



September 02, 2024

Corporate Relationship Department,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400001

Scrip No. 543916

Subject: Notice of the 35th Annual General Meeting (“AGM”) and the Annual Report for the Financial Year 2023-2024 of the Company

Reference: Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed the Annual Report for the Financial Year 2023-2024 along with the Notice of the 35th Annual General Meeting (“AGM”) of the Company to be held on Wednesday, September 25, 2024 at 12.30 p.m. (IST) through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”).

The said Notice which forms a part of the Annual Report for the financial year 2023-2024 has been sent electronically to the members whose e-mail IDs are registered with the Company/Registrar and Share Transfer Agents of the Company/Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited.

The Notice of the AGM and the Annual Report has also been uploaded on the website of the Company at www.hemantsurgical.com

Please take the same on your records and suitably disseminated at all concerned.

Thanking You,

Yours faithfully,

For Hemant Surgical Industries Limited

Hanskumar Shamji Shah
Managing Director
DIN: 00215972
Email id: info@hemantsurgical.com

Encl.: As Above



HSIL
A CULTURE OF CARE

**HEMANT SURGICAL
INDUSTRIES LTD.**

ANNUAL REPORT
2023-24

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COMPANY INFORMATION

- **BOARD OF DIRECTORS**

Mr. Hanskumar Shah
Mr. Kaushik Hanskumar Shah
Mr. Hemant Praful Shah
Mrs. Nehal Babu Karelia
Mrs. Pooja Kirti Kothari
Mr. Sourabh Ajmera

Chairman & Managing Director
Whole time Director-cum-CFO
Whole Time Director
Non-Executive Director
Independent Director
Independent Director

- **KEY MANAGERIAL PERSONNEL**

Mr. Hanskumar Shah
Mr. Kaushik Hanskumar Shah
Mr. Hemant Praful Shah
Mrs. Meenal Patodia

Managing Director
Chief Financial Officer
Whole Time Director
Company Secretary & Compliance Officer

- **BANKERS**

ICICI Bank
YES Bank
Standard Chartered Bank

- **STATUTORY AUDITOR**

M/s A D V & Associates
Chartered Accountants
FRN: 128045W
601, Raylon Arcade, RK Mandir Road,
Kondivita, JB Nagar
Andheri (East), Mumbai – 400059
Tel : 9029059911.
Email Id :- advassociates@gmail.com

- **REGISTRAR AND TRANSFER AGENT**

Big share Service Private Limited
S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East)
Mumbai – 400093, Maharashtra
Tel: +91 -22-262638200
Email Id:-jibu@bigshareonline.com

- **REGISTERED OFFICE AND CONTACT DETAILS AND WEBSITE**

502,5th Floor, Ecstasy Business Park Co-Op Socteiy Limited, J.S.D. Road, Mulund West Mumbai 400080
Email:- info@hemantsurgical.com
Website:- www.hemantsurgical.com

About the

Founded in 1989 to market medical disposables like Meditapes, from JMS Co. Japan. In 1999, started manufacturing facility in Palghar, Maharashtra for production of various Dialysis solutions.

•Have 2 Assembly units in Palghar & Bhiwandi, Maharashtra for assembling medical devices & dialysis machines

Facilities are ISO 9001:2015 & ISO 13485:2016 certified with fully equipped quality control department managed by experience staff.

Company

HEMANT SURGICALS at a glance

- More than three decades experience in Medical Equipments and Disposables
- Products cater to Renal care, Cardiovascular disease, Respiratory disease, Critical Care and Radiology
- ISO Certified 1 Manufacturing unit & 2 Assembly units with a total manpower of 172 employees.
- Exclusive Distribution agreements with MNC Companies
- Wide spread Customer base in India & other 10+ Countries
- Revenue growth CAGR 35.14 % FY 21 to 23, PAT Margin 7.01% FY 23

Sole agent of SWS HEMODIALYSIS CARE CO. LTD. China to sale and maintenance of SWS-4000A hemodialysis machines in West India on exclusive basis.

JMS SINGAPORE PVT. LTD. for manufacturing Intravenous infusion set which are sold under the brand name "JMS" in India.

JMS CO. LTD., Japan for importing and marketing JMS Meditape in India.

The imported meditape undergoes the process of rewinding, slitting, and packaging.

HEMANT PHILLIPINES INC./ MEDIPLY INC. for supply of renal care equipment, medical devices and consumables for marketing the same in entire Philippines.

ZONCARE BIO-MEDICAL ELECTRONICS CO. LTD. for catering to the needs of radiology where we have initiated import & assembly of critical care products like: Ultrasound Machine imported from China.

Global Tie UP's

Dear Valued Stakeholders,

It is my pleasure to present the highlights of our company's progress for the 2024-2025 period. We are excited to share that our company is experiencing significant expansion across various sectors of the medical field. Initially focused on wound dressing, intravenous solutions, and haemodialysis, we have now broadened our scope to include ophthalmology, radiology, critical care, and cardiology products.

Our vision is to become a comprehensive service provider across the entire spectrum of the medical industry. Looking to the future, we aim to establish our own dialysis centres, hospitals, and a network of healthcare facilities. This expansion will not only support our marketing efforts but also enhance our ability to deliver high-quality medical care equipment and services in all fields of human treatment.



We are actively involved in manufacturing medical equipment and maintaining a close relationship with the medical community. This collaboration is crucial for refining our products and boosting sales. I am pleased to report that our focus on cost reduction has led to increased profitability. Moving forward, we are dedicated to further expanding our product portfolio and achieving substantial profits that will benefit our shareholders and investors.

A key component of our strategy is to realize our vision of localized manufacturing in India. This initiative will support the "Make in India" campaign, enabling us to export products globally. Currently, we import components from JMS Company Limited in Japan and Singapore. We have established technical collaborations with these partners and are transitioning to manufacturing their products in India, which will enhance our global presence and generate foreign exchange by exporting these products to JMS Japan.

We anticipate robust growth in both company valuation and market presence. Additionally, our new factory in Aurangabad, recently renamed Sambhaji Nagar, Maharashtra, will generate substantial business and profit in the coming year. Setting up a factory in Sambhaji Nagar, Maharashtra, offers several advantages, such as the availability of skilled manpower due to the presence of several medical, engineering, and IT colleges. The location is now connected to Mumbai via the Samruddhi Mahamarg, reducing travel time to within four hours. The government also offers an 80% subsidy on the project, which will help bring down costs and improve profitability.

In conclusion, our ambitious expansion plans and strategic initiatives are designed to position us for significant growth and long-term success. As we move forward, our commitment to innovation, cost-efficiency, and global outreach will drive our efforts to deliver exceptional value. We deeply appreciate your continued support and confidence in our vision. Together, we look forward to a future of shared success and prosperity.

Hanskumar Shamji Shah
Chairman & Managing Director

Dear Shareholders,

We are delighted to address you as we share the exciting developments and strategic advancements that HSIL has undertaken. Your trust and confidence in our company have been the cornerstone of our progress, and we are proud to present the significant milestones we have achieved.

We delivered a PAT of Rs. 979.99 lacs for the year, representing a 28% increase from the previous year. This remarkable achievement demonstrates our dedication to enhancing shareholder value.

Firstly, we are thrilled to announce that HSIL has acquired a substantial 136,000 square feet land and building, which is currently under renovation and construction according to the requirements and guidelines of AURIC Industrial Smart City, Maharashtra. This acquisition strengthens our 35-year partnership with JMS Japan and JMS Singapore and expands our manufacturing capabilities. The new facility will be pivotal for our mission to achieve 100% localization for our core product, JMS Meditape. We have placed orders for advanced equipment and utilities to ensure our production capabilities meet the highest standards. This move aligns with our commitment to excellence and innovation. In conjunction with this expansion, we are reinforcing our technical collaboration with JMS Japan and JMS Singapore. This step will enhance competitiveness and affordability for hospitals and end users, boosting our sales and brand presence. We are pleased to announce that JMS Singapore products will be 100% localized in India, bringing economic competitiveness among other brands. We have already placed orders for injection moulding machines from the highly reputed Japanese manufacturer Fanuc. The moulds are also being designed and developed under JMS's monitoring and guidance to ensure they meet global standards.



HSIL has recently inaugurated a state-of-the-art dialysis centre in Santa Rita, Philippines. This facility is fully operational and is poised to generate revenue through its comprehensive dialysis services. We are managing the entire dialysis system with our local partners and management, ensuring the highest quality of treatment. Furthermore, we have plans for two additional centres, for which we have obtained licenses and necessary approvals. These centres are expected to be operational by the end of December 2024, reflecting our commitment to expanding our healthcare services internationally.

We are also excited to announce our expansion into the Cardiovascular, Ophthalmology, Radiology and Criticare verticals. HSIL has successfully registered over 92 products with licensing authorities and has commenced manufacturing these products in India, with acceptance from reputable hospitals and organizations. This expansion will boost our sales and revenues, complemented by our growing portfolio in various medical fields. We have onboarded brands such as Shwaa in anaesthesia and ventilator workstations, Zone Care 3 and 12-Channel ECG in radiology, and we have onboarded top Japanese brands, including KAI, TAKAGI, and NEITZ, in the ophthalmology vertical.

HSIL's new digital eCommerce platform will launch in November 2024. We have purchased new office premises equipped with advanced, high-end systems to ensure the smooth functioning of our eCommerce platform. We are targeting both domestic and international markets to increase sales of healthcare

consumables, medical disposables, dialysis equipment, anaesthesia supplies, and ventilator workstations. This platform will provide opportunities for non-marketing manufacturers and new start-ups to sell their products digitally.

Our global expansion is equally impressive. We are extending our business into key overseas markets, particularly in Asia, Africa, and the Middle East, and are also working effectively on other potential markets. Our export growth highlights our commitment to global presence and market diversification

As we reflect on these achievements, we want to express our deepest gratitude to you, our shareholders. Your unwavering support has been crucial to our success. We remain committed to delivering sustained value and look forward to the exciting opportunities ahead.

Thank you for being an integral part of HSIL's success. Together, we will continue to drive innovation and excellence.

Kaushik Hanskumar Shah
Whole Time Director & CFO

The Touch bearer

Our products are well known for their great Quality, credit goes to *Mr Hemant Praful Shah*, He is the backbone behind the technical execution of the manufacturing plants and mainly focuses on product development and research.

"We are certain that HSIL has a bright future under your guidance."

Hemant Shah

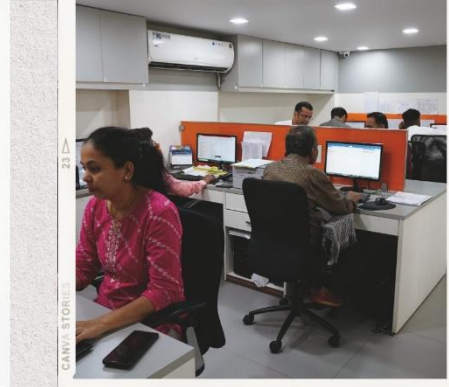
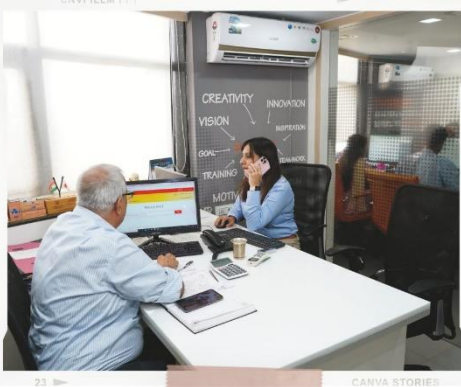
Whole Time Director



Highlights of Listing Ceremony



Our Team



Our Head Office

ADDRESS:
HEMANT SURGICAL INDUSTRIES LTD.
502, 5TH FLOOR, ECSTACY BUSINESS PARK
CITY OF JOY, J. S. D. ROAD,
MULUND (W), MUMBAI - 400 080



Our Brands



Our Exclusive Partners



PRODUCT OVERVIEW



JMS Products



**Healthcare &
Surgical Products**



Dialysis Products



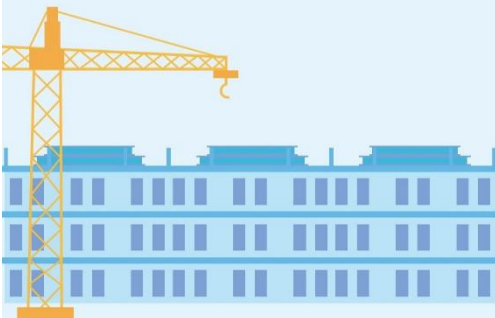
Criticare Products



Radiology Products

OUR INFRASTRUCTURE

We have established a state-of-the-art infrastructural base that is equipped with the latest technology, machines, instruments, and tools that assist us in manufacturing top-quality products. Our infrastructural base is sprawled over a vast area and is manned by a team of experienced workforce that holds years of experience in their respective domain. In order to work effectively we have divided our infrastructural facility into units such as a manufacturing unit, quality control unit, warehousing & packaging, sales and marketing unit.



Wide Array of Healthcare Products & Medical Equipments

HEALTHCARE PRODUCTS AND MEDICAL EQUIPMENTS:

Critical Care & Radiology

- Paramonitors
- Ultrasound Machine
- Ventilator

Cardiovascular Disease

- ECG Machine
- ECG Electrode

Respiratory Disease

- Nebulizer

Renal Care

- Hemodialysis Machine
- Dialysis Solution Acidic & Bicarbonate
- Dialyzer

Surgical Disposables

- Meditape
- Intravenous infusion set
- Scalp Vein Set
- Foley Catheter
- 3 Ply Masks

Other Healthcare Products

- Digital Thermometer
- Cold and Hot Sterilant
- Fully Automatic Comfort Dialysis Chair
- 5 Function Electric ICU Bed with Mattress



Renal Care Products & Medical Equipments

Hemodialysis Machine

Various types of dialysis machines are imported from SWS Hemodialysis Care Co. Ltd. China.

Refurbished dialysis machines imported from France and Australia.



Dialysis Solution - Acidic & Bicarbonate

Dialysate is a solution of pure water, electrolytes, & salts, such as bicarbonate & sodium which is used to pull toxins from the blood into the dialysate.

This works is through a process called diffusion & is available in powder & fluid form.

Dialyzer

Referred as an "artificial kidney", Dialyzer removes the excess wastes and fluid from the blood, when the patient's kidneys can no longer perform that task fluid form.

Dialyser sold under the following brand names:

- Dora Dialyzer
- JMS Dialyzer
- Aero Dialyzer

Cardiovascular Disease Related Medical Equipments

| | | | |
|---|--|--|--|
|  | <p>ECG Machine</p> <p>Electrocardiography is the process of producing an electrocardiogram, a recording of the heart's electrical activity.</p> <p>ECG Machines sold by the Company are usually imported.</p> |  | <p>ECG Electrode</p> <p>Electrodes (small, plastic patches that stick to the skin) are placed at certain spots on the chest, arms, and legs & are connected to an ECG machine by lead wires.</p> <p>ECG Electrodes sold under the brand name of Aero Plus ECG Electrodes.</p> |
|---|--|--|--|

Respiratory Disease Related Medical Devices

Nebulizer

A nebulizer is a device used for administering medication to people in the form of a mist inhaled into the lungs.

Commonly used in treating cystic fibrosis, asthma, and other respiratory diseases.

Nebulizers sold under the brand name of Aero Plus.



Critical Care & Radiology Medical Devices

Paramonitors

Devices used to measure, record, and display various patient parameters such as heart rate and rhythm, SPO2, blood pressure, temperature, respiratory rate, blood oxygen saturation, etc.



Ultrasound Machine

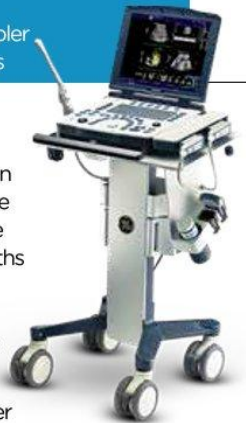
An ultrasound machine makes images so that organs inside the body can be examined.

Company sells Imported Color Doppler Ultrasound Machines

Ventilator

A ventilator provides mechanical ventilation by moving breathable air into and out of the lungs, to deliver breaths to a patient who is physically unable to breathe, or breathing insufficient.

Ventilators sold under the brand name of Aero V9 Universal Ventilator.



