may deem necessary to give effect to this resolution and to do all such acts, deeds and things as may be required to implement the foregoing resolution.

RESOLVED FURTHER THAT pursuant to the authority granted by the members under this resolution, all and any action of the Board shall be deemed to be approved and confirmed by the members, and no further approval shall be required from the members thereof."

By Order of the Board of Directors of
Fermenta Biotech Limited

Srikant N. Sharma

Company Secretary & Vice President (Legal)

Membership No: FCS – 3617

Date: June 20, 2024

Place: Thane

Registered Office:

A-1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (W) – 400 610, Maharashtra, India

Annexure to Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act').

Item No. 4

Ms. Rajeshwari Datla (DIN: 00046864) is on the Board of Directors of the Company since July 21, 2005. She is a Non-Executive Director on the Board and also a member of the Audit Committee and Nomination and Remuneration Committee of the Company.

On April 1, 2025, Ms. Rajeshwari Datla would attain seventy-five (75) years of her age. In terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), continuation of a Non-Executive Director on the Board of Directors after attaining age of seventy-five years requires approval of the members by way of a special resolution.

Ms. Datla is a Bachelor of Science and has around five decades of rich experience in management and operations in the pharmaceutical industry. With her invaluable contribution in the strategic and decision-making process, she has been instrumental in Company's operations.

In view of the above, the Board, on the recommendation of the Nomination and Remuneration Committee, recommends this resolution for approval of the members of the Company, as a **Special Resolution**.

Mr. Krishna Datla (Son), Ms. Anupama Datla Desai (Daughter) and Ms. Preeti Thakkar (Daughter) are relatives of Ms. Rajeshwari Datla. Except the said relationship, none of the Directors and the Key Managerial Personnel (KMPs) of the Company including their relatives is concerned or interested in the above resolution.

Item No. 5

Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) provides that the remuneration of the Cost Auditor as recommended by the Audit Committee shall be considered and approved by the Board of Directors of the Company, and thereafter ratified by the members of the Company.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s Joshi Apte & Associates, Cost Accountants [Firm Registration Number-00240], as Cost Auditors of the Company and their remuneration of ₹2,75,000 (Rupees Two Lakhs Seventy-Five Thousand only) for the financial year 2024-25 plus taxes as applicable. All out of pocket expenses in relation to the said Cost Audit shall be reimbursed to the Cost Auditor as per actuals. The Board of Directors recommends this resolution for approval of the members of the Company, as an **Ordinary Resolution**.

None of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way interested or concerned in this resolution.

Item No. 6

As per the provisions of Section 188 of the Companies Act, 2013 ("Act"), transactions entered with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the requirement of obtaining prior approval of members.

Pursuant to the provisions of Regulation 2(1)(ZC), Regulation 23 (4) and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all material Related Party Transactions shall require prior approval of the members through resolution and no related party shall vote to approve such resolution. For this purpose, a transaction with a related party shall be considered material, in accordance with the provision specified in the Related Party Transaction Policy of the Company, i.e., transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed ₹1,000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower.

SEBI, vide its Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, stipulated that the members' approval of omnibus related party transactions approved in an annual general meeting shall be valid till the date of the next annual general meeting for a period not exceeding fifteen months.

The Company has a wholly owned subsidiary named Fermenta Biotech USA LLC incorporated in state of Delaware in United States of America ("FBU"). FBU holds 52% membership interest in Fermenta USA LLC ("FUSA"), a limited liability company based in Texas, USA. Accordingly, FUSA is a step-down subsidiary of the Company. FUSA is, *inter alia*, in the domain of human and animal nutrition. The Company sells its products to FUSA for sale and distribution in the foreign markets.

Details of Material Related Party Transactions are as follows:

Sr.	Particulars	Details
1	Name of the Related Party	Fermenta USA LLC ("FUSA"), a limited liability company based in Texas, USA.
2	Nature of Relationship with the Company	FUSA is a step-down subsidiary of the Company in which Fermenta Biotech USA LLC (Company's wholly owned subsidiary) holds 52% membership interest.
3	Type, material terms and particulars of the proposed transaction	(a) Sale of Company's products; and (b) Commission payable on sales of Company's products to FUSA.
4	Tenure of the proposed transaction	From the date of this AGM till the date of the next AGM for a period not exceeding fifteen months.
5	Value of the proposed Transaction	(a) Up to ₹23 crores for sale of Company's products (b) Up to ₹2 crore for commission on sales to FUSA.
6	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by the value of the proposed transaction	~ 10%
7	(a) Details of the source of funds in connection with the proposed transaction	Not applicable
	(b) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure.	Not applicable
	(c) Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	Not applicable
	(d) Purpose for which funds will be utilized	Not applicable
8	Justification as to why the RPT is in the interest of the Company	FUSA will help the Company with greater operational capabilities to enhance Company's footprint in the USA market and other markets and to develop larger customer base. Among other benefits, the sale of Company's products through FUSA helps the Company to cater foreign markets, especially North American and Latin American markets, by supplying the products in competitive timelines i.e. reduction in the transport time. The transactions with FUSA are directly linked with the Company's sales and profits and therefore are crucial for the Company's business. The Company: (i) receives proceeds from sale of its products; and (ii) pays commission to FUSA for distribution of its products.
9	Details about valuation, arm's length and ordinary course of business	Valuation is not applicable. The sale of Company's products and payment of commission to FUSA is in the ordinary course of business and on an arm's length basis.
10	Valuation and other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not applicable
11	Any other information relevant or important for the members to take an informed decision	Nil

