

Dated : August 16, 2022

BSE LIMITED
Corporate Relations Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400001
Scrip code: 543264

NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Listing Department
Exchange Plaza, 5th Floor, Plot no. C/1
G Block, Bandra Kurla Complex, Bandra (E)
Mumbai-400051
Scrip Code: NURECA

Sub: Notice of 6th Annual General Meeting and Annual Report 2022

Dear Sir,

We are pleased to enclose herewith a copy of Annual Report of NURECA LIMITED for the financial year ended 31st March, 2022 including Notice of 6th Annual General Meeting (AGM).

As informed earlier, vide our communication dated August 4, 2022, 6th AGM of the Company is scheduled on **Saturday, September 10, 2022 at 10:30 AM** through Video Conferencing / Other Audio Visual Means.

This is for your kind information and record please.

Thanking you,

For Nureca Limited

Chetna Anand

(Chetna Anand)

Company Secretary & Compliance Officer



NURECA LIMITED

Correspondence Office : SCO 6-7-8, 1st Floor, Madhya Marg, Sector 9-D, Chandigarh 160009
Registered Office : 101 Office Number, Udyog Bhavan, 1st Floor, Sonawala Lane, Goregaon East,
Mumbai City Maharashtra - 400063

Phone No. +91-172-5292900 CIN L24304MH2016PLC320868

**Innovate.
Enhance.
Transform.**

Enriching healthcare,
transforming lives



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Over two years of the pandemic has given us lessons in revisiting our approach towards health and wellness. Conversations around preventive healthcare have swelled and people are now more aware of the need to regularly monitor their well-being. This has introduced the need to make preventive healthcare accessible, affordable, and sustainable. It was an opportune time to harness an ecosystem that is relevant and addressed the health concerns of the people with evolved solutions.

INNOVATE. ENHANCE. TRANSFORM

Enriching healthcare, transforming lives

Today, technology and digital transformation has become a gamechanger across industries that have been disrupting traditional systems to relay the importance of quick turnaround time, seamless integration of data, accessibility and ease for consumers. That said, healthcare has relied on a traditional, segregated system for a very long time. Even though we have seen certain segments of the healthcare ecosystem adopt digital infrastructure, the ecosystem still remains scattered and majorly focused on traditional means. With multiple players in the segment, the healthcare offerings have been expensive and cumbersome for patients as they need to keep tab on multiple stakeholders for services.

This is gradually undergoing change as technology is beginning to play a ground-breaking role in redefining healthcare to build frugal and equitable solutions. The Government's initiatives such as the National Digital Health Mission has further propelled digitisation in healthcare, thereby allowing actionable insights for creating best-in-class patient care.

Rising incomes and growing digitisation accelerated by the pandemic have fuelled awareness around chronic

health issues and lifestyle diseases. This has shifted gears in the industry and conversations are now steering towards reimagining the healthcare sector, making it more personalised and empowering people to make informed choices for their wellness.

As the world goes 'phy-gital', Nureca is striving to change mindsets and build AI driven ecosystems to make healthcare more dynamic and futuristic while keeping it economical and widely available. We are on a mission to make health and wellness proactive, predictive, and personalised through AI-driven healthcare products and services that gives consumers complete control and access of monitoring their health. With our value system of being able to 'think' with our senses, 'feel' with our minds and 'create' with purpose, Nureca is armed with the power to 'innovate' to build meaningful healthcare products that amass health and wellness information that 'enhance' lifestyles and 'transform' healthcare landscape from a curative to a preventive mindset.

The Company is addressing gaps in home healthcare for preventive and chronic ailments.



Enabling innovation to Transform Home Healthcare

We are constantly at work to ensure we innovate products and services that allow customers to seamlessly monitor chronic and acute ailments in real time from the convenience of their home.

With over 100 design patents, we are harnessing the power of technology to build the future of home healthcare to become a leading, trusted partner through our hero portfolio brands – Dr Trust®, Dr Physio®, and Trumom®.