OUR SERVICES



Turnkey Dialysis Center Setup



Oncology Labs & Treatment Centers Setup



Imaging & Diagnostic Center Setup



Blood Bank Setup



Modular Intensive Care Unit (ICU) Setup



Dental Clinic Setup



Modular Operation Theater (MOT) Setup

DIAYSIS CENTER SETUP



"IMPRESSIVE MILESTONES IN DIALYSIS SERVICES"



We currently operate and manage 5 of our own Dialysis Centers.



We have successfully established and oversea operations and manage over 10+ Dialysis Centers.



Our organization has successfully set up and managed more than 100+ Dialysis Centers worldwide.



We have supplied over 3000+ Dialysis machines across the globe.



We regularly provide dialysis consumables to more than 60+ dialysis centers.



DIAYSIS CENTER SETUP



Turnkey Dialysis Center Setup

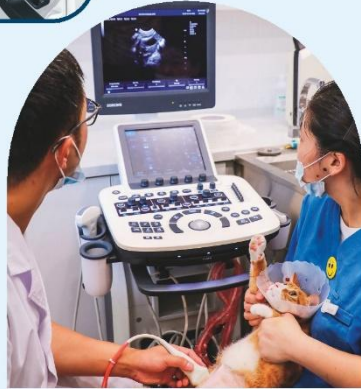
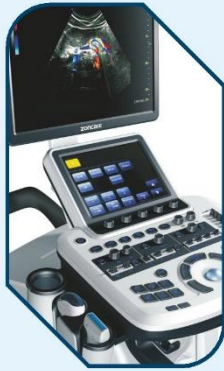
- Turnkey dialysis center setup
- Managing existing dialysis centers
- Turnkey project management.
- Design of the facility.
- Dialysis treatment at home
- Installation and commissioning.
- Complete 24 x 7 training for clinical and technical staff.
- Technical assistance and maintenance.
- Procurement of all disposables and accessories.
- Preparation and supply of main equipment, including water treatment plants, dialysis machines, and dialysis chairs.



Dialysis Center Management

- We provide complete Dialysis center management to any dialysis center across PAN India so, if you have a dialysis center and what to outsource its day-to-day operation we can help you with that.

IMAGING & DIAGNOSTIC CENTER SETUP



IMAGING & DIAGNOSTIC CENTER SETUP



We Provide Comprehensive and continuously evolving solutions across the spectrum of diagnostic imaging.

Our Strength -

- Turnkey hospital solution under one roof
- Designing state of art modern solutions for hospitals & health care industry
- Quality management & compliance
- Device manufacturing plant setup
- Services support networks across the globe



MODULAR INTENSIVE CARE UNIT (ICU) SETUP



MODULAR INTENSIVE CARE UNIT (ICU) SETUP

BSE sme
EXPERIENCE THE NEW

Our Strength -

- Turnkey Hospital Solution Under One Roof
- Designing State Of Art Modern Solutions For Hospitals & Health Care Industry
- Quality Management & Compliance
- Device Manufacturing Plant Setup ·
- Services Support Networks Across The Globe



ONCOLOGY LABS & TREATMENT CENTERS SETUP



ONCOLOGY LABS & TREATMENT CENTERS SETUP



We are happy to understand your requirements and provide you with the best possible solutions based on the below criteria:

- Budget of the client
- Available infrastructure
- Type of sample load they are expecting based on that we can classify the Laboratory –
- Micro Lab (up to 50 Samples/day)
- Small Size lab (50-150 Samples/day)
- Medium Lab (150-500 Samples/day)
- Large Care Lab (500-1000 Samples/day)
- Speciality Lab – Hormone Lab, Molecular/PCR Lab, Infectious disease, Genetics Lab, etc

Note: Basic clinical lab will include dept. like: Biochemistry, hematology, serology, coagulation, routine microbiology, etc..

Technical & Value Added Support -

If needed we can provide the following support for clients:

- Regular Clinical lab staff training on handling & operation of Machines.
- Lab staff training certificate course on GLP (Good Laboratory Practices)
- On-call service engineer support.
- Backup Instruments.
- Support for Accreditation like ISO13485 & CAP.
- Implementation of a Bidirectional Barcode system.
- Implementing a pneumatic lab sample transport system.
- Marketing methods to promote the Lab.
- Design and print stationary etc.
- Uniform design, Lab cold chain transport bags,

BLOOD BANK SETUP



BLOOD BANK SETUP



Hemant Surgical provide a One-stop Solution For Blood Bank Equipment that is required to set up a Blood Bank in India.

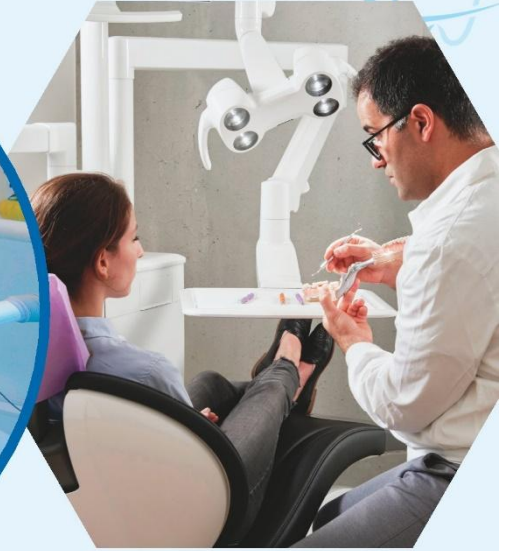


The Equipment we Provide

- Blood Bank Refrigerator
- Blood Collection Monitor
- Blood Bag Tube Sealer
- Central Monitoring System
- Plasma Freezer
- Cryoprecipitate Freezer
- Cryoprecipitate Bath

- Donor Couch
- Plasma Thawing Bath
- Platelet Incubator
- PLC Refrigerated Centrifuge
- Micro Controlled Refrigerated Centrifuge
- Laminar Flow Bench
- Plasma Extractor
- Blood Bank Dual Pan Scale
- Blood Bag Tube Stripper

DENTAL CLINIC SETUP



DENTAL CLINIC SETUP



Our main objective at HSIL is to provide you with all the necessary dental equipment for you to meet all of your daily clinic needs. In this article, we will review the various types of instruments and equipment used at a dental clinic, which will come in handy if you are thinking about opening your own clinic, want to renew a particular product line, or if you simply want to know more about certain products.

Equipments

- Dental chairs
- All dental hand & rotary instruments,
- Surgical kit, restorative materials (GIC, dental stone, Alginate, etc.)
- Autoclave
- Intra-oral camera
- X-ray machine
- Interiors and furnishing

- Air-conditioner (one)
- Signboard (two light boards and one LED board)
- Dental trolley
- False ceiling
- Glassdoor (frosted, with clinic name)
- Furniture (sofa, chairs, etc.)

Capitalise on industry tailwinds

Aggressively expand operations across India & grow customer base Strengthen relationship with (i) Hospital and Diagnostic Centres; (ii) Distributors & Dealers and (iii) with Independent Doctors Focus on operating as Service providers for running dialysis centres.

Deepen & expand geographical presence

Enhance the reach of Products by adding Marketing and Sales team To focus on different regions Maintain and establish relationship with customers.

Focus on consistently meeting quality standards

Quality of the product is very important from both customer & regulatory point of view Continuous quality review of products & timely corrective measures in case of quality diversion are keys for maintaining quality standards of the products.

Strengthen branding, promotional & digital activities

Increase brand awareness through outdoor media; marketing initiatives, new product lines and brand extensions etc. Effectively utilize website, social networking sites and other online platforms of communication to build consumer knowledge of our brands.

Focus on backward integration

Install Surgical Tape Coating Machine for setting up a coating plant of Meditapes to reduce cost, improve availability & consistency of the product Install Injection Moulding Machine, for moulding plastic parts of medical disposables like: Intravenous infusion set etc.



Strategies

Strengths



Diversified range of products

Provide advanced medical equipments with latest technology at competitive price. Have necessary resources, experience, and network to offer wider range of medical devices as per requirements of the Customers.



Existing well established reputation & customer relationships

Extensive sales network and access to comprehensive market across India. Have long term working relationship with Customers which improves customer retention strategy.



Quality Assurance

Focus on quality is maintained at all stages from raw material sourcing to product manufacturing and assembly stage. All stages are subject to a rigorous review and monitoring process.



Experienced management team with industry expertise and successful track record

Management possesses business intellect in Importing, Manufacturing, and Marketing of medical equipments and disposables.



Stable financial performance with improved margins

Demonstrated consistent growth in terms of revenues and profitability. Revenue from operations have grown at a CAGR of 3514% from ₹5,623.49 lakhs in Fiscal 2020 to ₹10,357.00 lakhs in Fiscal 2022 & was ₹5,094.43 lakhs in the six months ended on September 30, 2022. Profit after tax margin was 5.32%, 4.45%, 1.92% and 0.89% for the period ended on September 30, 2022 & Fiscal 2022, 2021 & 2020.

OUR VISION & MISSION



Vision

- **Our Vision is to make healthcare services convenient and affordable.**
- **We believe each individual has the right to get quality and affordable healthcare facilities.**
- **Thus, we are on a mission to revolutionize the worldwide healthcare system.**
- **it's our dream to have every child, and every person in this world get quality healthcare products and treatment at an affordable rate.**

Mission

- **The Mission is to provide reliable products at an affordable cost to our target market of India, Middle-east, and Africa.**
- **Our Mission is to expand itself in the field of critical care, oncology, and Radiology divisions for providing quality and affordability.**
- **It is known that a clear direction with the right team makes one achieve incredible objectives.**
- **HSIL will soon make all these imaginary lines into reality.**

Industry Overview



India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally.

Gujarat, Maharashtra, Karnataka, Haryana, Andhra Pradesh, Telangana and Tamil Nadu are the manufacturing hubs for medical devices in India.

India's medical devices market is projected to reach US\$ 50 billion by 2025. Between 2020-25, diagnostic imaging is likely to expand at a CAGR of 13.5%.

The Government of India (GOI) has commenced various initiatives to strengthen the medical devices sector, with emphasis on research and development (R&D) and 100% FDI for medical devices to boost the market.

The Indian medical devices industry was granted the status of an 'Independent Industry' in 2014, and given the title of 'sunrise' sector under the Make in India scheme in 2014. FDI Inflow in the medical and surgical appliances sector stood at US\$ 2.41 billion between April 2000-March 2022.

A vast medical device park is planned to open in Noida, bringing in a total investment of Rs. 5,250 crores (US\$ 705.38 million) by the government, & employ 20,000 people.

The Production Linked Incentive Scheme (PLI) Promoting Domestic Manufacturing of Medical Devices and Production Linked Incentive Scheme for Pharmaceuticals (PLI 2.0) have been introduced to provide an impetus to India's vision of becoming a global manufacturing hub for medical devices.

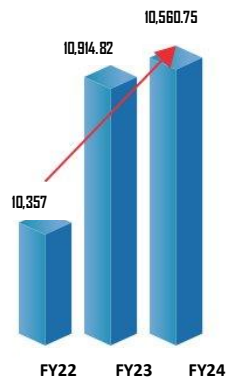
India has a 75-80% import dependency on medical devices, with exports of US\$ 2.53 billion in FY21, which is expected to increase at a CAGR of 41% to reach US\$ 10 billion by 2025..

The e-health market size of Healthcare industry is estimated to reach US\$ 10.6 billion by 2025.

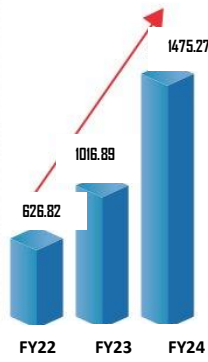
Financial Overview

(₹ In Lakhs)

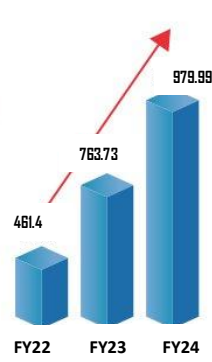
Revenue From Operations ⁽¹⁾



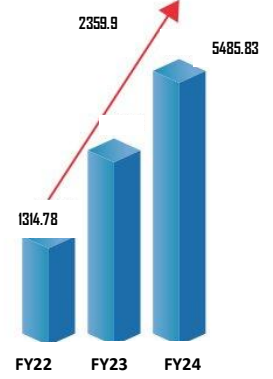
EBITDA



PAT



Networth





 NESCO COMPLEX EXHIBITION CENTER, MA...

#HSILTEAM SUCCESS @
MUMBAI MEDICALL 2024









TI MEDICAL murugappa

Complete and Comprehensive range of Surgical Sutures

ABSORBABLE SUTURES:

- Solus[®] Braided Coated Polyglycolic Acid
- Solus 910[®] Braided Coated Polyglactin 910
- BAB 4[®] Synthetic Absorbable Barbed Sutures - Poly (D,L-lactide) Monofilament
- Mass[™] Polydioxanone Monofilament
- Monolux[™] Polyglycolone 25 monofilament
- Logix[®] Chromic and Plain Catgut

NON-ABSORBABLE SUTURES:

- Sikus[™] Black Braided Silk
 - Nylux Blue Monofilament Polyamide (Nylon)
- Cardio Vascular (CV) Sutures
- Red Coated Polyester
 - Blue Monofilament Polypropylene
 - Monofilament 216 L Stainless Steel

HSIL
HEMANT SURGICAL
INDUSTRIES LIMITED



NOTICE OF ANNUAL GENERAL MEETING



NOTICE OF 35TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 35TH (THIRTY-FIFTH) ANNUAL GENERAL MEETING OF THE MEMBERS OF HEMANT SURGICAL INDUSTRIES LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 25, 2024, AT 12.30 P.M. (IST), THROUGH VIDEO CONFERENCING (“VC”)/OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. Adoption of Financial Statements for the Financial Year ended March 31, 2024: -

To receive, consider and adopt the financial statements of the Company for the financial year ended on March 31, 2024 including the audited Balance Sheet as on March 31, 2024 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. Re-appointment of Director:-

To appoint a Director in place of Mr. Kaushik Hanskumar Shah (DIN: 01483743), who retires by rotation in accordance with Articles of Association and being eligible, offers himself for re-appointment.

**By Order of the Board of Directors
For Hemant Surgical Industries Limited**

sd/-
Meenal Patodia
Company Secretary and Compliance officer

Registered Office:

502,5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West, Mumbai-400080

Place: Mumbai

Date: August 28, 2024

ANNEXURE A (FOR ITEM NUMBER 2)

Details of the Directors seeking appointment/re-appointment in pursuance of the Companies Act, 2013 and the SEBI Listing Regulations read with Secretarial Standards-2 on General Meetings, as applicable.

| | | | |
|--|--|---|--------|
| Name of the Director | Kaushik Hanskumar Shah | | |
| DIN | 01483743 | | |
| Date of Birth | 06/04/1987 | | |
| Qualification | B. Com | | |
| Date of Appointment | 02/09/2015 | | |
| Brief Resume along with Justification Note | He possesses tenure of 15 years in importing, manufacturing and marketing healthcare products and services. At present, he is responsible for the Finance, Accounting, Product Development and Quality in our company. | | |
| Relationship with Directors | Son of Hanskumar Shamji Shah and Cousin of Hemant Praful Shah. | | |
| Expertise in specific functional areas | Finance and Accounting | | |
| Directorships held in other public companies (excluding foreign companies and Section 8 companies) | Nil | | |
| Chairman/Member of the Committee of the Board of Directors in other Companies | Directorships in other Indian Public Limited Companies (Including this Company) | No. of Board Committees in which Chairman / Member in Audit/ Stakeholder Committee (Including this Company) | |
| | | Chairman | Member |
| | 1 | Nil | Nil |
| Number of Shares held in the Company | 21,03,120 | | |

**By Order of the Board of Directors
For Hemant Surgical Industries Limited**

**sd/-
Meenal Patodia
Company Secretary and Compliance officer**

Registered Office:

502,5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West, Mumbai-400080

Place: Mumbai

Date: August 28, 2024

NOTES - FORMING PART OF THE NOTICE

1. The Ministry of Corporate Affairs, Government of India ('MCA') vide its General Circular No. 14/2020 dated April 08, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, the General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021, General Circular No. 02/2022 dated May 05, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023, and other circulars issued in this respect ('MCA Circulars') allowed, inter-alia, conduct of AGM through Video Conferencing/ Other Audio-Visual Means ('VC/ OAVM') facility on or before September 30, 2024. The Securities and Exchange Board of India ('SEBI') also vide its SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 and SEBI Circular No. SEBI/ HO/CFD/CFD-PoD-2/P/CIR/2023/167 October 07, 2023 ('SEBI Circulars') has provided certain relaxations from compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In compliance with these Circulars, provisions of the Companies Act, 2013 ('Act') and the SEBI Listing Regulations, the 35th AGM of the Company is being conducted through VC/ OAVM facility.
2. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended ('Management Rules'), Secretarial Standard-2 ('SS-2') on General Meetings and Regulation 44 of SEBI Listing Regulations read with MCA Circulars, as amended, the Company through National Securities Depository Limited ('NSDL') will be providing facilities in respect of:
 - (a) voting through remote e-voting;
 - (b) participation in the AGM through VC/ OAVM facility;
 - (c) e-voting during the AGM
3. The deemed venue for the 35th AGM shall be the Registered Office of the Company.
4. In terms of the MCA Circulars, physical attendance of Members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 35th AGM. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. In pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting through Board Resolution/ Power of Attorney/ Authority Letter, etc., for participation in the 35th AGM through VC/ OAVM facility and e-Voting during the 35th AGM. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to csnikitakedia@gmail.com with a copy marked to evoting@nsdl.com.