Mr. Satish Varma, Executive Director, Mr. Prashant Nagre, Managing Director, and Mr. Sumesh Gandhi, Chief Financial Officer are managers in FUSA and their interest or concern or that of their relatives, is limited to the extent of their directorship or managership in FUSA and the Company.

Except as mentioned, none of the Directors or Key Managerial Personnel and their relatives, are concerned or interested in this Resolution.

The Members may note that as per the provisions of the Listing Regulations, all related parties (whether such related party is a party to the above-mentioned transaction or not), shall not vote to approve this resolution. The Board of Directors recommends this resolution for approval of the Members as **Ordinary** Resolution.

By Order of the Board of Directors of
Fermenta Biotech Limited

Registered Office:
A-1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwade,
Thane (W) – 400 610, Maharashtra, India

Srikant N. Sharma

Company Secretary & Vice President (Legal)
Membership No: FCS – 3617
Date: June 20, 2024
Place: Thane

Brief profile of directors being as required under sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings as specified by the Institute of Company Secretaries of India (“Secretarial Standard”).

Name of the Director	Mr. Satish Varma Executive Director	Ms. Rajeshwari Datla Non-Executive Director
Age	54 years	74 years
Date of first appointment on the Board	July 01, 2003	July 21, 2005
Qualifications	Computer Science	Bachelor of Science
Experience and Area of specialization	Over 29 years of experience. Mr. Varma has extensive and diverse operational, management and legal experiences across the full scope of the FBL enterprise and was instrumental in the Solvay demerger in 2000 as well as the Crocin brand sale in 1996; events that have shaped the current strategic platform of the Company. He took direct operational responsibility of the Vitamin D3 business in 1998 and has led its growth.	Over 43 years of experience. Ms. Datla has around five decades of rich experience in management and operations in the pharmaceutical industry. With her invaluable contribution in the strategic and decision-making process, she has been instrumental in Company's operations.
Number of meetings of the Board of the Company attended during FY 2023- 24	4	6
Directorship held in other companies	<ul style="list-style-type: none"> ▪ Fermenta Biotech (UK) Limited ▪ Fermenta USA LLC (Manager) ▪ Fermenta Biotech USA LLC (Manager) 	<ul style="list-style-type: none"> ▪ Dupen Laboratories Private Limited. ▪ Lacto Cosmetics (Vapi) Private Limited

Name of the Director	Mr. Satish Varma Executive Director	Ms. Rajeshwari Datla Non-Executive Director
Chairmanships/ Memberships of Committee of other Company's Boards (as on March 31, 2024)	Nil	Nil
Terms and conditions of appointment along with remuneration proposed to be paid and Remuneration last drawn	N.A.	N.A.
Shareholding of Director (FV of ₹5/- each) (as on March 31, 2024)	34,53,325	5,95,818
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil	Relative of Mr. Krishna Datla (Executive Vice Chairman) and Ms. Anupama Datla Desai (Executive Director)

Notes:

- The Ministry of Corporate Affairs ("**MCA**"), vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, read with other relevant circulars including and General Circular No. 09/2023 dated September 25, 2023 ("**MCA Circulars**"), and SEBI vide its Master circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and other applicable circulars, ("**SEBI Circulars**"), permitted holding of the Annual General Meeting ("**AGM**") through Video Conferencing or Other Audio Visual Means ("**VC/OAVM**"), without the physical presence of the members at a common venue. Accordingly in compliance with the provisions of Section 101 and other applicable provisions of Companies Act, 2013 ("**Act**"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), MCA Circulars and SEBI Circulars, the Company has issued this notice to convene the 72nd AGM through VC/OAVM. The venue of the AGM shall be deemed to be A-1501, Thane One, DIL Complex, Ghodbunder Road, Majiwade, Thane (West) - 400 610, Maharashtra.
- Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Act read with MCA Circulars and any other applicable law.
- The Board of Directors considered and decided to include the Special Business i.e. 4th, 5th and 6th items in the notice to the AGM in accordance with MCA Circulars. The relevant Explanatory Statement pursuant to Section 102 of the Act with respect to the special business items set out in the Notice is annexed.
- The profile of the Director recommended for reappointment at the AGM under item no. 3 and for continuation of directorship at the AGM under item no. 4 of the AGM Notice ("**Notice**"), as required by Listing Regulations and Secretarial Standard, is furnished herewith alongwith the Notice of 72nd AGM of the Company. The necessary statutory consent(s) and declaration(s) have been received by the Company from the director(s).
- Since this AGM is being held through VC/OAVM, physical attendance of members has been dispensed with, pursuant to MCA Circulars and SEBI Circulars. The facility to appoint a proxy to attend and/or cast vote for the member is not available for this AGM. The proxy form, attendance slip and route map are not annexed to this Notice.
- Pursuant to the provisions of Section 112 and 113 of the Act read with the MCA Circulars, corporate/entity members are entitled to attend and participate in the AGM through VC/OAVM and cast their votes through electronic voting ("**e-Voting**"). Corporate/entity members are required to send a certified copy of its board resolution or governing body resolution or duly executed authority letter/ power of attorney (collectively referred as "**Authorization letter**") in .pdf or .jpg format, authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-Voting or e-Voting. The said Authorization letter shall be sent to the Scrutinizer appointed by the Board of Directors of the Company viz. Mr. V. N. Deodhar (Membership No. FCS 1880), Proprietor of V. N. Deodhar & Co., Practising Company Secretaries, by email from their registered email address to vndeodhar@gmail.com with a copy marked to the Company at info@fermentabiotech.com.