Our growing range of connected devices is well-entrenched in IoT and easy to sync with smart devices, while our health app provides secure consolidation of data.

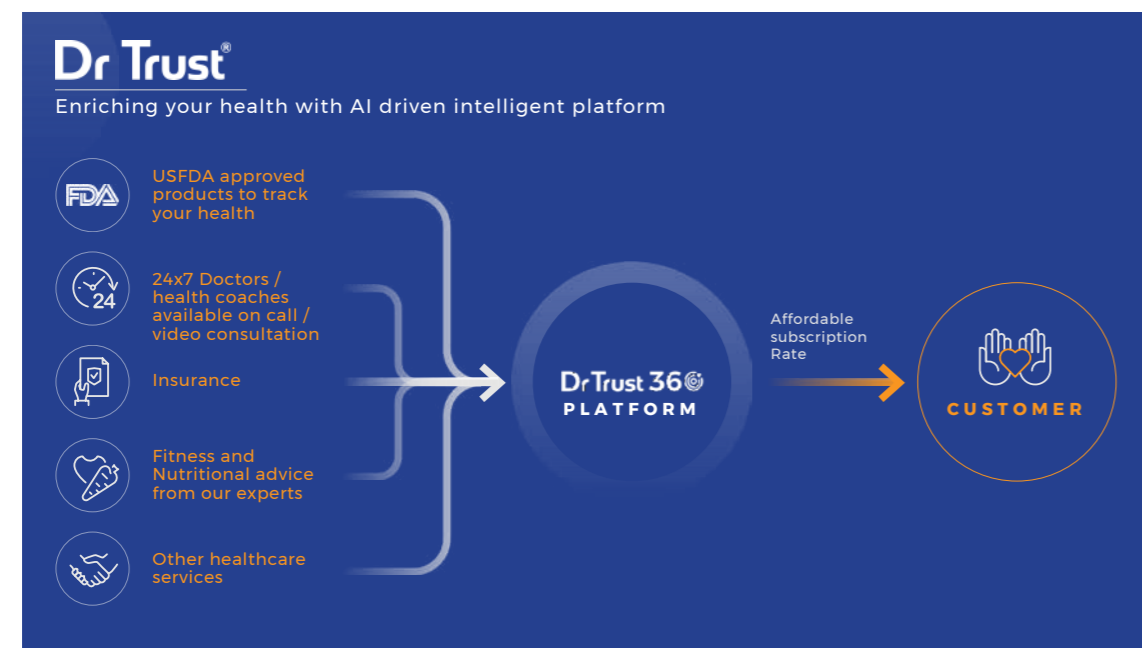
We are enabling a safe digital ecosystem for our users that will converge to manage our customers' needs at the click of a button. Our ecosystem will encompass real time

monitoring, doctors on standby, along with nudges from Dr Trust® that remind customers about the importance of diet, supplements, and fitness. It also includes timely reminders for taking medications, and a huge library of content educating our customers on diseases as well as providing general awareness about health and fitness.

The entire digital integration is backed by exclusive Dr Trust®, Dr Physio®, and Trumom® products as well as our next-generation AI platform.

Our platform will have more partners over the period which will make it a one-stop, full-fledged, virtual healthcare platform. As more users join our platform, we will be able to use our data science capabilities to analyze clinical data and apply iterative insights to make the experience for our users more personalized.

Our data science capabilities aim to empower more people living with chronic and lifestyle diseases to live better, healthier and happier lives!



Our Brands



It is one of the most prolific brands in healthcare and wellness solutions in India and throughout the world. All Dr Trust products adhere to global standards like FDA & CE. Recommended by doctors and medical professionals, these products are clinically accurate and user-friendly. Driven by an innovative spirit, Dr Trust provides customers with breakthrough technology that makes healthcare management easier than ever before. Furthermore, to take advantage of today's connected world, a digital ecosystem was created, which helped to make a shift from standalone products to solutions combining smart devices, software and systems.