6. Attendance of the Members participating in the 35th AGM through VC/ OAVM facility using their login credentials shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Depositories/Registrar and Share Transfer Agent ('RTA').
10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.hemantsurgical.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
11. Physical copy of the Annual Report 2023-24 (including the Notice of the 35th AGM) shall be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the FY 2023-24, may write to the Company at cs@hemantsurgical.com, requesting for the same by providing their holding details and DP ID and Client ID/Folio No.
12. Attention of the members is invited to the provisions of Section 124(6) of the Companies Act, 2013 with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time ("IEPF Rules"), which inter alia requires the Company to transfer the equity shares, on which the dividend has remained unpaid and unclaimed for a continuous period of seven years, to IEPF. The said Shares, once transferred to IEPF can be claimed after following due procedure prescribed under the IEPF Rules.
13. All documents referred to in the accompanying notice and the explanatory statements are open for inspection by the members at the registered office of the Company on all working days during 11:00 AM to 1:00 PM. Members can request the same by sending an email to cs@hemantsurgical.com till the date of the AGM.
14. Members who would like to express their views/ ask questions during the AGM may register themselves as a speaker by sending their request in advance at least seven days before the AGM to cs@hemantsurgical.com. Members who do not wish to speak during the AGM but have queries may

send their queries, mentioning the name, securities demat account number/ folio number, email id, mobile number to cs@hemantsurgical.com in advance at least 7 days prior to meeting.

15. Only those Members who have registered themselves as a speaker will be allowed to express their views/ ask questions during the AGM once the floor is open for shareholder queries. The Company reserves the right to restrict the number of speakers and number of questions depending on the availability of time for the AGM.

PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

16. Pursuant to the provisions of section 108 of the Act read with Management Rules and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 in relation to e-Voting facility provided by listed entities and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM.
17. The remote e-Voting period begins on Sunday, September 22, 2024 at 09:00 A.M. (IST) and ends on Tuesday, September 24, 2024 at 05:00 P.M. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the cut-off date i.e., Wednesday, September 18, 2024 may cast their vote electronically.
18. The voting right of member shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, Wednesday, September 18, 2024. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
19. The facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>
20. The Board of Directors has appointed Ms. Nikita Kedia, Practicing Company Secretary, as the Scrutinizer for scrutinizing the process of remote e-Voting and e-Voting during the Meeting in a fair and transparent manner.
21. The Results of remote e-Voting and voting at the Meeting shall be declared by the Chairman or by any other director or Company Secretary duly authorised in this regard. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website and also be displayed on the Notice Board of the Company at its Registered Office and on the website of NSDL <https://www.evoting.nsdl.com/> immediately after the results are declared and simultaneously communicated to the Stock Exchanges in compliance with Regulation 44(3) of the SEBI Listing Regulations.

NSDL e-Voting Instructions:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e- |

| | |
|---|--|
| | <p>Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <p> </p> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |

| | |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode 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.com or call at 022 - 4886 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. 1800-21-09911 |

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial

password’.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csnikitakedia@gmail.com with a copy marked to evoting@nsdl.com Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Sarita Mote at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@hemantsurgical.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@hemantsurgical.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. [Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.](#)
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. [In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.](#)

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@hemantsurgical.com. The same will be replied by the company suitably.

**By Order of the Board of Directors
For Hemant Surgical Industries Limited**

**sd/-
Meenal Patodia
Company Secretary and Compliance officer**

Registered Office:

502,5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West, Mumbai-400080

Place: Mumbai

Date: August 28, 2024

BOARD'S REPORT



BOARD'S REPORT

The Members
Hemant Surgical Industries Limited
Mumbai

Your Directors have the immense pleasure to present the 35th (Thirty-Fifth) Board's Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2024.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2024 is summarized below:

(In lakhs)

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------|---------------------------|---------------------------|
| Total Income (Revenue) | 10,991.60 | 11,149.68 |
| Less: Expenses | 9,713.47 | 10,143.95 |
| Profit/(Loss) before taxation | 1,278.13 | 1,005.72 |
| Less: Tax Expense | 298.14 | 241.99 |
| Profit/(Loss) after tax | 979.99 | 763.73 |

2. OPERATIONS & STATE OF COMPANY'S AFFAIRS

During the financial year ended on March 31, 2024, there was total revenue of Rs. 10,991.60 lakhs as compared to revenue of Rs. 11,149.68 lakhs in the previous year. The profit before tax stood at Rs. 1,278.13 lakhs as against profit of Rs. 1,005.72 lakhs in the previous year. The net profit for the year 2024 stood at Rs. 979.99 lakhs against profit of Rs. 763.73 lakhs reported in the previous year.

3. CHANGES IN THE NATURE OF BUSINESS, IF ANY

During the year the Company is in the business of Medical Equipment & Supplies. There is no change in nature of the business of the Company. The Company has its registered office at Mumbai.

4. DIVIDEND AND RESERVES

Your Directors do not recommend any dividend for the financial year ended on March 31, 2024.

The Company does not propose to transfer any amount to reserves.

5. INITIAL PUBLIC OFFER OF EQUITY SHARES

Your Directors are pleased to inform you that, the Company has completed its Initial Public Offer ("IPO") of 27,60,000 equity shares of face value of 10/- each at an issue price of Rs. 90/- aggregating to Rs. 24,84,00,000/-.

The Offer was made pursuant to Regulation 6(1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. The equity shares of the Company were listed on BSE Limited on June 05, 2023.

6. SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 10,50,00,000 (Rupees Ten Crore Fifty Lakhs only) divided into 1,05,00,000 (One Crore Five Lakhs only) equity shares of Rs. 10/- each ranking pari passu in all respect with the existing Equity Shares of the Company.

The issued, subscribed and paid-up share capital of the Company as on March 31, 2024 is Rs. 10,44,00,000 (Ten Crore Forty-Four Lakhs only) divided into 1,04,40,000 (One Crore Four Lakh Forty Thousand only) Equity shares of Rs. 10 each fully paid-up.

During the period under review, the Company has allotted 27,60,000 Equity Shares at an issue price of Rs. 90/- per Equity Shares under Initial Public Offer on May 31, 2023.

The Company has not issued shares with differential voting rights during the year under review.

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

7. SUBSIDIARY AND ASSOCIATES COMPANIES

As on March 31, 2024, the Company has no Subsidiary or Associates or Joint Venture Company.

There are no companies which have become or ceased to be the Subsidiary or Associates or Joint Venture of the Company during the financial year ended on March 31, 2024.

8. CONSOLIDATED FINANCIAL STATEMENT

The Company was not required to consolidate its financial statements in terms of the provision of Section 129(3) of the Companies Act, 2013 and Rules made there-under during the financial year.

9. CORPORATE GOVERNANCE

Your company provides utmost importance at best Governance Practices and are designated to act in the best interest of its stakeholders. Better governance practice enables the Company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders understanding of the key activities and policies of the organization.

Further Pursuant to Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, read with Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 regulation of corporate governance are not applicable to company Hence, 35th Annual Report does not contain the Corporate Governance Report.

10. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return for the financial year ended on March 31, 2024 is available on the website of the Company at www.hemantsurgical.com under Investor Information tab.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

- In terms of the provision of section 152 of the Companies Act, 2013 and of Articles of Association of the Company, Mr. Kaushik Hanskumar Shah (DIN: 01483743), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re- appointment.
- All Independent Directors have furnished the declarations to the Company confirming that they meet the criteria of Independence as prescribed under Section 149 of the Act and Regulation 16 (1)(b) read with Regulation 25(8) of the SEBI Listing Regulations and the Board has taken on record the said declarations after undertaking due assessment of the veracity of the same.
- The Company has also received Form DIR-8 from all the Directors pursuant to Section 164(2) and Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.
- Brief profile of the Director seeking re-appointment has been given as an annexure to the Notice of the ensuing AGM.
- During the year 2023-24, following Directors/KMP were appointed:
 - a. Ms. Meenal Patodia was appointed as Company Secretary and Compliance officer of the Company w.e.f. April 05, 2023.

12. MEETINGS

The Board of Directors of your Company met 33 (Thirty-Three) times during the financial year 2023-24. The maximum time gap between any two consecutive Meetings did not exceed one hundred and twenty days.

13. BOARD OF DIRECTORS AND COMMITTEES THERE OF

i. Composition of the Board of Directors

The Company is fully compliant with the Corporate Governance norms in terms of constitution of the Board of Directors ("the Board"). The Board of the Company is composed of individuals from diverse fields. The Board of the Company is composed of Executive, Non-Executive and Independent Directors.

The composition of the Board also complies with the provisions of the Companies Act, 2013 and Regulation 17 (1) of SEBI (LODR) Regulations, 2015

As on March 31, 2024, the strength of the Board of Directors of the Company was at Six Directors comprising of Three Executive, One Non-Executive Director and Two Non-Executive Independent Directors. 1/3rd of the Board comprised of Independent Directors. The details of the Board of Directors as on March 31, 2024 are given below:

| Name of the Director | Designation | Date of Joining | No. of Directorships / Committee Memberships / Chairmanships | | | |
|----------------------------|-----------------------------|-----------------|--|---|----------------------|-------------------------|
| | | | Public Limited Companies (including this) | Private Limited and Section 8 Companies | Committee Membership | Committee Chairmanships |
| Mr. Hanskumar Shamji Shah | Chairman, Managing Director | 22.02.1994 | 01 | 04 | 1 | 1 |
| Mr. Hemant Praful Shah | Whole Time Director | 19.09.2000 | 01 | Nil | 1 | Nil |
| Mr. Kaushik Hanskumar Shah | Whole-time Director, CFO | 17.12.2022 | 01 | 06 | 2 | Nil |
| Mrs. Nehal Babu Karelia | Non-Executive Director | 20.12.2022 | 01 | Nil | 1 | Nil |
| Mr. Sourabh Ajmera | Independent Director | 20.12.2022 | 03 | 02 | 3 | 1 |
| Mrs. Pooja Kirti Kothari | Independent Director | 03.01.2023 | 01 | Nil | 4 | 2 |

As on March 31, 2024, Mr. Hanskumar Shamji Shah, Mr. Hemant Praful Shah and Mr. Kaushik Hanskumar Shah, holding 35,26,400, 17,34,080 and 21,03,120 equity shares of the Company respectively. Ms. Neha Hanskumar Shah, Neha Hemant Shah, Mrs. Leena Shah and Naman Hemant Shah, relatives of the Directors holding 77,760, 55,520, 87,920 and 95,200 equity shares of the Company respectively. Except above, no other Director or their relative hold shares of the Company.

ii. Board Meetings

During the financial year under review, 33 (Thirty-Three) Board meetings were held on 05/04/2023, 12/04/2023, 13/04/2023, 17/04/2023, 20/04/2023, 28/04/2023, 08/05/2023, 14/05/2023, 15/05/2023, 16/05/2023, 23/05/2023, 30/05/2023, 31/05/2023, 01/06/2023, 12/06/2023, 23/06/2023, 26/06/2023, 27/06/2023, 04/07/2023, 05/07/2023, 18/07/2023, 04/08/2023, 24/08/2023, 29/08/2023, 27/09/2023, 09/11/2023, 01/12/2023, 20/12/2023, 21/12/2023, 09/01/2024, 12/02/2024, 07/03/2024, 20/03/2024. The gap between two Board meetings was in compliance with the provisions of the Act. Details of Directors as on March 31, 2024 and their attendance at the Board meetings and Annual General Meeting ("AGM") during the financial year ended March 31, 2024 are given below:

| Name of the Director | Category | No. of the Meeting held | No. of the Meeting attended | Attended at AGM |
|----------------------------|-----------------------------|-------------------------|-----------------------------|-----------------|
| Mr. Hanskumar Shamji Shah | Chairman, Managing Director | 33 | 33 | Yes |
| Mr. Hemant Praful Shah | Whole Time Director, CFO | 33 | 33 | Yes |
| Mr. Kaushik Hanskumar Shah | Whole Time Director | 33 | 33 | Yes |
| Mrs. Nehal Babu Karelia | Non-Executive Director | 33 | 7 | Yes |
| Sourabh Ajmera | Independent Director | 33 | 7 | Yes |
| Pooja Kirti Kothari | Independent Director | 33 | 7 | Yes |

iii. Audit Committee:

As on March 31, 2024, the Audit Committee of the Board of Directors of the Company comprised of three members, Mr. Sourabh Ajmera, Mrs. Pooja Kirti Kothari, Mr. Kaushik Hanskumar Shah. The Audit Committee consists of two Non-executives, Independent Directors and one Non- Independent, Executive Director.

During the year under review, Seven (7) meetings of the Audit Committee were held on 28.04.2023, 31.05.2023, 29.08.2023, 27.09.2023, 09.11.2023, 21.12.2023 and 20.03.2024.

| Name of the Member | Category | Position | Meetings | |
|----------------------------|----------------------|-------------|----------|----------|
| | | | Held | Attended |
| Mr. Sourabh Ajmera | Independent Director | Chairperson | 7 | 7 |
| Mrs. Pooja Kirti Kothari | Independent Director | Member | 7 | 7 |
| Mr. Kaushik Hanskumar Shah | Whole-time Director | Member | 7 | 7 |

Terms of reference:

- 1) Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- 2) Recommending to the Board for the appointment, re-appointment, replacement, remuneration and terms of appointment of the statutory auditors of the Company;
- 3) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- 4) Approving payments to the statutory auditors for any other services rendered by the statutory auditors;
- 5) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - 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; and
 - g. Qualifications and modified opinions in the draft audit report.
- 6) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- 7) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed initial public offer by the Company;
- 8) Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 13) Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
- 14) Reviewing 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;
- 15) Discussing with internal auditors on any significant findings and follow up thereon;
- 16) Reviewing the 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;

- 17) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 19) Reviewing the functioning of the whistle blower mechanism;
- 20) Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
- 21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- 22) Considering and commenting on the rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- 23) Such roles as may be delegated by the Board and/or prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law; and
- 24) Carrying out any other functions as is mentioned in the terms of reference of the audit committee or containing into SEBI (LODR) Regulations 2015.

iv. Nomination and Remuneration Committee

As on March 31, 2024, the Nomination and Remuneration Committee of the Board of Directors of the Company comprised of three members, Mr. Sourabh Ajmera, Mrs. Pooja Kirti Kothari, Mrs. Nehal Babu Kareliya. The Nomination and Remuneration Committee consists of two Non-executives, Independent Directors and one Non- Independent, Non-Executive Director.

During the year under review, Three (3) meetings of the Nomination and Remuneration Committee were held on 28.04.2023, 29.08.2023 and 27.09.2023.

| Name of the Member | Category | Position | Meetings | |
|--------------------------|------------------------|-------------|----------|----------|
| | | | Held | Attended |
| Mrs. Pooja Kirti Kothari | Independent Director | Chairperson | 3 | 3 |
| Mr. Sourabh Ajmera | Independent Director | Member | 3 | 3 |
| Mrs. Nehal Babu Kareliya | Non-Executive Director | Member | 3 | 3 |

Terms of reference:

- 1) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) For the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. Consider the time commitments of the candidates.