7. Dividend related information:

- A. Updation of members' details: The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/ Registrar & Transfer Agents ("**R&T Agent**" / "**LIPL**") to record additional details of members, including their PAN details, email address, bank details for payment of dividend for the said updation. Members who have not shared the said information are requested to furnish the above details to the Company/ R&T Agent i.e. in case of shares held in physical mode or to their Depository Participant(s) ("**DP**") in case of shares held in Dematerialisation ("**Demat**") mode.
- B. Members are hereby informed that pursuant to Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF Rules), dividend which is remaining unpaid / unclaimed by Members for a period of seven consecutive years and corresponding shares shall be transferred to Investor Education and Protection Fund ("**IEPF**"). During FY 2023-24, unclaimed final equity dividend for the financial year 2015-16 i.e. ₹75,921/- been transferred to IEPF. Correspondingly, 5,104 shares have also been transferred to IEPF.

The details of shares (including FY 2015-16) already transferred to IEPF are available on Company's website at <https://fermentabiotech.com/transfer-of-shares-to-iepf.php>. Members whose dividend(s) and/ or shares have been transferred to IEPF can now claim their dividend(s) and/or shares from the IEPF Authority by following the 'Procedure to claim Refund' as detailed on the website of IEPF Authority at <https://www.iepf.gov.in/IEPF/refund.html>

The details of Members whose dividends are lying unpaid/ unclaimed with the Company as on March 31, 2024, are available on the Company's website at <https://fermentabiotech.com/dividends-bonus-split-buyback.php>. The due dates for transfer of unclaimed/unpaid dividends of the financial year 2016-17 and thereafter are as available at <https://fermentabiotech.com/dividends-bonus-split-buyback.php>.

All shares in respect of which equity dividend for FY 2016-17 has remained unpaid or unclaimed for seven consecutive years from the date it became due for payment shall be transferred by the company to IEPF by November 04, 2024 along with the unpaid or unclaimed dividend thereon from final equity dividend for financial year 2016-17. The Company sends individual intimation letters to concerned Members along with advertisement in the newspapers seeking action from the concerned Members. The details of such Members along with their unpaid/unclaimed

dividends and corresponding shares due for transfer to IEPF by November 04, 2024 will be made available on the website of the Company i.e. <https://fermentabiotech.com/dividends-bonus-split-buyback.php>. Members are requested to claim their unencashed final dividend for the financial year 2016-17 and dividends declared thereafter, if any, by writing a letter to the Company or R&T Agent on or before Monday, September 30, 2024.

A. Deduction of tax at source on Final Dividend payout:

Dividend of ₹1.25 per equity share of ₹5 each, if approved, will be paid to those members / beneficial owners whose names appear in the Register of Members as on Record Date, Tuesday, August 06, 2024 by electronic transfer to those members who have furnished bank account details to the Company/ R&T Agent. Members who have not registered their Electronic Clearing Service (ECS) are requested to register the same with the R&T at the earliest. The said Dividend, if approved at the AGM, will be paid to the members on or before Thursday, August 22, 2024. As per SEBI master circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024 the physical security holder(s) whose folio(s) do not have PAN, Choice of Nomination, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible for any payment of dividend in respect of such folios, only through electronic mode with effect from April 01, 2024. All Members are requested to update their required details. In the event the Company is unable to pay the dividend to any member directly in their registered bank accounts through ECS or any other electronic means, subject to specific mandate otherwise issued by SEBI, the Company shall dispatch the demand draft to such member(s), at the earliest.