Dr Physio is a famous brand in ortho care and pain management solutions. These products are best suited for the people, who want relief from chronic pain and regain or enhance mobility, which enables our customers to lead an active life. Varied ingenious products provide the customers with non-invasive pain management, full-body relaxation and revitalise their overall well-being.

Trumom is a well-known brand for baby and baby care products. It is committed to the healthy development of the babies and celebrates the natural bond between a mother and her offspring. Trumom products are specially designed to take on the exciting challenges of parenting and are approved by CE and other global standards organisations. These products are completely BPA-free and made from safe plastic, which makes the experience safe, enjoyable and beneficial for both mother and the baby.

Introducing NURECA, Reimagining India's Home Healthcare

A company **innovating** AI-based remote health monitoring and patient care...

An enterprise that **enhances** health tracking accurately to empower and simplify your life...

An organisation that **transforms** home healthcare...

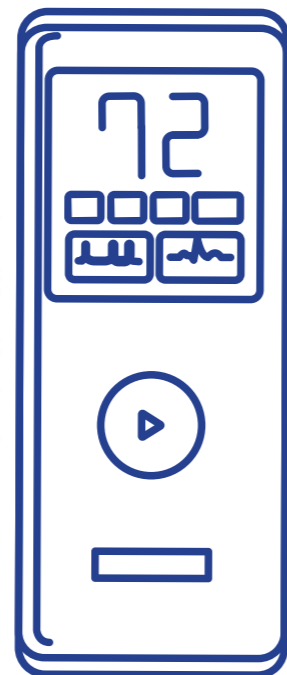
Meet **NURECA**, a brand synonymous to TRUST that is accelerating digital transformation in India's home healthcare segment.

Nureca is India's leading home healthcare and digital wellness solutions provider striving to reduce barriers to quality home health care. With the use of intelligent technology and digital solutions, the Company creates products that help chronic patients monitor their ailments and other diseases and improve their quality of life. Aligned to the 'Digital First' policy, the Company primarily markets its products through e-commerce players and distributors & retailers.