- 3) formulation of criteria for evaluation of the performance of independent directors and the Board;
- 4) devising a policy on diversity of our Board;
- 5) identifying persons who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
- 6) determining 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) recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
- 8) recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
- 9) recommending to the Board, all remuneration, in whatever form, payable to senior management;
- 10) performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
- 11) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
- 12) analyzing, monitoring and reviewing various human resource and compensation matters;
- 13) reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- 14) framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended; and
- 15) Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

v. Stakeholders Relationship Committee

As on March 31, 2024 the Stakeholders Relationship Committee in terms of the provisions of section 178 of the Companies Act, 2013 comprising of Mr. Sourabh Ajmera, Mrs. Pooja Kirti Kothari and Mr. Kaushik Hanskumar Shah. Mrs. Pooja Kirti Kothari is the Chairman of the Stakeholders Relationship Committee.

During the year under review, 4 (Four) Stakeholders Relationship Meeting was held on 23.05.2023, 31.05.2023, 09.11.2023 and March 20, 2024

| Name of the Member | Category | Position | Meetings | |
|----------------------------|----------------------|-------------|----------|----------|
| | | | Held | Attended |
| Mrs. Pooja Kirti Kothari | Independent Director | Chairperson | 4 | 4 |
| Mr. Sourabh Ajmera | Independent Director | Member | 4 | 4 |
| Mr. Kaushik Hanskumar Shah | Executive Director | Member | 4 | 4 |

Terms of reference:

- 1) Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- 5) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
- 6) To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
- 7) Ensure proper and timely attendance and redressal of investor queries and grievances;
- 8) Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
- 9) To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
- 10) Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

14. GENERAL MEETING

The Annual General Meeting of the Company was held at its registered office through VC for the Financial Year 2023-24.

| Financial Year | Nature of Meeting | Time(IST) | Date |
|----------------|-------------------|-----------|------------|
| 2023-24 | AGM | 12.30 PM | 30.09.2023 |

15. REGISTRAR AND SHARE TRANSFER AGENT INFORMATION

Bigshare Service Private Limited
 S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre,
 Mahakali Caves Road, Andheri (East),
 Mumbai, Maharashtra-400093
 Tel: +91 -22-262638200
 Email Id:- info@bigshareonline.com

16. PARTICULARS CRITERIA FOR SELECTION OF CANDIDATES FOR APPOINTMENT AS DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The Nomination and Remuneration Committee has laid down well-defined criteria, in the Nomination and Remuneration Policy, for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Management Personnel.

The said Policy is available on the Company's website and can be accessed by weblink www.hemantsurgical.com

17. INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations and are independent of management.

During the financial year 2023-24, one (1) meeting of the Independent Directors was held on March 20, 2024,

inter-alia, to review the following:

- (i) Review performance of non-independent directors and the Board of Directors as a whole.
- (ii) Review performance of the Chairperson of the Company.
- (iii) Assess the quality, quantity, and timeliness of the flow of information between the management of the Company and the Board of Directors that is necessary for the Board to perform their duties effectively and reasonably.

The meeting was attended by all the Independent Directors.

The familiarization program and other disclosures as specified under SEBI (LODR) Regulations, 2015 is available on the Company's website www.hemantsurgical.com

18. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE, AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

The Company has received declaration from the Independent Directors that they meet the criteria of independence as prescribed under Section 149 of the Act and Regulation 16 (1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. In the opinion of the Board, they fulfil the condition for appointment/re-appointment as Independent Directors on the Board and possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iia) of the Companies (Accounts) Rules, 2014.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY

Disclosure on details of loans, guarantees and investments pursuant to the provisions of Section 186 of the Companies Act, 2013, and LODR Regulations, are provided in the financial statements.

20. WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no person has been denied access to the Audit Committee.

The said Policy is available on the Company website and can be accessed by weblink www.hemantsurgical.com

21. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT EMPLOYEES

The Nomination and Remuneration Committee has laid down the framework for remuneration of Directors, Key Managerial Personnel and Senior Management Personnel in the Nomination and Remuneration Policy recommended by it and approved by the Board of Directors. The Policy, inter-alia, defines Key Managerial Personnel and Senior Management Personnel of the Company and prescribes the role of the Nomination and Remuneration Committee. The Policy lays down the criteria for identification, appointment and retirement of Directors and Senior Management. The Policy broadly lays down the framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The Policy also provides for the criteria for determining qualifications, positive attributes and independence of Director and lays down the framework on Board diversity.

The said Policy is available on the Company's website and can be accessed by weblink www.hemantsurgical.com

22. RELATED PARTY TRANSACTIONS AND POLICY

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party(ies) are in the ordinary course of business and on arms' length basis. Hence, no particulars in form AOC-2 are furnished.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

24. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR TILL THE DATE OF THE REPORT

The Company had completed its Initial Public Offer (IPO) and allotted fresh issue of 27,60,000 equity shares of face value of Rs. 10 each.

25. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, the Directors confirm that;

- i. in the preparation of the Annual Accounts for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to departures, if any;
- ii. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for

- the year ended on that date
- iii. proper and sufficient care has been taken 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;
 - iv. the annual accounts have been prepared on a “going concern” basis;
 - v. proper internal financial controls are laid down and such internal financial controls are adequate and operating effectively;
 - vi. proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

Your Auditors have opined that the Company has in, all material respects, maintained adequate internal financial controls over financial reporting and that they were operating effectively

26. STATUTORY AUDIT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, A D V & Associates., Chartered Accountants (Firm Registration No. (FRN No. 128045W) were appointed as the Statutory Auditors of the Company on September 30, 2022 for a period of 5 years i.e., from the conclusion of this AGM until the conclusion of the AGM to be held in the year 2027. As required under Section 139 of the Act, the Company has obtained certificate from them to the effect that their continued appointment, would be in accordance with the conditions prescribed under the Act and the Rules made thereunder, as may be applicable.

The Auditors’ Report is unmodified i.e., it does not contain any qualification, reservation or adverse remark.

27. REPORTING OF FRAUD

There was no instance of fraud during the year under review, which required the Statutory Auditors to report under Section 143(12) of the Act and the Rules made thereunder.

28. COST AUDITOR AND COST RECORDS

The Company is maintaining the accounts and cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act and Rules made thereunder.

As per provision of section 148(3) of Companies Act, 2013 and rule 6(2) of Companies (Cost records and audit) Rules, 2014, the Company has appointed M/s. K Sorathiya & Co, Cost Accountants, cost auditor to audit the cost records of the company for the financial year 2023-24.

29. SECRETARIAL AUDIT

As required under section 204(1) of the Companies Act, 2013 the Company has obtained a secretarial audit report.

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. NKM & Associates, Practicing Company Secretary (Membership No. A54970 and C.P. No.: 20414) to

undertake the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit report for the financial year ended March 31, 2024 is annexed herewith as “**Annexure I**” to this report. The Secretarial Audit Report containing any qualification, reservation and adverse remark is attached to the Board’s report.

Further A certificate has been issued by M/s. NKM & Associates., Company Secretaries in practice, confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as director by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed as “**Annexure - II**” to this Report.

30. INTERNAL AUDITOR:

As per Section 138 of the Companies Act, 2013, the Company has appointed M/s. A D M S and Company, Chartered Accountants., as an internal auditor for the year 2023-24 to conduct the internal audit and to ensure adequacy of the Internal controls, adherence to Company’s policies and ensure statutory and other compliance through periodical checks and internal audit.

31. SECRETARIAL STANDARDS

The Company has complied with the applicable SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

32. TRANSFER OF UNCLAIMED DIVIDEND AND EQUITY SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund Rules), 2016 (‘the IEPF Rules’), during the year under review, no amount of Unclaimed dividend and corresponding equity shares were due to be transferred to IEPF account.

33. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal control to ensure that the resources are used efficiently and effectively so that:

- assets are safeguarded and protected against loss from unauthorized use or disposition.
- all significant transactions are authorized, recorded and reported correctly.
- financial and other data are reliable for preparing financial information.
- other data are appropriate for maintaining accountability of assets.

The internal control is supplemented by an extensive internal audits programme, review by management along with documented policies, guidelines and procedures.

34. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size, scale and

complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Act

35. RISK MANAGEMENT

During the financial year under review, the Company has identified and evaluates elements of business risk. Consequently, a Business Risk Management framework is in place. The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of such risks. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business.

36. PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has always believed in providing a conducive work environment devoid of discrimination and harassment including sexual harassment. The Company has a well formulated Policy on Prevention and Redressal of Sexual Harassment. The objective of the Policy is to prohibit, prevent and address issues of sexual harassment at the workplace. This Policy has striven to prescribe a code of conduct for the employees and all employees have access to the Policy document and are required to strictly abide by it. The Policy covers all employees, irrespective of their nature of employment and is also applicable in respect of all allegations of sexual harassment made by an outsider against an employee.

The Company has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year 2023-24, no case of Sexual Harassment was reported.

37. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company believes that Corporate Social Responsibility (CSR) is an integral part of its business. It seeks to operate its business in a sustainable manner that benefits society at large and aligns with the interests of its stakeholders. In accordance with section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors has constituted a CSR Committee.

The CSR Committee has developed a CSR Policy, which has been uploaded to the company's website at www.hemantsurgical.com.

The committee's composition and the meetings held during the year are as follows:

| Name of the Member | Category | Position | Meetings | |
|---------------------------|-------------------|-------------|----------|----------|
| | | | Held | Attended |
| Mr. Hanskumar Shamji Shah | Managing Director | Chairperson | 1 | 1 |
| Mrs. Pooja Kirti Kothari | Independent | Member | 1 | 1 |

| | | | | |
|------------------------|----------|--------|---|---|
| | Director | | | |
| Mr. Hemant Praful Shah | WTD | Member | 1 | 1 |

The annual report on CSR including a brief outline of the CSR Policy and the activities undertaken during the year under review is enclosed as “**Annexure III**” to this Report.

38. ENVIRONMENT AND SAFETY

Your Company is committed to ensure sound Safety, Health and Environmental (SHE) performance related to its activities, products and services. Your Company is taking continuous steps to develop Safer Process Technologies and Unit Operations and has been investing heavily in areas such as Process Automation for increased safety and reduction of human error element.

The Company is committed to continuously take further steps to provide a safe and healthy environment.

39. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Details required to be furnished pursuant to Section 134(3)(m) of the Companies Act, 2013 are as under:

Conservation of Energy: The range of activities of the Company requires minimal energy consumption and every endeavor has been made to ensure optimal utilization of energy and avoid wastage through automation and deployment of energy-efficient equipment. The Company takes adequate measures to reduce energy consumption by using efficient computer terminals and by using latest technology. The impact of these efforts has enhanced energy efficiency. As energy cost forms a very small part of total expenses, the financial impact of these measures is not material and measured.

Technology Absorption: Company is committed towards technology driven innovation and lays strong emphasis in inculcating driven culture within the organization.

The Company has best of operating machines and highly precisions equipment for production and quality management also the Company has hired the optimal of quality team who dedicates their full enthusiasm and work tirelessly for delivering best quality and services. The team along with state-of-the-art quality equipment's as necessary for the Machine Shop.

The Company is all well equipped with its current quality control machine and will modify itself for any future advancement

The transactions involving foreign exchange earnings and outgo during the period under review is as follows:

Foreign Exchange Income: Rs. 874.23 Lakhs

Foreign Exchange Outgo: Rs. 6570.00 Lakhs

40. PUBLIC DEPOSITS

The Company has not accepted or renews any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

41. PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION

The information required under section 197 of the Companies Act, 2013 read with Rule 5 (1), (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are given in “Annexure-IV and V” to this report.

42. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility Reporting as required under SEBI (LODR), 2015 and is not applicable to your Company for the financial year under review.

43. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year 23-24 as stipulated under SEBI (LODR), Regulations, 2015 has annexed as “Annexure -VI” of this Report.

44. LISTING WITH STOCK EXCHANGE

The Company confirms that it has not defaulted in paying the Annual Listing Fees for the financial year 2023-24 to the BSE Limited where the shares of the Company are listed.

45. DISCLOSURE OF AGREEMENTS

Disclosure as required under para-F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company during the financial year.

46. CAUTIONARY STATEMENT

Statements in this Report, Management Discussion and Analysis, notice to the Shareholders or elsewhere in this Annual Report, describing the Company’s objectives, projections, estimates and expectations may constitute ‘forward looking statement’ within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the Market conditions and circumstances.

47. RESIDUAL DISCLOSURES

1. During the year under review no application was made and no proceedings were pending against the company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
2. During the year under review there was no One Time settlement with any bank or Financial Institution.

48. ACKNOWLEDGEMENT AND APPRECIATION

Your directors would like to acknowledge and place on record their sincere appreciation to all Stakeholders, Clients, Financial Institutions, Banks, Central and State Governments, the Company's valued Investors and all other Business Partners, for their continued co-operation and support extended during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to promote its development.

**For and on behalf of the Board of Directors of
Hemant Surgical Industries Limited**

Sd/-
Hanskumar shamji Shah
Chairman & Managing Director
DIN: 00215972

Sd/-
Kaushik Hanskumar Shah
Whole-time Director
DIN: 01483743

Registered Office:

502, 5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West Mumbai -400080

Place: Mumbai**Dated: August 28, 2024**

"ANNEXURE-I"

Form No. MR.3

Secretarial Audit Report for the financial year ended on March 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and the Rule 9 of the Companies (Appointment and remuneration of managerial personnel) Rule, 2014]

To,

The Members

HEMANT SURGICAL INDUSTRIES LIMITED

[CIN: U33110MH1989PLC051133]

502,5th Floor, Ecstasy Business Park Co-Op Society Limited,

J.S.D. Road, Mulund West, Mumbai-400080

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hemant Surgical Industries 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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management.

I hereby report that in my opinion, the Company during the audit period covering the financial year ended on March 31, 2024 has generally 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:

I 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 there-under;
- II. The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there-under;
- III. The Depositories Act, 1996 and the Regulations and bye-laws framed there-under;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there-under to the extent applicable.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company;
 - (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018, and
- VI. The Management has Identified and confirmed the following laws as specifically applicable to the Company:

- a. The Foreign trade (Development and Regulation) Act, 1992
- b. Drugs and Cosmetics Act, 1940 (“Drugs and Cosmetics Act”)
- c. Maharashtra Shops and establishment Act, 2017
- d. Factory Act, 1948
- e. Medical Device Rules, 2017 (“MDR”) and Medical Devices (Amendment) Rules 2020

I have also examined compliance with the applicable clauses of the following;

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India related to the meetings of Board of Directors and Shareholders;
- (b) The SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company and test verification on random basis carried out for compliances under other applicable Acts, Laws and Regulations to the Company

The compliance by the Company of the applicable direct tax laws, indirect tax laws and other financial laws has not been reviewed in this Audit, since the same have been subject to review by the other designated professionals and being relied on the reports given by such designated professionals.

During the audit period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above.

During the audit period under review, provisions of the following regulations were not applicable to the Company;

- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 dealing with client
- (h) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were in compliances of the applicable provisions.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance there was no formal system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the Meeting.
- Decisions at the meetings of Board of Directors of the Company and Committee thereof were carried out with requisite majority.