In accordance with the provisions of the Income Tax Act, 1961 (for the purpose of note no. 7, hereinafter referred to as 'the Act') as amended by and read with the provisions of the Finance Act, 2020, with effect from April 01, 2020, dividend declared and paid by the Company is taxable in the hands of the members. The Company shall, therefore, be required to deduct tax at source ("**TDS**") from dividend paid to the members at the applicable rates.

The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. Please note that since the dividend shall be approved in the forthcoming AGM, it will be taxable to the shareholder in Financial Year 2024-25. Thus, all the details and declarations furnished should pertain to FY 2024-25.

The TDS provisions for various categories of members along with required documents are provided below:

(i) For Resident Members:

Category of Shareholder	Tax Deduction Rate	Tax Deduction Rate Exemption Applicability and Documents required
Any resident shareholder	10%	Please update the PAN, if not already done, with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode). Deduction of taxes shall not be applicable in the following cases – <ul style="list-style-type: none"> ▪ If dividend income to a resident Individual shareholder during FY 2024-25 does not exceed ₹5,000/-, ▪ If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same.
Submission of Form 15G/ Form 15H	Nil	Eligible Shareholder shall provide Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years) - provided that all the prescribed eligibility conditions are met.
Order under Section 197 of the Act	Rate provided in the order	Lower / NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public & Other Insurance Companies	Nil	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and self-attested copy of registration certificate.
Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income- tax on its income	Nil	A self-declaration that dividend receivable by them is exempt from tax under Section 196 or other relevant provisions of the Income-tax Act, 1961; and Self-attested copies of documents in support of the claim.
New Pension System Trust	Nil	Documentary evidence that the Trust is established in India and is the beneficial owner of the share/shares held in the Company; and its income is exempt under Section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882; and it is submitting self-attested copy of the PAN card and self-attested copy of the registration certificate, as applicable.
Mutual Funds	Nil	Documentary evidence that the person is covered under Section 196 of the Act and a self- declaration that they are governed by the provisions of Section 10(23D) of the Act along with self-attested copy of registration certificate and self-attested copy of PAN.
Alternative Investment fund	Nil	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015 and a declaration that its income is exempt under Section 10(23FBA) of the Act, and they are established as Category I or Category II AIF under the SEBI regulations. Self-attested copy of registration certificate and self-attested copy of PAN should be provided.
Other resident shareholder without PAN/Invalid PAN	20%	-

Please note that:

- A valid Permanent Account Number ("PAN") will be mandatorily required. If, as statutorily required, any PAN is found to have not been linked with Aadhar number, then such PAN will be deemed invalid, and TDS would be deducted at higher rates under Section 206AA of the Act. We request you to inform us well in advance, if you have not linked your Aadhar with PAN as provided in Section 139AA (2) read with Rule 114AAA. The Company reserves its right to recover any demand raised subsequently on the

Company for not informing the Company or providing incorrect information about the applicability of Section 206AA in your case.

- b) Where the PAN is either not available or is invalid, tax shall be deducted at the rate prescribed as per Section 206AA of the Act or 20%, whichever is higher.
- c) Members holding shares under multiple accounts under different status / category with a single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

(ii) For Non-Resident Members:

Category of Shareholder	Tax Deduction Rate	Exemption Applicability and Documents required
Non-resident members	20% (plus applicable surcharge and cess)	<p>Non-resident members may opt for tax rate under the Tax Treaty. The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company:</p> <ul style="list-style-type: none"> (i) Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities. (ii) Self-attested copy of Tax Residency Certificate ("TRC") covering the financial year 2024-25 and obtained from the tax authorities of the country of which the shareholder is resident. (iii) Self-declaration in Form 10F (refer format), if all the details required in this form are not mentioned in the TRC. (iv) Self-declaration (refer format) by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (non-resident having Permanent Establishment in India would need to comply with provisions of Section 206AB of the Act). (v) In the case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate. (vi) In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA). <p>TDS shall be recovered at 20% (plus applicable surcharge and cess) if any of the above-mentioned documents are not provided or if any document is not in order.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.</p>
Non-resident members Submitting Order under Section 195(3) /197 of the Act	20% (plus applicable surcharge and cess) Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

Note:

Members holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

To summarise, dividend will be paid after deducting the tax at source as under:

- ❖ NIL for resident members receiving dividend up to ₹5,000 or in case Form 15G / Form 15H (as applicable) along with self- attested copy of the PAN card is submitted.
- ❖ 10% for other resident members in case copy of PAN card are provided/available.
- ❖ 20% for resident members if copy of PAN card is not provided / not available.
- ❖ Tax will be assessed on the basis of documents submitted by the non-resident members.
- ❖ 20% plus applicable surcharge and cess for non-resident members in case the relevant documents are not submitted.
- ❖ Lower/ NIL TDS on submission of self-attested copy of the valid certificate issued under Section 197 of the Act.

Aforesaid rates will be subject to applicability of Section 206AB of the Act.

In terms of Rule 37BA of Income Tax Rules 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then such deductee should file declaration with Company in the manner prescribed by the Rules.