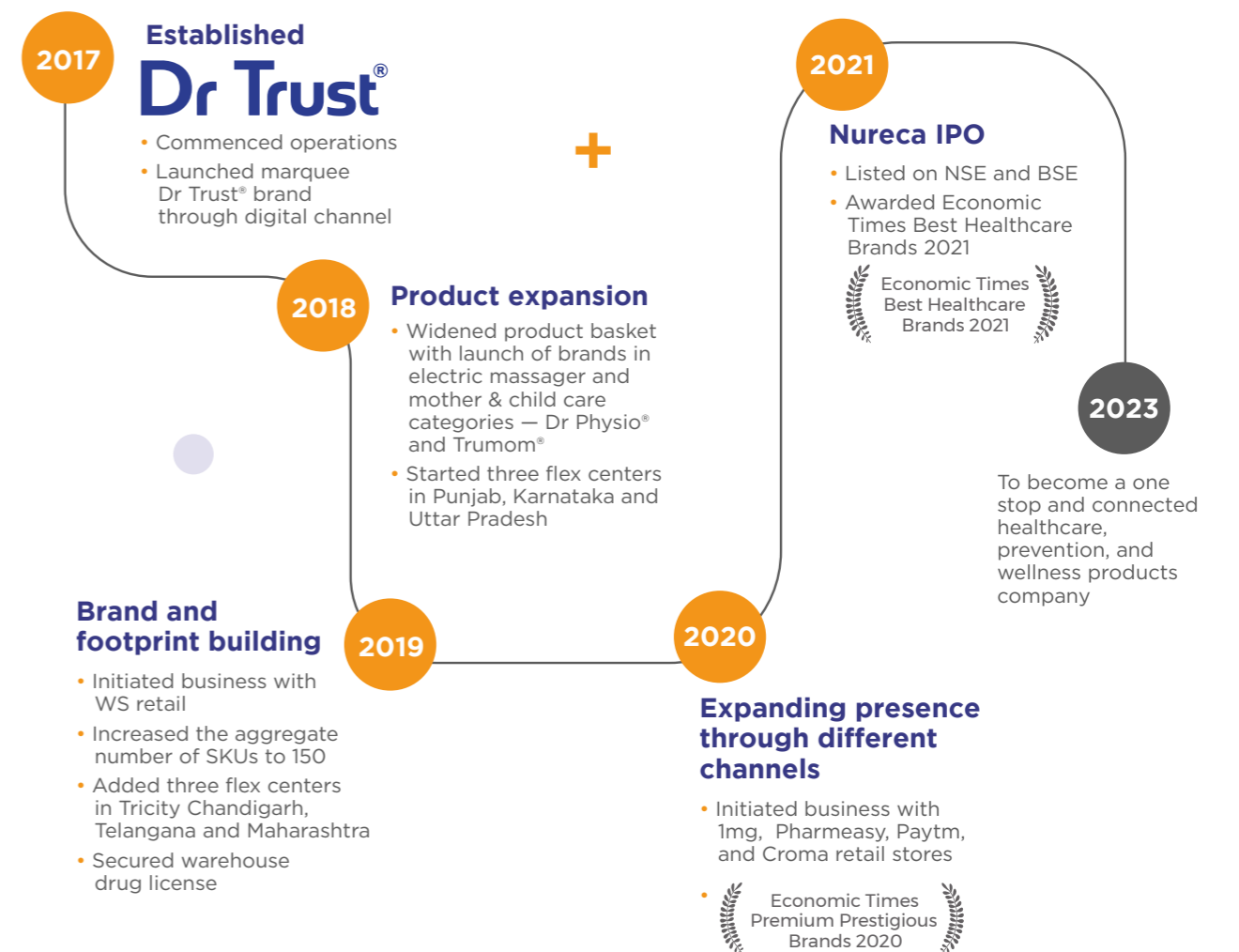
Established in 2016, Nureca has created a product basket of diversified SKUs, which are bucketed into five product categories, namely chronic devices, orthopaedic, mother & child, nutrition & supplement and lifestyle and marketed under three brands, Dr Trust, Dr Physio and Trumom.

Operating an asset-light business while enabling longitudinal care, the Company owns colossal Intellectual Property, which makes it unique in its business space.