- The Company has completed its Initial Public Offer (“IPO”) of 27,60,000 equity shares of face value of 10/- each at an issue price of Rs. 90/- aggregating to Rs. 24,84,00,000/-.The Equity Shares got listed on SME Emerge Platform of BSE on June 05, 2023.
- The Company has conducted various Board Meeting at shorter notice.
- *The Company has delayed in installing SDD software.*

I further report that based on the information provided and representation made by the Company and also on the review of compliance reports of the respective department duly signed by the department head and Compliance Certificate(s) of the Managing Director/Company Secretary/CFO taken on record by the Board of Directors of the Company, in our opinion system and process exists in the company required to be strengthen to commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company no events occurred which had bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For N K M & Associates
[Company Secretary]
[Firm Registration No. I2018MH1812700]

Sd/-
Nikita Kedia
Proprietor
Membership No: A54970
CP No.: 20414
Peer review no. 2470/2022

Place: Mumbai
Dated: August 28, 2024

UDIN: A054970F001042902

Note: 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

HEMANT SURGICAL INDUSTRIES LIMITED

[CIN: U33110MH1989PLC051133]

502,5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West, Mumbai-400080

Our Secretarial Audit Report of even date is to be read along with this letter;

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

For N K M & Associates

[Company Secretary]

[Firm Registration No. I2018MH1812700]

Sd/-

Nikita Kedia

Proprietor

Membership No: A54970

CP No.: 20414

Peer review no. 2470/2022

Place: Mumbai

Dated: August 28, 2024

UDIN: A054970F001042902

“ANNEXURE-II”**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,

The Members

HEMANT SURGICAL INDUSTRIES LIMITED

[CIN: U33110MH1989PLC051133]

502,5th Floor, Ecstasy Business Park Co-Op Soctey Limited,

J.S.D. Road, Mulund West, Mumbai-400080

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Hemant Surgical Industries Limited** (hereinafter referred to as ‘the Company’), produced before me 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I 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.

| DIN | Full Name | Designation | Date of Appointment |
|----------|----------------------------|------------------------------|---------------------|
| 00215972 | Mr. Hanskumar Shamji Shah | Chairman & Managing Director | 22/02/1994 |
| 01483743 | Mr. Kaushik Hanskumar Shah | Whole Time Director & CFO | 02/09/2015 |
| 00215994 | Mr. Hemant Praful Shah | Whole-Time Director | 19/09/2000 |
| 09845001 | Mrs. Nehal Babu Karelia | Non-Executive Director | 20/12/2022 |
| 06876514 | Mr. Sourabh Ajmera | Independent Director | 20/12/2022 |
| 09833311 | Mrs. Pooja Kirti Kothari | Independent Director | 03/01/2023 |

Ensuring the eligibility of 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 N K M & Associates

[Company Secretary]

[Firm Registration No. I2018MH1812700]

Sd/-

Nikita Kedia

Proprietor

Membership No: A54970

CP No.: 20414

Peer review no. 2470/2022

Place: Mumbai

Date: August 28, 2024

UDIN: A054970F001042957

“ANNEXURE-III”

ANNUAL REPORT ON CSR

[Pursuant to Section 134(3)(o) of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

The CSR policy has been instituted based on the Corporate Social Responsibility (CSR) philosophy of Company and is committed to undertake CSR activities in accordance with the CSR Regulations. The company conducts its business in a sustainable and socially responsible manner. This principle has been an integral part of the Company’s corporate values and believe that corporate growth and development should be inclusive, and every Company must be responsible and shall contribute towards the betterment of society. The company is committed to the safety and health of the employees, protecting the environment and the quality of life in all regions in which the Company operates. Further, with respect to the Company’s CSR philosophy, the Board has constituted the “CSR Committee” as its core CSR team, as a means of fulfilling this commitment.

The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013 and CSR Policy gives an overview of the projects and programs which are proposed to be undertaken by the Company in the coming years.

2. The Composition of the CSR Committee:

| Sr. No. | Name of the Director | Nature of Directorship | Designation | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------------|------------------------|-------------|--|--|
| 1 | Mr. Hanskumar Shamji Shah | Managing Director | Chairperson | 1 | 1 |
| 2 | Mrs. Pooja Kirti Kothari | Independent Director | Member | 1 | 1 |
| 3 | Mr. Hemant Praful Shah | Whole-time Director | Member | 1 | 1 |

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

- a) CSR Committee: www.hemantsurgical.com
- b) CSR Policy: www.hemantsurgical.com
- c) CSR projects approved by the Board: www.hemantsurgical.com

4. *Details 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. *Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any*

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in lacs) | Amount required to be set-off for the financial year, if any (in lacs) |
|---------|----------------|---|--|
| 1 | 2020-21 | Nil | Nil |
| 2 | 2021-22 | Nil | Nil |
| 3 | 2022-23 | Nil | Nil |

6. *Average net profit of the Company for last three financial year as per section 135(5):*

| Sl. No. | Particulars | Amount (in Lacs) |
|--|-------------|------------------|
| 1 | FY 2022-23 | 1008.02 |
| 2 | FY 2021-22 | 339.68 |
| 3 | FY 2020-21 | 148.68 |
| Average net profit of the Company for last three financial year | | 498.79 |

7. *Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):*

| Sl. No. | Particulars | Amount (in Lacs) |
|---------|---|------------------|
| a | Prescribed CSR Expenditure (2% Average net profit of the Company for last three financial year as per section 135(5)) | 9.98 |
| b | Surplus arising out of the CSR projects or programs or activities of the previous financial years | 0.00 |
| c | Amount required to be set off for the financial year, if any | 0.00 |
| d | Total CSR obligation for the financial year (7a+7b-7c) | 9.98 |

8. *Details of CSR spent during the financial year:*

(a) *CSR amount spent or unspent for the financial year: Not Applicable*

| Total Amount Spent | Amount Unspent (in ` Lacs) | | | | |
|--------------------|--|------------------|--|--------|------------------|
| | 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 |
| | Nil | | | | |

(b) *Details of CSR amount spent against ongoing projects for the financial year:*

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

| (1) S. 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 ` Lacs) | (7) Mode of implementation-Direct (Yes/No). | (8) Mode of implementation-Through implementing agency. | |
|---------------|----------------------------|---|-----------------------------|---------------------------------|----------|---|--|--|-------------------------|
| | | | | State | District | | | Name | CSR registration number |
| 1. | Discon VLS Project | Education | Yes | Maharashtra | Mumbai | 13.81 | No | Rotary Charity Trust | CSR00007038 |

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e):

Excess amount for set off if any

| Sl. No. | Particular | Amount (in ` Lacs) |
|---------|---|--------------------|
| (i) | Two percent of average net profit of the Company as per section 135(5) | 9.98 |
| (ii) | Total amount spent for the Financial Year | 13.81 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 3.83 |
| (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)] | 3.83 |

1. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

2. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

There was no creation or acquisition of capital assets through CSR spent in the financial year.

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

**For and on behalf of the Board of Directors of
Hemant Surgical Industries Limited**

Sd/-

Hanskumar shamji Shah
Chairman & Managing Director
DIN: 00215972

sd/-

Kaushik Hanskumar Shah
Whole-time Director
DIN: 01483743

Place: Mumbai

Dated: August 28, 2024

“ANNEXURE IV”

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2023–2024.

| Sr. No. | Name of the Director | Designation | Ratio of remuneration of each Director to median remuneration of employees |
|---------|----------------------------|---------------------|--|
| 1. | Mr. Hanskumar Shamji Shah | Managing Director | 26.61 times |
| 2. | Mr. Hemant Praful Shah | Whole-time Director | 26.61 times |
| 3. | Mr. Kaushik Hanskumar Shah | Whole-time Director | 26.61 times |

- ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary or manager during the financial year 2023 – 2024.

| Sr. No. | Name | Designation | % increase in remuneration |
|---------|----------------------------|---------------------------|----------------------------|
| 1. | Mr. Hanskumar Shamji Shah | Managing Director | 100% |
| 2. | Mr. Hemant Praful Shah | Whole-time Director | 42.86% |
| 3. | Mr. Kaushik Hanskumar Shah | Whole-time Director & CFO | 42.86% |
| 4. | Ms. Meenal Patodia* | Company Secretary | NA |

*Ms. Meenal Patodia was appointed as Company Secretary and Compliance officer w.e.f. April 05, 2023.

- iii) The Company has 92 permanent employees on the rolls of Company as on March 31, 2024.

iv) Relationship between average increase in remuneration and Company’s performance:

As compared to Company’s increase in performance, increase in remuneration is reasonable considering present market scenario and also considering reduction in remuneration in respect of surplus staff.

- v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

| Sr. No. | Particulars | 2023 –24 (Rs. In lakhs) | 2022 –23 (Rs. In lakhs) | % increase/ (decrease) |
|---------|-------------------------|----------------------------|----------------------------|---------------------------|
| 1 | Sales / Revenue | 10,560.75 | 10,914.82 | (3.24)% |
| 2 | Profit before tax | 1,278.13 | 1,005.72 | 27.09% |
| 3 | Remuneration of the KMP | 182.95 | 114.00 | 60.48% |

- vi) Average percentage increase in the salaries of employees other than the managerial personnel in the financial year is 4.44% whereas the increase in the managerial remuneration is 20.36%.

- viii) The key parameter for any variable component of remuneration availed by Managing Directors: **Not applicable being there is no variable component is paid to Managing Director.**

ix) The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

xi) It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**For and on behalf of the Board of Directors of
Hemant Surgical Industries Limited**

Sd/-
Hanskumar shamji Shah
Chairman & Managing Director
DIN: 00215972

sd/-
Kaushik Hanskumar Shah
Whole-time Director
DIN: 01483743

Registered Office:

502, 5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West Mumbai -400080

Place: Mumbai

Dated: August 28, 2024

“ANNEXURE V”

Details of employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014. -

Not Applicable as no employees or managerial personnel draw salary equal to or exceeding Rs.102,00,000 p.a. or Rs.8,50,000 per month.

**For and on behalf of the Board of Directors of
Hemant Surgical Industries Limited**

Sd/-

Hanskumar shamji Shah
Chairman & Managing Director
DIN: 00215972

sd/-

Kaushik Hanskumar Shah
Whole-time Director
DIN: 01483743

Registered Office:

502, 5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West Mumbai -400080

Place: Mumbai

Dated: August 28, 2024

“ANNEXURE VI”

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW OF BUSINESS:

We manufacture, import, assemble and market a comprehensive portfolio of medical equipment's and disposables. Our product offerings cover a wide spectrum of equipment's and disposables required for (i) Renal Care, (ii) cardiovascular disease (iii) respiratory disease, (iv) Critical Care and Radiology and (v) Surgical disposables. Our wide range of products include some of the indigenously manufactured products along with some other products that are imported from countries like: Japan, China France and Australia and are further processed in our assembly units. In addition, we are also providing services for maintenance and running of dialysis centres.

Our company started its operations with importing and marketing of medical disposables like: meditatapes, all over India from JMS Co Ltd. Japan. Later in the year 1999 our company started its manufacturing operations with one Manufacturing unit and over the years expanded its manufacturing and assembly operations to two more additional units as under:

- 1) Manufacturing Unit I situated at Achad Industrial Estate – where we first started our operations in 1999 and are currently manufacturing products like: Dialysis solution (liquid and Powder) used in dialysis, Hot and Cold Sterilant used for cleaning dialyzer, Purified water used in rinsing and cleaning of dialysis machines and sanitizer.
- 2) Assembly Unit II situated at Atgaon - for assembly of various medical devices like: Nebulizers, Oxygen Concentrator, Air Mattress, Digital Thermometer, Pulse Oximeters, ECG Electrodes, Dialyzer which are sold under the Brand Name “Aero Plus”. Silicon Foley catheters imported from China which are further processed and sold under the Brand name “Safecath” and for assembly of new and refurbished dialysis machines imported from China, France and Australia, Meditapes imported from JMS Co. Ltd., Japan.
- 3) Assembly Unit III situated at Bhiwandi – for assembly of products like: Intravenous infusion set, ECG Machines, Ultrasound Machines, Paramonitor, Ventilator etc.

OVERVIEW OF THE INDUSTRY:

The Indian market for medical equipment is predicted to increase to US\$ 50 billion by 2025. India is the 4th largest Asian medical devices market after Japan, China, and South Korea, and among the top 20 medical devices markets globally.

The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016- 22 to reach US\$ 372 billion in 2022 from US\$ 110 billion in 2016. As of August 23, 2022, more than 210.31 crore COVID-19 vaccine doses have been administered across the country. The e-health market size is estimated to reach US\$ 10.6 billion by 2025.

OPERATING RESULTS OF THE COMPANY

The revenue from operations of your Company for the year ended March 31, 2024 stood at Rs. 10,914.82 lakhs as against Rs. 10,914.82 lakhs for the year ended March 31, 2023. The Company has incurred a profit of Rs. 979.99 lakhs for the Year ended March 31, 2024 as compared to Rs. 763.73 lakhs for the year ended March 31, 2023.

STRENGTH

- We offer a diversified range of products.
- Existing well-established reputation and customer relationships
- Quality Assurance
- Stable financial performance with improved margins
- Experienced management team with industry expertise and successful track record

COMPETITION:

We face competition from organized and unorganized players in the healthcare industry which have a presence across multiple regions in India. There are various companies offering products and services similar to us. We believe the principal elements of competition in our industry are price, durability, product quality, timely delivery and reliability and most importantly our pace in keeping up with the changing technology in the industry.

To stay competitive, we regularly update our existing facilities/technology and adopt new technology for our manufacturing facilities. We aim to keep our costs of production low to maintain our competitive advantage and our profit margins. We continuously seek new product registrations, marketing 112 authorizations to increase our product offerings.

PROSPECT & OUTLOOK

The management is of the view that the future prospects of your Company are bright and the performance in the current year is expected to be very well. The committed customers of the Company are expected to place more orders, which ultimately affect the top line of the Company, positively.

RISKS AND CONCERNS

The Company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the Company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The Company has constituted Audit Committee for guidance and proper control of affairs of the Company.

HUMAN RESOURCES

Human Resources Development, in all its aspects like training in safety and social values is under constant focus of the management. Relations between the management & the employees at all levels remained healthy & cordial throughout the year. The Management and the employees are dedicated to achieve the corporate objectives and the targets set before the company.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax

regimes, other statutes and other factors such as industrial relations.

**For and on behalf of the Board of Directors of
Hemant Surgical Industries Limited**

Sd/-

Hanskumar shamji Shah
Chairman & Managing Director
DIN: 00215972

Sd/-

Kaushik Hanskumar Shah
Whole-time Director
DIN: 01483743

Registered Office:

502, 5th Floor, Ecstasy Business Park Co-Op Society Limited,
J.S.D. Road, Mulund West Mumbai -400080

Place: Mumbai

Dated: August 28, 2024

INDEPENDENT AUDITOR'S REPORT



Independent Auditor’s Report

To
The Members of **HEMANT SURGICAL INDUSTRIES LIMITED**
Report on the Audit of the Financial Statements:

Opinion

We have audited the accompanying financial statements of **HEMANT SURGICAL INDUSTRIES LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, (“AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and its cash flows for the year ended on that date.

Basis for opinion

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

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Financial Statements and our auditor’s report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the 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 Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid 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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is not in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations on its financial position in its Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There was no amount which was 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, 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 audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year.
 - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

- 2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For ADV & Associates
Chartered Accountants
FRN: 128045W

Pratik Kabra
Partner
M. No.: 611401
UDIN:24611401BKCKWL1033

Place: Mumbai
Date: 21st May 2024

Annexure “A” to the Independent Auditor’s Report

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **HEMANT SURGICAL INDUSTRIES LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A

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

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ADV & Associates
Chartered Accountants
FRN: 128045W

Pratik Kabra
Partner
M. No.: 611401
UDIN:24611401BKCKWL1033

Place: Mumbai
Date: 21st May 2024

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **HEMANT SURGICAL INDUSTRIES LIMITED** of even date)

- 1) In respect of the Company's Property, Plant and Equipment's and Intangible Assets:
 - a) 1) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - 2) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Fixed Assets have been physically verified by the management in a phased manner which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the book's records and the physical fixed assets have been noticed.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.
- 2) In Respect of Inventories:
 - a) The management has conducted physical verification of inventory at reasonable intervals during the year, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, any discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such verification.
 - b) The company has been sanctioned working capital limits in excess of five crore rupees during the year in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except the following: -

| Particulars | As per Books | As per stock statement | Difference |
|----------------|----------------|------------------------|--------------|
| September 2023 | 2,328.53 Lakhs | 2,343.82 Lakhs | 15.29 Lakhs |
| March 2024 | 2,105.04 Lakhs | 2,296.31 Lakhs | 191.28 Lakhs |

- 3) During the year the company has not made investments in, provided any guarantee or security but granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:
 - (a) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to Any other entity :
 - A. the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to

subsidiaries, joint ventures and associates

B. the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;

- (b) According to the information and explanation given to us, the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
- (c) Schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular;
- (d) According to the information and explanation given to us, no amount is overdue in this respect;
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties;
- (f) 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, required details in respect thereof are as below:

(Rs. In Lakhs)

| The Aggregate Amount | Loans Given to Other | Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 |
|----------------------|----------------------|---|
| 425.62 | - | 425.62 |
| 100% | - | 100% |

- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 6) We have broadly reviewed the books of accounts maintained by the Company in respect of products where pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under section 148(1) of the Act. We are of the opinion, that prima facie the prescribed accounts and records have been maintained by the Company. The contents of these accounts and records have not been examined by us.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, GST and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, undisputed amounts payable in respect of the above were not in arrears as at 31st March, 2024 for a period of more than six

months from the date on when they become payable.