In case tax on dividend is deducted at a higher rate in the absence of receipt or defect in any of the aforementioned details / documents, shareholders will be able to claim refund of the excess tax deducted by filing their income tax return. No claim shall lie against the Company for such taxes deducted.

(iii) For all Members:

Forms 15G/15H/10F for tax exemption can be downloaded from the website of Link Intime India Private Limited ("**LI IPL**"). The URL for the same is https://www.linkintime.co.in/client_downloads.html - On this page select the General tab. All the forms are available under the head "Form 15G/15H/10F."

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL <https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> On this page the user shall be prompted to select / share the following information to register their request:

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)

7. Document attachment – 2 (Forms)

8. Document attachment – 3 (Any other supporting document).

(iv) Section 206AB of the Act

TDS will be deducted @ 20% i.e., at twice the applicable rate on the amount of dividend payable where the resident members:

- ❖ have not furnished valid PAN; or
- ❖ are considered to be 'Specified Person' under Section 206AB of the Income Tax Act, 1961 i.e., a resident shareholder who has:
 - (a) not filed return of income for the assessment year relevant to the previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under Section 139(1) of the Income- tax Act, 1961 has expired; and
 - (b) been subjected to tax deduction / collection at source aggregating to ₹50,000/- or more in the aforesaid previous year.

The Central Board of Direct Taxes (CBDT) has prescribed the functionality for determining whether a person fulfils the conditions of being a 'Specified Person' or not. Accordingly, the Company will verify from the above functionality provided by CBDT whether any Shareholder of the Company qualifies as a 'Specified Person' prior to applying the relevant TDS rates.

(v) Other instructions:

Please note that duly completed and signed documents need to be submitted on or before Thursday, August 01, 2024 in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/ or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after Thursday, August 01, 2024 (5:00 p.m. IST).

The Company will arrange to email a soft copy of TDS certificate to member's registered email ID, post completion of all dividend related activities.

Members may note that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from them, option is available to file the return of income as per the Act and claim an appropriate refund, if eligible. No claim shall, however, lie against the Company for such deduction of TDS.

All communications/queries in this respect should be addressed to LI IPL at its email address FBLdivtax@linkintime.co.in. Alternatively, you may contact the Company at info@fermentabiotech.com.

Members shall also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>.

Further, members who have not registered their email address are requested to write to LIPL or to the company to register the same.

Members are further requested to complete necessary formalities with regard to their Bank accounts attached to their Dematerialization accounts for enabling the Company to make timely credit of dividend to their respective bank account.

Disclaimer: (a) In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the member, the member will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in such tax proceedings. (b) This Communication is not exhaustive and does not purport to be a complete analysis or listing of all potential tax consequences in the matter of dividend payment. Members should consult their tax advisors for requisite action to be taken by them.

Members are requested to intimate changes, if any, including their name, postal address, e-mail address, telephone/mobile numbers, PAN, specimen signature, nomination, power of attorney registration, Bank Mandate details, IFS code and other services: (i) to their Depository Participant ("**DP**") in case the shares are held in electronic form and (ii) to LIPL in case the shares are held in physical form, in the prescribed form i.e. ISR-1- Request for registering PAN, KYC details or changes / updation thereof; (ii) ISR-2- Confirmation of signature of a member by the Banker; (iii) ISR-3- Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies; (iv) ISR-4- Request for issue of Duplicate Certificate and other Service Requests (for shares held in physical form)

Pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 prescribes (i) mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities; (ii) Freezing of folios** without valid PAN, KYC details and Nomination; and (iii) Compulsory linking of PAN and Aadhaar by all holders of physical securities

**Details of the frozen folios of the company will be referred to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

The members of the company who are holding shares in physical form are hereby notified to comply with the above circular vis-à-vis about their folio which is incomplete as per the above requirement, if applicable.

8. Documents for inspection:

- a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM at <https://fermentabiotech.com/annual-report.php>.
- b) All documents referred to in the Notice and the statement pursuant to Section 102 of the Act shall also be available electronically for inspection without any fee by members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to info@fermentabiotech.com.

9. a) In order to improve convenience, ease and safety of transactions and in view of SEBI notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and Regulation 40 of Listing Regulations which mandate that request for effecting the transfer, transmission and transposition of listed securities shall not be processed unless the securities are held in dematerialised form, effective April 01, 2019. Members are, therefore, advised to dematerialise their equity shares currently held in physical form, by contacting their DP(s). Shareholders are requested to consolidate multiple folios maintained by the company under the same PAN.
- b) Members can avail the nomination facility by filing Form SH-13 (in duplicate) prescribed under Section 72 of the Act and Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014 with the Company or with its R&T Agent (in case of physical shares) and to member's Depository Participant (in case of demat shares). The member can cancel or make variation in the Nomination by filing form SH-14. The above forms are available at the R&T Agent's website or will be made available on request in writing to the R&T Agent or to the Company.