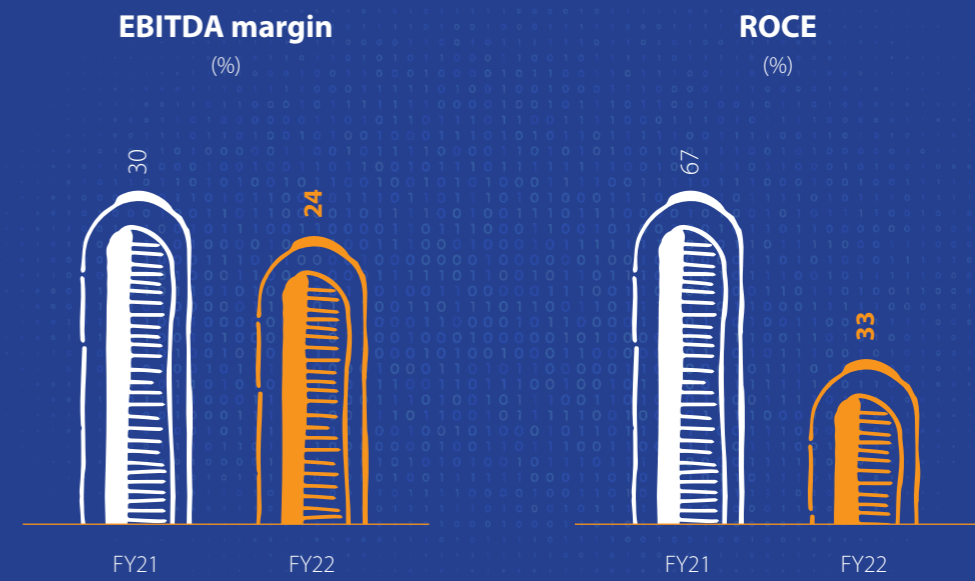
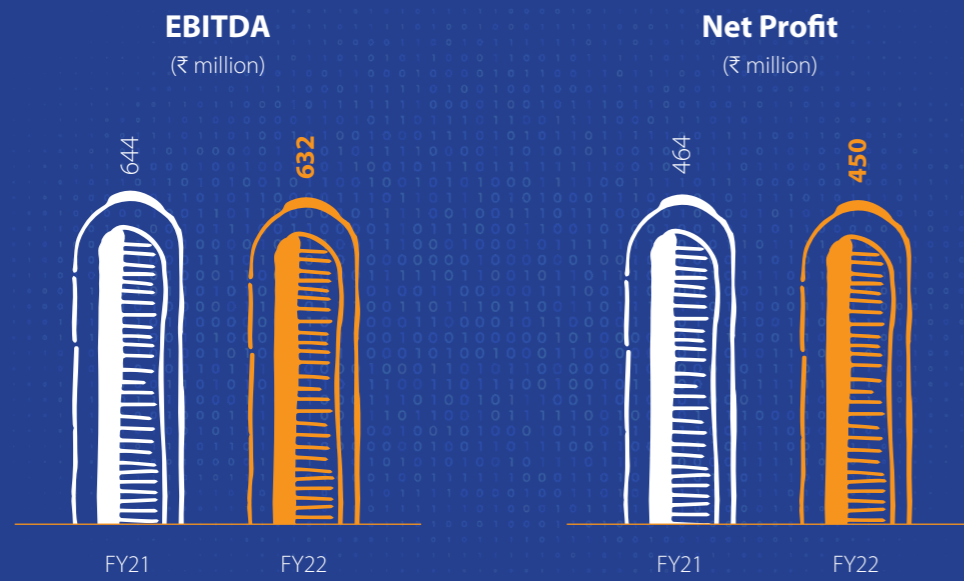
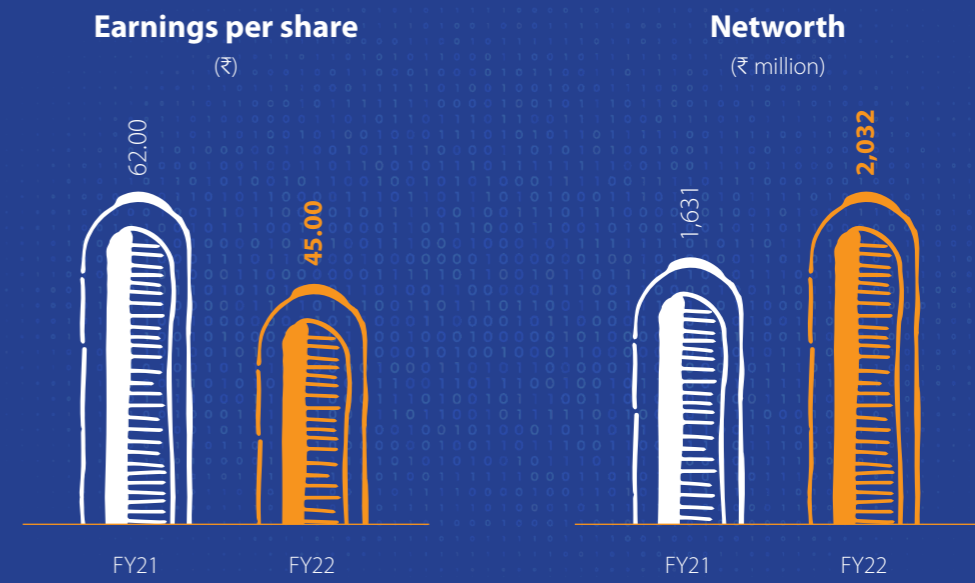
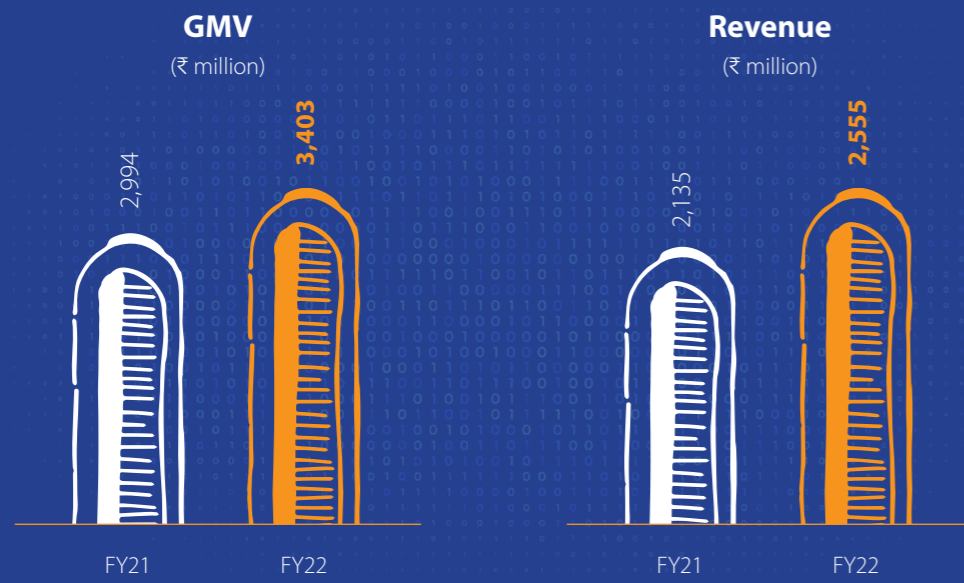
Headquartered in Mumbai, the business is spearheaded by Mr. Saurabh Goyal and Mr. Aryan Goyal and its day-to-day operations are managed by a team of young professionals working singularly to enhance the quality of life of ailing Indians. The Company's equity is listed on the BSE Limited and the National Stock Exchange of India Limited.