(b) According to the information and explanation given to us, the company has dispute against the assessment of surgical tapes by custom not grandly benefit of exemption notification as an accessories for medical device, company has paid full amount Rs 3,56,02,689 under protest and has filed appeal which is pending in supreme court. There are no dues of income tax, sales tax, service tax, duty of excise, value added tax, GST outstanding on account of any dispute:

- 8) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- 9) (a) According to the information and explanation given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - (b) Company is not declared willful defaulter by any bank or financial institution or other lender,
 - (c) According to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;
 - (d) According to the information and explanation given to us, funds raised on short term basis have not been utilized for long term purposes;
 - (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
 - (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- 10) (a) In our opinion, and according to the information and explanations given to us, the Company has raised money Rs 2484 Lakhs by way of initial public offer of 27.60 Lakhs Shares. The funds raised, have been used for the purposes they were raised and complied with the Act.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally)
- 11) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) According to the information and explanation given to us, no whistle-blower complaints, received during he year by the company;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Internal Audit System & Report:
- (a) According to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business;
 - (b) We have considered the reports of the Internal Auditors for the period under audit;
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18) There has been no resignation of the statutory auditors of the Company during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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.
- 20) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the company does not have any unspent corporate social responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

For ADV & Associates
Chartered Accountants
FRN: 128045W

Place: Mumbai
Date: 21st May 2024

Pratik Kabra
Partner
M. No.: 611401
UDIN: 24611401BKCKWL1033



• **BALANCE SHEET**

| HEMANT SURGICAL INDUSTRIES LIMITED | | | |
|--|----------|---|---------------------------|
| ADD : 502,5TH FLOOR, ECSTASY BUSINESS PARK, J.S.D. ROAD, MULUND (W) MUMBAI, 400080 | | | |
| CIN : U33110MH1989PLC051133 | | | |
| BALANCE SHEET FOR THE YEAR ENDED AS ON 31st MARCH 2024 | | | |
| (Rs in Lakhs) | | | |
| Particulars | Note No. | As at 31st March 2024 | As at 31st March 2023 |
| I Equity & Liabilities | | | |
| 1.Shareholders funds: | | | |
| a.Share Capital | 2 | 1,044.00 | 768.00 |
| b.Reserves and Surplus | 3 | 4,441.83 | 1,567.67 |
| 2.Share Application Money pending Allotment: | | | |
| 3.Non-Current liabilities: | | | |
| a.Long-Term Borrowings | 4 | 354.22 | 305.90 |
| b.Deferred Tax Liabilities | 5 | 6.29 | 29.83 |
| b.Long Term Provisions | 6 | 38.20 | 31.62 |
| 4.Current Liabilities: | | | |
| a.Short Term Borrowings | 7 | 321.08 | 406.03 |
| b.Trade Payables | | | |
| i. Micro enterprises and small enterprises | 8 | 186.42 | 217.96 |
| ii. Other than micro enterprises and small enterprises. | 8 | 2,274.21 | 2,200.79 |
| c.Other Current Liabilities | 9 | 706.91 | 616.07 |
| d.Short Term Provisions | 10 | 290.56 | 325.43 |
| Total | | 9,663.72 | 6,469.30 |
| II Assets | | | |
| 1.Non-Current Assets: | | | |
| a. Property, Plant & Equipment | 11 | 1,766.20 | 1,315.23 |
| b. Intangible | | - | - |
| c. Capital Work in progress | | - | - |
| d.Non-Current Investments | 12 | 492.82 | 36.15 |
| e.Long Term Loans & Advances | 13 | 475.08 | 446.53 |
| 2.Current Assets: | | | |
| a.Current Investments | | | |
| b.Inventories | 14 | 2,105.04 | 1,480.66 |
| c.Trade Receivables | 15 | 2,173.66 | 1,719.80 |
| d.Cash and Cash Equivalents | 16 | 1,317.06 | 845.65 |
| e.Short Term Loans and Advances | 17 | 1,039.40 | 501.35 |
| f.Other Current Assets | 18 | 294.46 | 123.93 |
| Total | | 9,663.72 | 6,469.30 |
| See accompanying notes to the financial statements, as under | | | |
| Significant Accounting Policies | 1 | | |
| Notes to the Financial Statements | 2 to 33 | | |
| As per our report of even date | | | |
| For A D V & Associates | | For Hemant Surgical Industries Limited | |
| Chartered Accountant | | | |
| FRN: 128045W | | | |
| | | Hanskumar Shamji Shah | Kaushik Shah |
| | | Managing Director | CFO & WTD |
| | | DIN: 00215972 | DIN: 01483743 |
| Pratik Kabra | | | |
| Partner | | | |
| M.No. 611401 | | | |
| UDIN:24611401BKCKWL1033 | | Meenal Ajmera | Hemant Praful Shah |
| Date : 21st May, 2024 | | Company Secretary | WTD |
| Place : Mumbai | | PAN: ASZPA9080B | DIN: 00215994 |

• **PROFIT AND LOSS STATEMENT**

| HEMANT SURGICAL INDUSTRIES LIMITED | | | |
|--|---------------|--|--|
| ADD : 502,5TH FLOOR, ECSTASY BUSINESS PARK, J.S.D. ROAD, MULUND (W) MUMBAI, 400080 | | | |
| CIN : U33110MH1989PLC051133 | | | |
| STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2024 | | | |
| (Rs. In lakhs) | | | |
| Particulars | Note No. | For the period ended on 31st March 2024 | For the period ended on 31st March 2023 |
| I.Revenue from Operations | 19 | 10,560.75 | 10,914.82 |
| II.Other Incomes | 20 | 430.85 | 234.85 |
| III.Total Revenue (a) | | 10,991.60 | 11,149.68 |
| IV.Expenses | | | |
| 1.Cost of Raw Materials Consumed | 21 | 8,016.24 | 8,197.24 |
| 2.Change in Inventories | 22 | (265.11) | (150.72) |
| 3.Employee Benefits Expenses | 23 | 759.55 | 666.43 |
| 4.Finance Costs | 24 | 97.15 | 191.26 |
| 5.Depreciation | 25 | 102.63 | 84.97 |
| 6.Other Expenses | 26 | 1,003.01 | 1,154.76 |
| V.Total Expenses (b) | | 9,713.47 | 10,143.95 |
| V.Profit before Exceptional Items & Tax | (I-II) | 1,278.13 | 1,005.72 |
| VI.Exceptional Items | | | |
| IX.Profit before tax | | 1,278.13 | 1,005.72 |
| X.Tax Expense | | | |
| a.CurrentTax | | 321.68 | 252.04 |
| b.Earlier Year Tax | | - | 1.38 |
| c. Deffered Tax Expenses | | (23.54) | (11.42) |
| XI.Profit for the period from Continuing Operations | | 979.99 | 763.73 |
| XII.Profit from Discontinuing Operations | | | |
| XIII.Tax Expense of Discontinuing Operations | | | |
| XIV.Profit from Discontinuing Operations after Tax | | | |
| XV.Profit for the period | | 979.99 | 763.73 |
| XVI.Earning per share (equated) | 27 | 9.85 | 10.26 |

As an annexure to the Balance Sheet.

| | | | |
|---|--|---|---|
| <p>For A D V & Associates Chartered Accountant FRN: 128045W</p> <p>Pratik Kabra Partner M.No. 611401 UDIN:24611401BKCKWL1033 Date : 21st May, 2024 Place : Mumbai</p> | <p>For Hemant Surgical Industries Limited</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> <p>Hanskumar Shamji Shah Managing Director DIN: 00215972</p> <p>Meenal Ajmera Company Secretary PAN: ASZPA9080B</p> </td> <td style="width: 50%;"> <p>Kaushik Shah CFO & WTD DIN: 01483743</p> <p>Hemant Praful Shah WTD DIN: 00215994</p> </td> </tr> </table> | <p>Hanskumar Shamji Shah Managing Director DIN: 00215972</p> <p>Meenal Ajmera Company Secretary PAN: ASZPA9080B</p> | <p>Kaushik Shah CFO & WTD DIN: 01483743</p> <p>Hemant Praful Shah WTD DIN: 00215994</p> |
| <p>Hanskumar Shamji Shah Managing Director DIN: 00215972</p> <p>Meenal Ajmera Company Secretary PAN: ASZPA9080B</p> | <p>Kaushik Shah CFO & WTD DIN: 01483743</p> <p>Hemant Praful Shah WTD DIN: 00215994</p> | | |

• CASH FLOW STATEMENT

| HEMANT SURGICAL INDUSTRIES LIMITED | | |
|--|---|---------------------------------------|
| ADD : 502,5TH FLOOR, ECSTASY BUSINESS PARK, J.S.D. ROAD, MULUND (W) MUMBAI, 400080 | | |
| CIN : U33110MH1989PLC051133 | | |
| STATEMENT OF CASH FLOW FOR THE PERIOD ENDED ON 31st March 2024 | | |
| (Rs. In lakhs) | | |
| Particulars | For the year ended 31st March 2024 | For the Year ended 31st March 2023 |
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax as per Profit And Loss A/c | 1,278.13 | 1,005.72 |
| Adjustments for: | | |
| Depreciation & Amortisation Expense | 102.63 | 84.97 |
| Prior Period Depreciation Adjustment | - | 150.25 |
| Interest Income | (112.09) | (50.35) |
| Profit on Sale of Fixed Assets | (1.42) | - |
| Finance Cost | 94.50 | 191.26 |
| Operating Profit Before Working Capital Changes | 1,361.75 | 1,381.86 |
| Adjusted for (Increase)/ Decrease in: | | |
| Long term provision | 6.58 | 3.26 |
| Short term Borrowings | (84.95) | 1.26 |
| Trade Payables | 41.88 | 306.04 |
| Other Current Liabilities | 90.84 | (269.53) |
| Short term provision | (34.87) | 73.66 |
| Inventories | (624.37) | (196.36) |
| Trade Receivables | (453.86) | (154.27) |
| Loans and Advances | (566.60) | (238.68) |
| Other current assets | (170.52) | (23.80) |
| Cash Generated From Operations | (434.12) | 883.42 |
| Appropriation of Profit | | |
| Net Income Tax paid/ refunded | (321.68) | (253.42) |
| B Net Cash Flow from/(used in) Operating Activities: (A) | (755.80) | 630.00 |
| Cash Flow From Investing Activities: | | |
| Net (Purchases)/Sales of Fixed Assets (including capital work in progress) | (552.19) | (393.13) |
| Interest Income | 112.09 | 50.35 |
| Net Increase/(Decrease) in Non Current Investment | (456.67) | 45.70 |
| Net Cash Flow from/(used in) Investing Activities: (B) | (896.77) | (297.08) |
| Cash Flow from Financing Activities: | | |
| Net Increase/(Decrease) in Long Term Borrowings | 48.32 | (158.59) |
| Proceeds from issue of share | 2,170.16 | 280.00 |
| Interest on borrowings | (94.50) | (191.26) |
| C Net Cash Flow from/(used in) Financing Activities (C) | 2,123.98 | (69.86) |
| Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C) | 471.41 | 263.07 |
| Cash & Cash Equivalents As At Beginning of the Year | 845.65 | 582.58 |
| Cash & Cash Equivalents As At End of the Year | 1,317.06 | 845.65 |
| See accompanying notes to the financial statements, as under | | |
| Significant Accounting Policies | For Hemant Surgical Industries Limited | |
| Notes to the Financial Statements | | |
| As per our report of even date | | |
| For A D V & Associates | Hanskumar Shamji Shah | Kaushik Shah |
| Chartered Accountant | Managing Director | CFO & WTD |
| FRN: 128045W | DIN: 00215972 | DIN: 01483743 |
| Pratik Kabra | Meenal Ajmera | Hemant Praful Shah |
| Partner | Company Secretary | WTD |
| M.No. 611401 | PAN: ASZPA9080B | DIN: 00215994 |
| UDIN:24611401BKCKWL1033 | | |
| Date : 21st May, 2024 | | |
| Place : Mumbai | | |

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024

Note: - 1

Company Background:

Hemant surgical Industries limited is a limited company, incorporated on 27/03/1989 with the main object of Importing, manufacturing, and marketing quality surgical and pharmaceutical products.

SIGNIFICANT ACCOUNTING POLICIES:

The Financial Statements are prepared to comply in all material aspects with the applicable accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.

Basis of Preparation:

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, to the extent applicable. The financials statements are presented in Lakhs, unless otherwise stated

During the year, the figures of the previous year have been regrouped and recast wherever necessary to confirm to the groupings of the current year.

Use of Estimates:

The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

Revenue Recognition:

Revenue / Income and Cost / Expenditure are generally accounted on accrual basis as they are earned or incurred except in case of significant uncertainties. Revenue is measured at the fair value of consideration received or receivable taking into account contractually defined terms of payment. Sales comprise of sale of services.

Property, Plant & Equipment and Intangible asset and Depreciation:

Property, Plant and Equipments and Intangible asset are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and the costs, which are attributable for bringing the asset to its working condition, for its intended use.

Depreciation on Property, Plant and Equipments and Intangible asset is provided on Straight Line Method based on the useful life estimated by the management and as per the depreciation rate specified below:

| Particulars | Useful Life |
|-----------------------------|--------------------|
| Land | - |
| Factory Building | 30 |
| Other than Factory building | 60 |
| Plant & Machinery | 15 |

| | |
|--------------------------------------|----|
| Vehicle: Motor cycle, bike & scooter | 10 |
| Vehicle: Motor car, tempo, lorries | 8 |
| Office Equipment's | 5 |
| Furniture & Fixture | 10 |
| Computers | 3 |

Depreciation on the Property, Plant and Equipments and Intangible asset added/disposed off/discarded during the year is provided on pro rata basis with reference to the month of addition/disposal/discarding.

Impairment of Assets:

In accordance with AS 28 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognized in the Statement of Profit and Loss or against revaluation surplus where applicable.

Investments:

- i) Current investments are carried at the lower of cost or quoted / fair value, computed category wise.
- ii) Non-Current Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.
- iii) Investments held for Sale comprising of assets and liabilities are classified as 'held for sale / Current Investments' when all of the following criteria's are met:
 - a) Decision has been made to sell.
 - b) The assets are available for immediate sale in its present condition.
 - c) The assets are being actively marketed and
 - d) Sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Taxation:

Income tax expenses comprises of Current Income Tax and Deferred Tax.

Current Taxes:

Provision for current income-tax is recognized in accordance with the provisions of the Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Provisions & Contingencies:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Employee Benefits:

Contributions to Provident Fund, being a Defined Contribution Plan, are accounted on accrual basis and charged to the Profit & Loss account for the year. Gratuity is accounted based on the Gratuity Report from Actuary. Bonus and leave encashment are accounted on payment basis.

Inventories:

The inventories are valued at cost or net realizable value, whichever is lower and the cost is arrived as follows:

- i) Raw-materials cost is at landing cost inclusive of all attributable expenses and is computed on Weighted Average Cost Basis.
- ii) Work-in progress and finished goods cost include material cost, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Borrowing Costs:

According to AS-16 Borrowing costs, issued by the Institute of Chartered Accountants of India, borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use.

A qualifying asset being, an asset that necessarily takes a substantial period of time to get ready for its intended use.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

Events occurring after Balance Sheet Date:

Events accruing after Balance Sheet Date have been considered in preparation of Financial Statement.

Extraordinary Items:

There are no such items noted which are Extra Ordinary in nature and at the same time which materially affect the financial statement being certified here.