10. In view of the MCA Circulars, the 72nd Annual Report of the Company along with the Notice of the AGM, e-Voting, remote e-Voting procedure is being sent only by e-mail, to all the Members whose e-mail addresses are registered with the Company / Depository Participant(s)/ R&T Agent for communication purposes.

To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with the Company or with the R&T Agent at the earliest.

11. The Annual Report 2023-24 including the Notice calling this AGM shall be sent to those members who will be holding shares as on Tuesday, July 16, 2024 as per the Register of Members and Register of Beneficial Owners of the Company. The persons who are members of the Company as on Tuesday, August 06, 2024 ("**Cut-Off Date**") as per the register of members / register of beneficial owners shall be eligible to attend and/

or do e-Voting. In case a person becomes a member of the Company after, Tuesday, July 16, 2024 and is a member as on the Cut-Off Date, such person may download the above from <https://fermentabiotech.com/annual-report.php> or request the Company at info@fermentabiotech.com for obtaining a copy of the Annual Report 2023-24. For remote e-Voting or attending the AGM through InstaMeet, such a member may obtain sequence number/ event number by sending an email to LIPL at rnt.helpdesk@linkintime.co.in or requesting to the Company at info@fermentabiotech.com, by mentioning his/her Folio No./ DP ID and Client ID.

12. Members seeking any information or clarification on the Annual Report are requested to send written queries to the Company Secretary at the Registered Office of the Company at least one week before the date of the 72nd AGM, to make the information available at the AGM.

13. Electronic Voting:

- i. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder read with Regulation 44 of Listing Regulations read with Master Circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, the Company is pleased to provide the facility of remote e-Voting or e-Voting, through LIPL i.e. Link Intime India Private Limited to exercise votes on the items of business given in this Notice, to members holding shares as on Cut-Off Date i.e. Tuesday, August 06, 2024 fixed for determining the members who shall be eligible to attend the AGM, to ascertain voting rights of such members entitled to participate in the remote e-Voting process or voting at the AGM electronically i.e. e-Voting, and to receive the dividend, if approved, as set out in the AGM Notice. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-Off Date. Any person who is not a member of the Company as on the Cut-Off Date should treat this Notice for information purposes only.
 - ii. **The remote e-Voting period commences on Friday, August 9, 2024 (9:00 am IST) and ends on Sunday, August 11, 2024 (5:00 pm IST).** During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on Cut-Off Date may cast their vote through remote e-Voting facility. The remote e-Voting module shall be disabled at 5:00 pm IST on Sunday, August 11, 2024 by LIPL for voting. Once the vote on a resolution is cast by the member, the same shall not be allowed to change subsequently. A member may participate in the AGM even after exercising his/her right to vote through remote e-Voting, however, his/her voting at the AGM shall not be considered. Alternatively, a member may cast his/her vote through the e-Voting facility provided by the Company during the AGM. In the case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
- iii. In case the members have any queries or issues regarding e-Voting, they may refer the Frequently Asked Questions ("FAQs") and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help Section or send an email to enotices@linkintime.co.in or contact on: Tel: 022 – 4918 6000.
 - iv. Mr. V. N. Deodhar (Membership No. FCS-1880), Proprietor of V. N. Deodhar & Co., Practising Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-Voting, remote e-Voting process and ballot forms as referred to notes to this AGM notice in a fair and transparent manner.
 - v. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and the e-Voting on the date of the AGM, in the presence of at least two witnesses not in the employment of the Company and make, not later than 2 (two) working days of conclusion of the AGM, a consolidated Scrutiniser's Report of the votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
 - vi. The results declared along with the Scrutiniser's Report shall be placed on the Company's website at <https://fermentabiotech.com/stock-exchange-intimation.php> and on the website of LIPL at <https://instavote.linkintime.co.in> not later than 2 (two) working days of passing of resolutions at the 72nd AGM of the Company and communicated to BSE Limited, where the shares of the Company are listed.
 - vii. Subject to casting of requisite number of assenting votes, the resolutions proposed in the Notice of AGM shall be deemed to be passed on the date of the AGM, i.e. Monday, August 12, 2024.
 - viii. Members/shareholders are requested to follow the instructions given below as may be required i.e.:
 - (a) Instructions for members for remote e-Voting.
 - (b) Instructions for members attending the AGM through VC/OAVM.
 - (c) Instructions for members to register themselves to speak during the AGM through InstaMeet; and
 - (d) Instructions for members to vote during the AGM through InstaMeet.

14. Instructions for members/shareholders for remote e-Voting:

- i. Pursuant to SEBI master circular SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, individual members 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.
- ii. Members are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

In case the email Id is not registered, such members can vote through InstaMeet.

- iii. **Login method for Individual members holding securities in demat mode/ physical 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.nsd.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.nsd.com> and select "Register Online for IDEAS Portal" or click on <https://eservices.nsd.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.nsd.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.
- ❖ 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.

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 alpha-numeric digit (‘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).

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 the following methods, once remote e-Voting is activated:

METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on 'Votes Entry' tab under the Menu section.
- 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 e-Voting.
- Enter '16-digit Demat Account No.' for which you want to cast vote.
- 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).
- 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

METHOD 2 - VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-Voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-Voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- 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 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>

- ❖ Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- ❖ 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>

- ❖ Click on ‘**Login**’ under ‘**Corporate Body/ Custodian/Mutual Fund**’ tab and further Click ‘**forgot password?**’
- ❖ 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”.

15. Process and manner for members attending the AGM through VC/OAVM (InstaMeet):

1. Members are being provided with a facility to attend the AGM through VC/OAVM through LIPL by following the below mentioned process. Members may access the same at [https:// instameet.linkintime.co.in](https://instameet.linkintime.co.in)
2. Facility for joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available to the members on first-come-first-served basis.
3. Participation to the members through VC/OAVM shall be made available to members on first-come-first served basis in accordance with MCA Circulars, and it will be closed on expiry of 30 (Thirty) minutes from the scheduled time of the AGM. Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee, Nomination and

Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the AGM without restrictions of first-come-first-served basis.

4. Members will be provided with InstaMeet facility wherein members shall register their details and attend the AGM as under:
 - a. Open the internet browser and launch the URL for InstaMeet <https://instameet.linkintime.co.in> and click on ‘**Login**’
 - b. Select the ‘**Company**’ and ‘**Event Date**’ and register with your following details:
 - i. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No.
 - ❖ Members/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - ❖ Members/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - ❖ Members/ members holding shares in physical form shall provide Folio Number registered with the Company
 - ii. 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.
 - iii. Mobile No.: Enter your mobile number.
 - iv. Email ID: Enter your email id, as recorded with your DP/Company.
 - c. Click ‘**Go To Meeting**’ (By this step you will be registered for InstaMeet and your attendance will be marked for the meeting).

Special instructions:

- a) Please refer the following instructions for the software requirements and kindly ensure to install the same on the device which would be used to attend the AGM. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you below / at InstaMeet website.
- b) Guidelines for the registered speakers for speaking at the AGM through LIPL’s InstaMeet <https://instameet.linkintime.co.in>
 - i. For a smooth experience of viewing the AGM proceedings through LIPL’s InstaMeet, members/ members who are registered as speakers (as per steps in mentioned in these notes to AGM Notice) for the event are requested to download and install the

Webex Meetings application in advance. Please download and install the Webex Meetings application by clicking on the link [https:// www.webex.com/downloads.html/](https://www.webex.com/downloads.html/)

OR

- ii. If you do not want to download and install the Webex Meetings application, you may join the meeting through InstaMeet and follow the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now
1(A)	If you have already installed the Webex Meetings application on your device, join the meeting by clicking on Join Now
1(B)	If the Webex Meetings application is not installed, a new page will appear giving you an option to either Add Webex to chrome or run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now by filling your first name, last name and email address.

- c) The following URLs need to be white-listed in your organisation's domain/your own laptop, desktop, tablet, smartphone etc. on the AGM date:
 - A. <https://camonview.com>
 - B. <https://instameet.linkintime.co.in>
- d) Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- e) Any internet outage or fluctuation in connectivity at your site may have an adverse impact on the audio/ video quality during the meeting. LIPL or the Company shall not be responsible for the same.
- f) 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.
- g) In case the members have both the computer and telephone audio active or the speakers on members' computers or telephones are too close to each other or there are multiple computers with active audio in the same conference room, there will be instances of audio echo or feedback in the meeting.
- h) In case two or more members are joining the meeting through a Board Room/Common Location, proper arrangements of audio and video should be in place and Webex will be run on only one system.
- i) Members are encouraged to speak in the Meeting after un-muting themselves once their turn arrives as per the script/their name is announced. Once the member has finished communicating, he/she should mute themselves immediately. (Mute your side if you're not speaking. Your microphone can pick up a lot of background noise, so muting allows others to easily hear others.)
- j) Guidelines to follow while participating in the meeting for a good audio-video experience:
 - * Use your earphones for better sound quality.
 - * Ensure no other background applications are running.
 - * Ensure your Wi-Fi or Broadband is not connected to any other device.
 - * Have proper lighting in the room and avoid the background sounds.
 - * Ensure the background is bright.
 - * Please follow safety protocol while attending the meeting.
- k) In case members have any queries regarding login/remote e-Voting/e-Voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175 InstaMeet Support Desk, Link Intime India Private Limited.

16. Instructions for members to register themselves to speak during the Annual General Meeting through InstaMeet:

1. Members who would like to speak during the AGM must register their request with the Company.
2. Members will get confirmation on first-come-first-served basis depending upon the provision made by the client.
3. Members will receive "speaking serial number" once they mark attendance for the AGM.
4. Other members may ask questions to the panelist, via active chat-board during the AGM.
5. Please remember to speak serial number and start your conversation with panelist by switching on video mode and audio of your device.