Foreign Exchange Transactions/Translation

Foreign currency transactions and balances:

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion:

Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

(iii) Exchange Differences:

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. The exchange differences on other foreign currency monetary items are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortized over the remaining life of the concerned monetary item.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

Cash Flow Statement:

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

• BALANCE SHEET NOTES

| HEMANT SURGICAL INDUSTRIES LIMITED | | | |
|--|------------------------------|------------------------------|----------------------|
| ADD : 502,5TH FLOOR, ECSTASY BUSINESS PARK, J.S.D. ROAD, MULUND (W) MUMBAI, 400080 | | | |
| CIN : U33110MH1989PLC051133 | | | |
| Notes to the Financial Statements for the Period ended 31.03.2024 | | | |
| (Rs. In Lakhs) | | | |
| Particulars | As at 31st March 2024 | As at 31st March 2023 | |
| Note-2: Share Capital | | | |
| 1. Authorised Equity Share Capital | 1050.00 | 1050.00 | |
| 1a. 1,05,00,000 Shares of Rs.10 each | | | |
| 2. Issued, Subscribed & Paid-Up Equity Share Capital | | | |
| 2a. 1,04,40,000 of Rs 10 each | 1,044.00 | 768.00 | |
| Total | 1,044.00 | 768.00 | |
| a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period | | | |
| Number of shares outstanding at the beginning of the Period | Qty Value (in Lakhs) | 7680000.00 768.00 | 2000000.00 200.00 |
| Add: Equity shares issued during the year | | 2760000.00 | 5680000.00 |
| Less: Shares bought back during the year | | 0.00 | 0.00 |
| Number of shares outstanding at the end of the Period | Qty Value (in Lakhs) | 10440000.00 1044.00 | 7680000.00 768.00 |
| b) Terms/ rights attached to shares | | | |
| i. The Company has only one class of equity share having a par value of Rs.10/- per share. | | | |
| ii. Pursuant to sub division of shares vide special resolution dated January 3, 2023 the face value of equity shares changed from Rs. 100/- per share to Rs. 10/- per share and accordingly the number of shares at the end of September 30, 2022 is 76800000. | | | |
| c) Details of Shares held by each shareholder holding more than 5% shares | | | |
| As at 31.03.2024 | | | |
| Name of shareholders | % held | No. of shares | |
| Hanskumar S Shah | 45.92 | 35,26,400 | |
| Kaushik Shah | 27.38 | 21,03,130 | |
| Hemant P Shah | 22.58 | 17,34,070 | |
| As at 31.03.2023 | | | |
| Name of shareholders | % held | No. of shares | |
| Hanskumar S Shah | 45.92 | 35,26,400 | |
| Kaushik Shah | 27.38 | 21,03,130 | |
| Hemant P Shah | 22.58 | 17,34,070 | |
| d) Details of Shares held by Promoters | | | |
| As at 31.03.2024 | | | |
| Name of shareholders | % held | No. of shares | |
| Hanskumar S Shah | 45.92 | 35,26,400 | |
| Kaushik Shah | 27.38 | 21,03,130 | |
| Hemant P Shah | 22.58 | 17,34,070 | |

| Name of shareholders | As at 31.03.2023 | |
|----------------------|------------------|---------------|
| | % held | No. of shares |
| Leena H Shah | 45.92 | 35,26,400.00 |
| Ranjan P Shah | 27.38 | 21,03,130.00 |
| Naman Shah | 22.58 | 17,34,070.00 |

Equity Shares movements during the 5 years preceding March 31,2024

Equity Shares issued as bonus the Company Allotted 2,88,000 equity Shares as fully paid up Bonus Shares (Face Value Rs 100) by Capitalisation of Profit Transferred from Retained Earnings amounting to 288 Lakhs as on 31st March 2022.

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Note-3: Reserves and Surplus | | |
| Securities Premium | | |
| Opening Balance | | |
| Add: Share Issued During the Year | 2,208.00 | - |
| Less: Utilised for issue of shares | (313.84) | - |
| Closing Balance | 1894.16 | - |
| Surplus Account | | |
| Opening Balance | 1,567.67 | 982.95 |
| Add: Prior Period Depreciation Adjustment | - | 150.25 |
| Less: Deferred Tax for Previous years | - | -41.26 |
| Less: Bonus issued | - | -288.00 |
| Add: Net Surplus during the year | 979.99 | 763.73 |
| Closing Balance | 2,547.66 | 1567.67 |
| Total of Reserves and Surplus | 4,441.83 | 1,567.67 |
| Note-4: Long Term Borrowings | | |
| Secured Loans | | |
| Loans from Bank | 460.27 | 470.19 |
| Less: Current Maturities | (106.06) | (164.29) |
| Total of Long Term Borrowings | 354.22 | 305.90 |
| Note-5: Deferred Tax Liabilities | | |
| As at 31st March 2024 | | |
| As at 31st March 2023 | | |
| Deferred Tax (Assets)/ Liability for Current Year | (23.54) | (11.42) |
| Less: Opening Balance | 29.83 | 41.26 |
| Closing of (DTA)/DTL | 6.29 | 29.83 |
| Note-6: Long Term Provisions | | |
| As at 31st March 2024 | | |
| As at 31st March 2023 | | |
| Gratuity Provision | 38.20 | 31.62 |
| Closing of Long Term Provisions | 38.20 | 31.62 |

| Note-7: Short term Borrowings | As at 31st March 2024 | As at 31st March 2023 |
|--|------------------------------|------------------------------|
| Current Maturities of long term loans | 106.06 | 164.29 |
| Demand Loans | 215.02 | 241.74 |
| Closing Short term Borrowings | 321.08 | 406.03 |
| | | |
| Note-8: Trade Payables | As at 31st March 2024 | As at 31st March 2023 |
| a. Total outstanding dues of micro enterprises and small | 186.42 | 217.96 |
| b. Total outstanding dues of creditors other than micro enterprises and small enterprises. | 2,274.21 | 2,200.79 |
| Total | 2,460.63 | 2,418.75 |
| | | |
| Particulars (Outstanding from due date of payment / from | | |
| i) MSME | | |
| Less than 1 year | 176.49 | 212.06 |
| 1-2 Years | 1.46 | 1.62 |
| 2-3 Years | 1.62 | 3.00 |
| More then 3 Years | 6.84 | 1.26 |
| | 186.42 | 217.96 |
| ii) Others | | |
| Less than 1 year | 2271.32 | 2193.99 |
| 1-2 Years | 2.90 | - |
| 2-3 Years | - | - |
| More then 3 Years | - | 6.80 |
| | 2274.21 | 2200.79 |
| | | |
| Total | 2460.63 | 2418.75 |
| | | |
| Note-9: Other Current Liabilities | As at 31st March 2024 | As at 31st March 2023 |
| Advances received from Customers | 431.08 | 327.81 |
| Other Payable | | |
| Statutory Liabilities | 11.66 | 4.43 |
| Payable for Expenses | 238.15 | 263.71 |
| Security Deposits | 26.03 | 20.13 |
| Total | 706.91 | 616.07 |
| | | |
| Note-10: Short Term Provisions | As at 31st March 2024 | As at 31st March 2023 |
| Provision for Income (net off advance tax and TDS) | 48.18 | 102.32 |
| Provision For Gratuity | 11.47 | 8.69 |
| Interest Provision on Bank Guarantee | 230.91 | 214.42 |
| Closing Balance | 290.56 | 325.43 |

| Note-12: Non-current Investments | As at 31st March 2024 | As at 31st March 2023 |
|---|------------------------------|------------------------------|
| Deposits with Bank with maturity more than 12 months | 492.17 | 35.50 |
| Gold Bonds | 0.65 | 0.65 |
| Total | 492.82 | 36.15 |
| Note-13: Long term Loans and Advances | As at 31st March 2024 | As at 31st March 2023 |
| Advance to Custom Authorities | 356.03 | 356.03 |
| Security Deposits | 119.06 | 90.50 |
| Total | 475.08 | 446.53 |
| Note-14: Inventories | As at 31st March 2024 | As at 31st March 2023 |
| Raw Materials | 640.35 | 281.09 |
| Finished Goods & Stock In Trade | 1,464.68 | 1,199.58 |
| Total | 2,105.04 | 1,480.66 |
| Note-15: Trade Receivables | As at 31st March 2024 | As at 31st March 2023 |
| <u>Unsecured, Considered Good</u> | | |
| Trade Receivables outstanding for a period exceeding six months | 403.76 | 578.50 |
| Others | 1,769.90 | 1,141.30 |
| Total | 2,173.66 | 1,719.80 |
| (Outstanding from due date of payment / from date of transaction) | | |
| (i) Undisputed Trade Receivables - considered good | | |
| Less than 6 months | 1770.89 | 1141.30 |
| 6 months - 1 year | 166.07 | 454.41 |
| 1-2 years | 156.29 | 123.66 |
| 2-3 years | 79.98 | 0.43 |
| More than 3 years | 0.43 | 0.00 |
| | 2173.66 | 1719.80 |
| Note-16: Cash and Cash Equivalents | As at 31st March 2024 | As at 31st March 2023 |
| Cash on hand | 5.59 | 4.88 |
| Balance with Banks | | |
| a. in current accounts | 38.40 | 78.22 |
| B. FD for Margin Money | 177.98 | 278.38 |
| FD With Bank with maturity more than 3 months but less than | 1,095.09 | 484.16 |
| Total | 1,317.06 | 845.65 |

| Note-17: Short Term Trade Advances | As at 31st March 2024 | As at 31st March 2023 |
|---|------------------------------|------------------------------|
| Advances to Suppliers | 448.00 | 96.50 |
| Advances to employee | 45.48 | 57.21 |
| Advances to others | 545.92 | 347.64 |
| Total | 1,039.40 | 501.35 |

| Note-18: Other Current Assets | As at 31st March 2024 | As at 31st March 2023 |
|--------------------------------------|------------------------------|------------------------------|
| Balance with Government Authorities | 262.16 | 117.13 |
| TDS on GST receivable | 8.76 | 6.81 |
| Prepaid Expenses | 23.54 | - |
| Total | 294.46 | 123.93 |

Note-11 Property Plant & Equipments and Intangible Assets

| Sr No. | Particulars | | | | | | | | | Net Block | |
|--------|-------------------------------|---------------------|---------------|------------------------------|--------------------|-------------------|---------------|----------------------------|-------------------|---------------------|---------------------|
| | | As At 01-04-2023 | Addition | Deduction during the year | As At 31-3-2024 | Upto 1-04-2023 | For the Year | Sold during the year | Upto 31-3-2024 | As At 31-03-2024 | As At 31-03-2023 |
| | <u>Tangible Assets</u> | | | | | | | | | | |
| 1 | Land | 101.11 | - | - | 101.11 | - | - | - | - | 101.11 | 101.11 |
| 2 | Building | 536.64 | 312.70 | - | 849.34 | 67.41 | 11.14 | - | 78.55 | 770.79 | 469.22 |
| 3 | Plant And Machinery | 936.00 | 4.77 | - | 940.77 | 340.44 | 50.62 | - | 391.06 | 549.71 | 595.56 |
| 4 | Furniture And Fixture | 64.71 | 58.45 | - | 123.16 | 30.07 | 5.94 | - | 36.01 | 87.15 | 34.65 |
| 5 | Vehicles | 154.67 | 69.18 | 30.22 | 193.63 | 58.19 | 21.43 | 16.73 | 62.89 | 130.74 | 96.48 |
| 6 | Office Equipments | 48.76 | 3.92 | - | 52.68 | 40.39 | 1.46 | - | 41.85 | 10.83 | 8.36 |
| 7 | Computers | 24.38 | 24.07 | - | 48.45 | 14.53 | 7.56 | - | 22.09 | 26.36 | 9.84 |
| 8 | Solar Power Plant | - | 94.00 | - | 94.00 | - | 4.49 | - | 4.49 | 89.51 | - |
| | TOTAL | 1,866.26 | 567.09 | 30.22 | 2,403.13 | 551.03 | 102.64 | 16.73 | 636.93 | 1,766.20 | 1,315.23 |
| | Total Assets | 1,866.26 | 567.09 | 30.22 | 2,403.13 | 551.03 | 102.64 | 16.73 | 636.93 | 1,766.20 | 1,315.23 |

• PROFIT AND LOSS NOTES

| HEMANT SURGICAL INDUSTRIES LIMITED ADD : 502,5TH FLOOR, ECSTASY BUSINESS PARK, J.S.D. ROAD, MULUND (W) MUMBAI, 400080 CIN : U33110MH1989PLC051133 Notes to the Financial Statements for the year ended 31.03.2024 (Rs. In Lakhs) | | |
|---|--|--|
| Particulars | For the period ended on 31st March 2024 | For the period ended on 31st March 2023 |
| <u>Note-19: Revenue from Operations</u> | | |
| Sales | 10,535.74 | 10,903.57 |
| Other Operating Revenue | 25.01 | 11.25 |
| Total | 10,560.75 | 10,914.82 |
| <u>Note-20: Other Incomes</u> | | |
| Discount Received | 6.28 | 2.33 |
| Foreign Exchange Gain | 135.62 | 147.39 |
| Subsidy | 39.45 | - |
| Interest Income | 112.09 | 50.35 |
| Interest Income From parties | - | 2.01 |
| Insurance Claim Received | 93.56 | - |
| Rent Income From Property | 35.01 | 28.69 |
| Profit on Sale of Fixed Assets | 1.42 | - |
| Other Income | 7.42 | 4.09 |
| Total | 430.85 | 234.85 |
| <u>Note-21: Cost of Raw Material Consumed</u> | | |
| Opening Stock | 281.09 | 235.44 |
| Add: Purchases- Raw Materials & Packing Materials | 8,375.51 | 8,242.89 |
| Less: Closing Stock | 640.35 | 281.09 |
| Cost of Raw Material Consumed | 8,016.24 | 8,197.24 |
| <u>Note-22: Change in Inventories</u> | | |
| <u>Inventories at the beginning of the year</u> | | |
| Finished Goods | 1,199.58 | 1,048.86 |
| Subtotal | 1,199.58 | 1,048.86 |
| <u>Inventories at the end of the year:</u> | | |
| Finished Goods | 1,464.68 | 1,199.58 |
| Subtotal | 1,464.68 | 1,199.58 |
| Net Changes | (265.11) | (150.72) |
| <u>Note-23: Employee Benefits Expenses</u> | | |
| Salary, Wages & Bonus | 526.70 | 511.03 |
| Contribution to PF & Other Funds | 12.25 | 12.72 |
| Gratuity | 11.63 | 4.25 |
| Leave Encashment | 0.17 | - |
| Director Remuneration | 186.60 | 114.95 |
| Staff welfare Expense | 22.21 | 23.48 |
| Total | 759.55 | 666.43 |

| | | |
|---|---------------|---------------|
| Note-24: Finance Cost | | |
| Interest | 94.50 | 161.05 |
| Processing Charges | 2.64 | 30.22 |
| Total | 97.15 | 191.26 |
| Note-25: Depreciation & Amortization | | |
| Depreciation | 102.63 | 84.97 |
| Total | 102.63 | 84.97 |
| Note-26: Other Expenses | | |
| [A].Manufacturing Exp | | |
| Power & Fuel | 71.97 | 67.01 |
| Factory Rent | 120.07 | 96.18 |
| Other Manufacture Expense | 7.97 | 11.91 |
| Total | 200.00 | 175.10 |
| [B].Administration Expenses | | |
| Advertisement | 2.34 | 0.88 |
| Audit Fees | 3.25 | 3.25 |
| Bad Debts | - | 2.78 |
| Business promotion | 55.11 | 98.02 |
| Commission | 2.98 | 16.30 |
| Courier Charges | 7.17 | 7.29 |
| Clearing & Forwarding Charges | 0.96 | - |
| Dialysis Charges | 4.06 | 0.39 |
| Discounts | 0.58 | 14.28 |
| Donations and contributions | 25.77 | 8.59 |
| Electricity Expenses | 2.84 | 1.82 |
| GST reversal | - | 10.70 |
| Insurance | 55.61 | 65.92 |
| Interest on late Payment of TDS | 0.04 | 0.96 |
| Interest on Income Tax | - | 6.64 |
| Legal & Professional | 45.98 | 168.61 |
| Licence Renewal fees | - | 7.08 |
| Other Admin Exp | 4.76 | 7.55 |
| MMRDA Charges | 0.74 | 29.94 |
| Printing and stationary | 8.11 | 7.25 |
| Property Tax | 1.39 | 1.40 |
| Rent | 4.46 | - |
| ROC Charges | 6.19 | 0.23 |
| Security Charges | 0.79 | 0.60 |
| Stamp Duty | 8.07 | - |
| Telephone & Internet Charges | 4.56 | 4.79 |
| Tender Charges | 3.98 | 6.02 |
| Travelling and Conveyance | 123.32 | 37.72 |
| Vehicle Running Expenses | 38.98 | 47.31 |
| Total | 412.02 | 556.29 |
| [C].Selling and Marketing Exp. | | |
| Freight and forwarding | 52.46 | 62.09 |
| Marketing Expense | 264.88 | 250.02 |
| Total | 317.34 | 312.11 |

| | | |
|---|-----------------|-----------------|
| [D].Repair and Maintenance | | |
| Repairs and maintenance - buildings | 22.66 | 50.13 |
| Repairs and maintenance - Machinery | 29.99 | 29.85 |
| Repairs and maintenance - Others | 20.98 | 28.98 |
| Loss on sale of fixed assets | - | 2.30 |
| Total | 73.64 | 111.26 |
| Total of Other Expenses | 1,003.01 | 1,154.76 |
| Note-27: Earning Per Share | | |
| Net Profit after tax (in Lakhs) as per statement of Profit and Loss attributable to Equity Shareholders | 979.99 | 763.73 |
| Weighted Average number of equity shares used as denominator for calculating EPS* | 9949836.07 | 7444322.20 |
| Basic & Diluted Earning per share | 9.85 | 10.26 |