Note: Members are requested to speak only when moderator of the AGM/ management will announce the name and speaking serial number.

17. Instructions for members to vote during the AGM through InstaMeet:

Once the electronic voting is activated by the Scrutinizer / moderator during the AGM, the members who have not exercised their vote through the remote e-Voting can cast the vote as under:

- i. On the Members VC page, click on the link for e-Voting "Cast your vote".
- ii. 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'.
- iii. After successful login, you will see "Resolution Description" and against the same the option 'Favour/ Against' for voting.
- iv. 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 Cut-Off Date under 'Favour/ Against'.
- v. 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.
- vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Members, who will be present in the AGM through InstaMeet facility and have not cast 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 AGM. Members who have voted through Remote e-Voting prior to the AGM will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the AGM.

Shareholders/ members are encouraged to join the AGM through tablets/ laptops connected through broadband for a better experience.

Shareholders/ members are required to use the Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the AGM.

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.

18. In addition to facility of remote e-Voting or e-Voting provided to the members at AGM and for their wider participation the Company is also providing a facility to vote by way of Ballot Form. Members who do not have access to remote e-Voting facility may download the Ballot Form available at Company's website at <https://fermentabiotech.com/annual-report.php> and send duly completed Ballot Form to reach the Scrutiniser, Mr. V. N. Deodhar, Proprietor of V.N. Deodhar & Co., Practising Company Secretaries, at the Registered Office of the Company not later than Sunday August 11, 2024 (5.00 p.m. IST) . Ballot Form received after the said date shall be treated as invalid. A Member may participate in the AGM even after exercising his/her right to vote through Ballot Form. A Member can opt for only one mode of voting i.e., either (a) electronically (either remote e-Voting or e-Voting at AGM) or (b) by Ballot Form. If a Member cast votes by both i.e., Ballot Form as well as electronically, then voting done electronically shall prevail and Ballot Form shall be treated as invalid. The Scrutiniser shall have the right to scrutinise the Ballot Form and decide its validity. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital.
19. The Annual Report 2023-24 including the AGM notice is being uploaded on the following websites: (i) <https://fermentabiotech.com/annual-report.php> (ii) www.bseindia.com and (iii) <https://instavote.linkintime.co.in/>.

**By Order of the Board of Directors of
Fermenta Biotech Limited**

Srikant N. Sharma

Date: June 20, 2024

Place: Thane

Company Secretary & Vice President (Legal)

Membership No: FCS – 3617

Corporate information

Board of Directors

Mr. Pradeep M. Chandan *

Chairman and Non-Executive Independent Director

Ms. Rajeshwari Datla

Non-Executive Director

Ms. Rajashri Ojha

Non-Executive Independent Director

Mr. Pramod Kasat

Non-Executive Independent Director

Mr. Krishna Datla

Executive Vice-Chairman
(Whole-time Director)

Mr. Satish Varma

Executive Director

Ms. Anupama Datla Desai

Executive Director

Mr. Prashant Nagre

Managing Director

Company secretary

Mr. Srikant N. Sharma

Chief financial officer

Mr. Sumesh Gandhi

Solicitors

Crawford Bayley & Co.

Mundkur Law Partners

Auditors

S R B C & Co. LLP

Chartered Accountants

Tax auditors

SCA & Associates

Chartered Accountants

Internal auditors

M. M. Nissim & Co. LLP

Chartered Accountants

Cost auditors

Joshi Apte & Associates

Cost Accountants

Bankers

HDFC Bank Limited

Union Bank Limited

Yes Bank Limited

Bank of Baroda

IndusInd Bank

Corporate identification number (CIN)

L99999MH1951PLC008485

International securities identification number (ISIN):

INE225B01021

Registered office

A -1501, Thane One, DIL Complex,
Ghodbunder Road, Majiwada,
Thane (West) - 400610, Maharashtra, India.
Tel No: + 91 22 66230800
Fax No: + 91 22 67980899
Email: info@fermentabiotech.com

Works

Village Takoli, P. O. Nagwain,
Dist. Mandi - 175121,
Himachal Pradesh, India.

Z – 109 B & C, SEZ II, Dahej, Taluka - Vagara,
Dist: Bharuch - 392130, Gujarat, India.

FRK Plant, Sy. No. 3/A, Pennepalli (V),
Pellakuru Mandal, Tirupati Dist., 524126,
Andhra Pradesh

Research & development unit

(Biotech and API Lab)

Plot No B 41, Road No. 27, Wagle Industrial
Area, Thane, West - 400604,
Maharashtra, India

Registrar and transfer agents

Link Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli West,
Mumbai - 400083,
Maharashtra, India
Tel No: +91 22 49186000
Fax No: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Websites

www.fermentabiotech.com
www.thaneone.com
www.vitamindguru.com

* Mr. Pradeep M. Chandan was appointed as Independent Director w.e.f. February 12, 2024 and as the Chairman w.e.f. April 1, 2024.