Note-28: Contingent Liabilities

(Rs in Lacs)

| Particulars | Amount |
|---|--------|
| In Respect of legal matter against Custom authorities | 356.03 |
| In Respect of TDS & Income Tax Matters | 54.58 |
| In respect of Bank Guarantee given for tender and other purpose | 156.80 |
| In respect of Goods and Services Tax | 307.44 |

Note-29: Corporate Social Responsibility

| Particulars | Period ended 31st March | Period ended 31st March |
|--|-------------------------|-------------------------|
| | 2024 | 2023 |
| a. Amount Required to be Spent by the company during | 9.98 | - |
| b. Amount of Expenditure Incurred | 13.81 | - |
| c. (Shortfall)/ Excess at the end of the year | 3.83 | - |
| d. Opening Excess Balance | - | - |
| e. Excess amount Carried Forward to the next year | 3.83 | - |
| f. Total of Previous years shortfall | - | - |

Note-30: Related Party Disclosure**(a) Details of Related Party with Whom Transaction have been taken Place During the Year****(i) Key Managerial Person and their Close Family Members**

| Name of Related Party | Nature of Relationship |
|---------------------------------|-----------------------------|
| Key Managerial Personnel | |
| Hanskumar Shamji Shah | Managing Director |
| Hemant Praful Shah | Whole Time Director |
| Sourabh Ajmera | Non Executive Director |
| Kaushik Hanskumar Shah | Whole time Director and CFO |
| Nehal Vishal Thakkar | Non Executive Director |
| Pooja Kirti Kothari | Non Executive Director |
| Meenal Patodia | Company Secretary |
| Relatives of KMP | |
| Neha Hanskumar Shah | Relative |
| Neha Hemant Shah | Relative |
| Mansi Shah | Relative |
| Leena Shah | Relative |

(ii) Entity Controlled or jointly controlled by a person identified in (i) above

Ikigai Services Private Limited
Lifesenz Cancer Research Lab Private Limited
Diaso Diagnostic LLP
Hansik Healthcare
Ikigai Medequipment Private Limited
Magnet Medical Private Limited

(b) Transaction with Related Parties

| Particular | Nature of Transaction | 2023-24 | 2022-23 |
|------------------------|-------------------------------------|---------|---------|
| Hanskumar Shah | Remuneration | 60.00 | 30.00 |
| | Loans and Advances Received (Asset) | 11.00 | 285.43 |
| | Loans and Advances Repaid (Asset) | 11.00 | 158.87 |
| | Closing Balance | - | - |
| | Receivable/(Payable) | - | - |
| Kaushik Hanskumar Shah | Remuneration | 60.00 | 42.00 |
| | Loans and Advances Received (Asset) | 14.00 | 28.11 |
| | Loans and Advances Repaid (Asset) | 14.00 | 12.44 |
| | Closing Balance | - | - |
| | Receivable/(Payable) | - | - |
| Hemant Praful Shah | Remuneration | 60.00 | 42.00 |
| | Rent Paid | 1.80 | 1.80 |
| | Advances Against Factory | 70.00 | - |
| | Loans and Advances Received (Asset) | 80.00 | 32.86 |
| | Loans and Advances Repaid (Asset) | 80.00 | 19.22 |
| | Closing Balance | 70.00 | - |
| | Receivable/(Payable) | | |

| | | | |
|--|---|--------|--------|
| Neha Hanskumar Shah | Salary | 30.00 | 30.00 |
| | Loans and Advances Received (Liability) | 35.00 | 45.26 |
| | Loans and Advances Repaid (Liability) | 35.00 | 107.68 |
| | Closing Balance Receivable/(Payable) | - | - |
| Neha Hemant Shah | Salary | 12.00 | 11.25 |
| | Loans and Advances Received (Asset) | 19.54 | 55.33 |
| | Loans and Advances Repaid (Asset) | 36.14 | 57.92 |
| | Closing Balance Receivable/(Payable) | - | 16.60 |
| Leena Shah | Salary | 6.00 | 4.50 |
| | Rent Paid | 1.80 | 1.80 |
| | Advance Against Land | 50.00 | |
| | Loans and Advances Received (Asset) | - | 9.15 |
| | Loans and Advances Repaid (Asset) | - | 4.00 |
| | Closing Balance Receivable/(Payable) | 50.00 | - |
| Mansi Shah | Salary | 12.00 | 11.25 |
| | Loans and Advances Received (Asset) | 37.34 | 21.96 |
| | Loans and Advances Repaid (Asset) | 37.34 | 29.56 |
| | Closing Balance Receivable/(Payable) | - | - |
| Nehal Vishal Thakkar | Remuneration | 6.60 | 0.95 |
| Meenal Patodia/ Ajmera | Salary | 2.95 | - |
| Ikigai Services Private Limited | Loans and Advances Received (Asset) | 2.23 | 8.29 |
| | Loans and Advances Repaid (Asset) | 11.04 | - |
| | Closing Balance Receivable/(Payable) | 2.23 | 11.04 |
| Lifesenz Cancer Research Lab Private Limited | Rent Received | 2.40 | 2.40 |
| | Service Purchased | - | 56.64 |
| | Loans and Advances Received (Asset) | 93.87 | 333.35 |
| | Loans and Advances Repaid (Asset) | 8.73 | 4.10 |
| | Closing Balance Receivable/(Payable) | 416.51 | 331.37 |
| Diaso Diagnostic LLP | Purchases | - | 4.88 |
| | Loans and Advances Received (Asset) | - | - |
| | Loans and Advances Repaid (Asset) | - | 23.00 |
| | Closing Balance Receivable/(Payable) | 4.38 | 4.38 |

| | | | |
|--------------------------------|---|-------|------|
| Hansik Healthcare | Sales | 62.25 | - |
| | Loans and Advances Received (Asset) | - | 1.55 |
| | Loans and Advances Repaid (Asset) | 1.55 | - |
| | Closing Balance Receivable/(Payable) | 62.25 | 1.55 |
| Magnet Medical Private Limited | Loans and Advances Received (Asset) | 2.50 | - |
| | Closing Balance Receivable/(Payable) | 2.50 | - |

Note-31 EMPLOYEE BENEFITS

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits during the restated financials period. The disclosure as envisaged under the Accounting Standard is provided hereunder:

| <i>Details of Gratuity Expenses</i> | 2023-24 | 2022-23 |
|--|----------------|----------------|
| <u>Profit and loss account for the period</u> | | |
| Current service cost | 6.90 | 5.36 |
| Interest on obligation | 3.02 | 2.61 |
| Expected return on plan assets | - | - |
| Net actuarial loss/(gain) | 1.70 | -3.72 |
| Recognised Past Service Cost-Vested | - | - |
| Loss (gain) on curtailments | - | - |
| Total included in 'Employee Benefit Expense' | 11.63 | 4.25 |
| prior year charge | - | - |
| Total Charge to P&L | 11.63 | 4.25 |
| <u>Reconciliation of defined benefit obligation</u> | | |
| Opening Defined Benefit Obligation | 40.31 | 36.06 |
| Transfer in/(out) obligation | | |
| Current service cost | 6.90 | 5.36 |
| Interest cost | 3.02 | 2.61 |
| Actuarial loss (gain) | 1.70 | -3.72 |
| Past service cost | - | - |
| Benefits paid | -2.27 | - |
| prior year charge | - | - |
| Closing Defined Benefit Obligation | 49.68 | 40.31 |
| <u>Table of experience adjustments</u> | | |
| Defined Benefit Obligation | 49.68 | 40.31 |
| Plan Assets | 0.00 | 0.00 |
| Net liability/(assets) recognise in balance sheet | 49.68 | 40.31 |

| <i>Details of Gratuity Expenses</i> | 2023-24 | 2022-23 |
|---|----------------|----------------|
| <i>Reconciliation of net defined benefit liability</i> | | |
| Net opening provision in books of accounts | 40.31 | 36.06 |
| Transfer in/ (out) obligation | 11.63 | 4.25 |
| Transfer (in)/ out plan assets | 0.00 | - |
| Employee Benefit Expense | 0.00 | - |
| Benefits paid by the Company | -2.27 | - |
| Contributions to plan assets | 0.00 | - |
| Closing provision in books of accounts | 49.68 | 40.31 |
| <i>Bifurcation of liability</i> | | |
| Current Liability | 11.47 | 8.69 |
| Non-Current Liability | 38.20 | 31.62 |
| Net Liability | 49.68 | 40.31 |
| <i>Principle actuarial assumptions</i> | | |
| Discount Rate | 7.25% | 7.50% |
| Expected Return on Plan Assets | 0.00 | - |
| Salary Escalation Rate | 5% | 5% |
| Withdrawal Rates | 5.00% p.a | 5.00% p.a |

| <i>Note-32 Ratio and Its Elements</i> | 2023-24 | 2022-23 |
|---------------------------------------|---|----------------|
| Note: | | |
| <u>(1) Ratio Analysis</u> | | |
| A. Current Ratio | | |
| Current Assets | 6,930 | 4,671 |
| Current Liabilities | 3,779 | 3,655 |
| Current ratio | 1.83 | 1.28 |
| Increase / (Decrease) in ratio | 43% | |
| Reason for Increase/(Decrease) | The Increase in the ratio is due to increase in current assets. | |
| B. Debt Equity Ratio | | |
| Long term borrowings | 354.22 | 305.90 |
| Short term borrowings | 321.08 | 404.77 |
| Total Debt | 675.30 | 710.67 |
| Share Capital | 1,044.00 | 768.00 |
| Reserves & Surplus | 4,441.83 | 982.95 |
| Money received against Share Warrants | - | - |
| Shareholder's Equity | 5,485.83 | 1,750.95 |
| Debt Equity Ratio | 0.12 | 0.41 |
| Increase / (Decrease) in ratio | -70% | |
| Reason for Increase / (Decrease) | Company has Repaid Loans during the year hence Short term loans has been decreased and Issued Equity Shares During the Year | |

| | | |
|--|---|-----------|
| C. Debt Service Coverage Ratio | | |
| Profit after taxes | 979.99 | 763.73 |
| Add: Interest | 94.50 | 161.05 |
| Depreciation & Amortization | 102.63 | 84.97 |
| Earnings available for debt service | 1,177.13 | 1,009.75 |
| Interest | 94.50 | 161.05 |
| Short term borrowings | 321.08 | 404.77 |
| Debt Service | 415.58 | 565.82 |
| Debt Service Coverage Ratio | 2.83 | 1.78 |
| Increase / (Decrease) in ratio | 59% | |
| Reason for Increase / (Decrease) | The increase in the ratio is due to the company's profit increase and decrease in the borrowings. | |
| D. Return on equity | | |
| Net profit after taxes | 979.99 | 763.73 |
| Equity (As defined in Debt Equity Ratio) | 5,485.83 | 1,750.95 |
| Return on equity ratio | 17.86% | 43.62% |
| Increase / (Decrease) in ratio | -59% | |
| Reason for Increase / (Decrease) | The decrease in the ratio due to issue of equity shares during the year but profit has been increased | |
| E. Inventory Turnover Ratio | | |
| Cost of Goods Sold | 8,016.24 | 8,046.52 |
| Opening stock | 1,480.66 | 1,284.30 |
| Closing stock | 2,105.04 | 1,480.66 |
| Average Inventory | 1,792.85 | 1,382.48 |
| Inventory Turnover Ratio | 4.47 | 5.82 |
| Increase / (Decrease) in ratio | -23% | |
| F. Trade Receivables turnover Ratio | | |
| Revenue from Operations | 10,560.75 | 10,914.82 |
| Average Trade Receivables | 1,946.73 | 1,642.67 |
| Trade Receivable Turnover ratio (in Times) | 5.42 | 6.64 |
| Increase / (Decrease) in ratio | -18.36% | |
| G. Trade Payables Turnover Ratio | | |
| Total Purchase | 8,375.51 | 8,242.89 |
| Average Trade Payables | 2,439.69 | 2,265.73 |
| Trade Payables Turnover Ratio (in days) | 3.43 | 3.64 |
| Increase / (Decrease) in ratio | -5.64% | |

| | | |
|--------------------------------------|---|-----------|
| H. Net Capital turnover ratio | | |
| Revenue from Operations | 10,560.75 | 10,914.82 |
| Current assets - Current Liabilities | 3,150.43 | 1,016.54 |
| Net Capital turnover ratio | 3.35 | 10.74 |
| Increase / (Decrease) in ratio | -68.78% | |
| Reason for Increase / (Decrease) | The Current Assets of Company has increased hence change in the ratio. | |
| I. Net Profit Ratio | | |
| Net Profit | 979.99 | 763.73 |
| Revenue from Operations | 10,560.75 | 10,914.82 |
| Net Profit Ratio | 9.28% | 7.00% |
| Increase / (Decrease) in ratio | 32.62% | |
| Reason for Increase / (Decrease) | The profit increases due to increase in the interest income | |
| J. Return on capital employed | | |
| Profit before taxes | 1,278.13 | 1,005.72 |
| Add: Interest | 94.50 | 161.05 |
| Profit before interest and taxes | 1,372.63 | 1,166.77 |
| Share Holders Funds | 5,485.83 | 2,335.67 |
| Add: Borrowings | 675.30 | 711.92 |
| Total Capital Employed | 6,161.12 | 3,047.59 |
| Return on capital employed | 22.28% | 38.29% |
| Increase / (Decrease) in ratio | -41.81% | |
| Reason for Increase / (Decrease) | The capital employed by the company has increased due to the issuance of equity shares, hence | |
| K. Return on Investment | | |
| Net Profit on Investments | - | - |
| Cost of Investments | 0.65 | 0.65 |
| Return on Investment | 0.00% | 0.00% |
| Increase / (Decrease) in ratio | 0.00% | |

Note-33 Additional Regulatory Information

Details of Benami Property held

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

| Details of Loans and advances | | | |
|---|----------------------------------|------------------------------|---|
| The company has granted loans and advances to promoters, directors, key managerial personnel (KMPs) and the related parties which are repayable on demand or without specifying any terms or period of repayment. Details of which are as follows: | | | |
| Name of the Party | Nature of the Transaction | Amount (Rs. In Lakhs) | Closing Balance as on 31.03.24 (Rs in Lakhs) |
| Mansi Shah | Loan & Advances Given | 37.34 | - |
| Hanskumar Shah | Loan & Advances Given | 11.00 | - |
| Ikigai Services Private Limited | Loan & Advances Given | 2.23 | 2.23 |
| Lifesez Cancer Research Lab Pvt Ltd | Loan & Advances Given | 93.87 | 416.51 |
| Magnet Medical Private Limited | Loan & Advances Given | 2.50 | 2.50 |
| Kaushik Hanskumar Shah | Loan & Advances Given | 14.00 | - |
| Hemant Shah | Loan & Advances Given | 80.00 | - |
| Diaso Diagnostic LLP | Loan & Advances Given | - | 4.38 |
| TOTAL | | 240.95 | 425.62 |
| Wilful Defaulter | | | |
| The company has not been declared as a wilful Defaulter by any Financial Institution or bank as at the date of Balance Sheet. | | | |
| Relationship with Struck off Companies | | | |
| The Company do not have any transactions with companies struck off. | | | |
| Registration of charges or satisfaction with Registrar of Companies (ROC) | | | |
| The company has no pending charges or satisfaction which are yet to be registered with the ROC beyond the Statutory period. | | | |
| Compliance with number of layers of companies | | | |
| The company has complied with the provision of the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017. | | | |
| Compliance with approved Scheme(s) of Arrangements | | | |
| There are no Schemes of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013. | | | |
| Discrepancy in utilization of borrowings | | | |
| The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. There are no discrepancy in utilisation of borrowings. | | | |
| Utilisation of Borrowed funds and share premium: | | | |
| (A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries). | | | |
| (B) the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party). | | | |
| The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall: | | | |
| a) 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 | | | |
| b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries; | | | |
| The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: | | | |
| a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or; | | | |
| b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. | | | |
| Undisclosed income | | | |
| The Company has no transaction that is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). | | | |
| Details of Crypto Currency or Virtual Currency | | | |
| The company has not traded or invested in Crypto currency or Virtual Currency. | | | |

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