Our Journey



Our performance



Dr Trust 360 – Integrating traditional health monitoring to make it trustworthy, efficient, and affordable!

It isn't entirely wrong when they say Data is the new Oil. However, if this data isn't leveraged to gain actionable insights, it is futile. At Nureca, we have strived to create patient-centric, robust, home health monitoring systems that offer better quality of life and patient care at the tip of your fingers!

Introducing the most trusted solutions in home health monitoring – **Nureca's Dr Trust 360**, an AI-based application that connects devices to empower users with clinically accurate data about their health. The Dr Trust 360 App intends to improve clinical outcomes for patients by transforming their health.

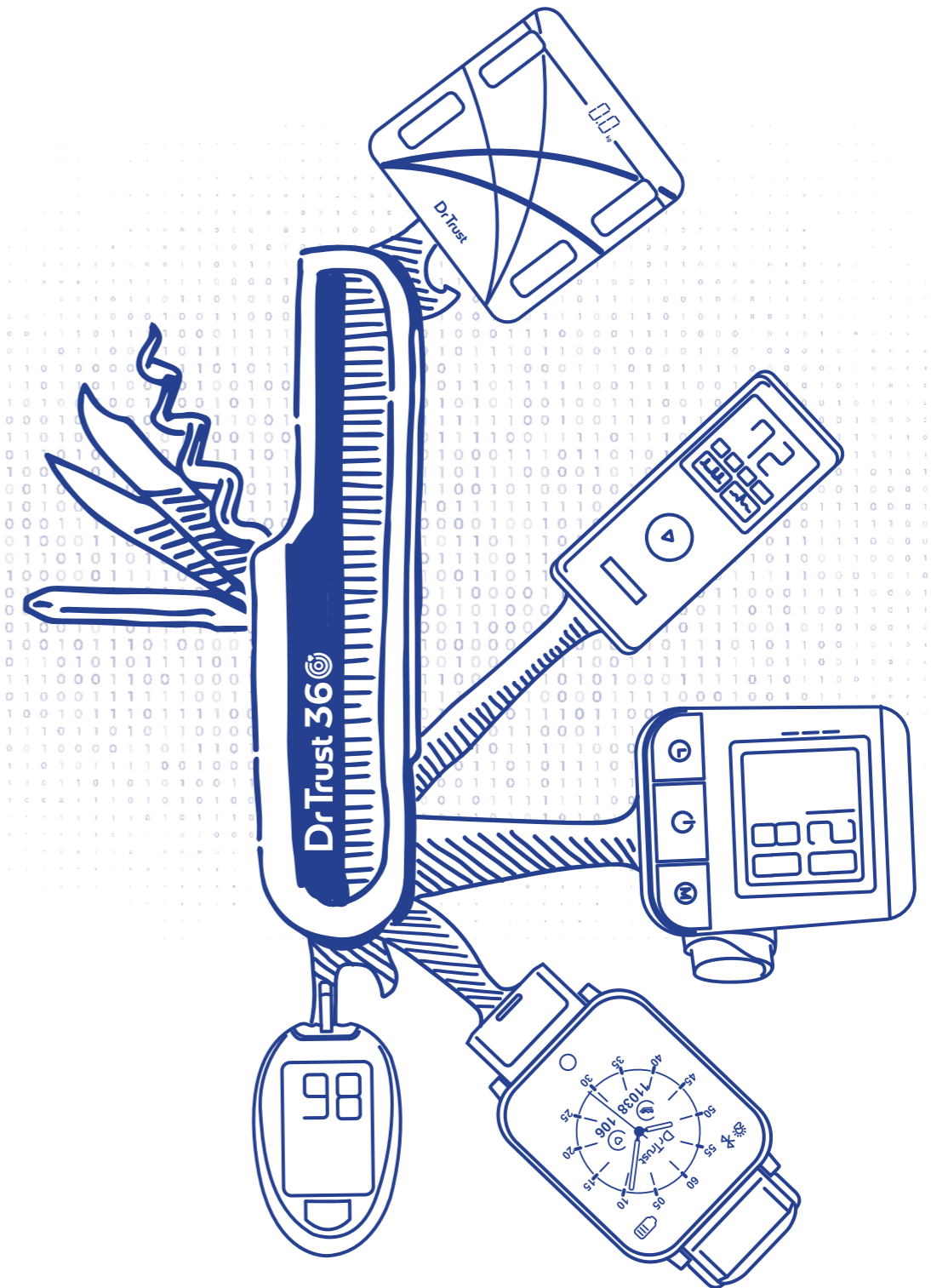
Why Dr Trust 360

Chronic ailments have seeped across ages, cultures and geographies. Our altered lifestyle has significantly led to an increase in lifestyle ailments and deteriorated health. This has also led to a sharp increase in individuals with chronic ailments.

Devices and Drugs (medicines) are an immediate 'go-to' to keep things under check, without necessarily giving patients the desired results. A lack of holistic approach to monitoring and subsequent health management is a primary reason for this failure.

Today, patients that suffer from chronic lifestyle conditions must rely on various devices to monitor readings for their blood sugar levels, blood pressure, heart conditions, weight management. Each of these devices throw in a huge pool of data which often goes unattended. This data, if processed intelligently, can enable patients and their family to seek the right, trustworthy clinical care and make informed lifestyle and health decisions.

With an ecosystem such as Dr Trust 360, Nureca is empowering users to make these healthier decisions with ease and affordability. We strived to build a holistic solution, which is easy to integrate with various devices, hassle-free to aggregate information, intelligent to analyse this information and trustworthy to create personalised solutions to health management.



Innovate – Enhance – Transform...the Dr Trust 360 way!

To optimise care delivery and engagement, our smart IoT product portfolio comprising body composition scales, BP monitors, glucometers, ECG monitors and smart watches converge on a single platform. With USFDA & CE approved instruments, our data is clinically accurate and validated.

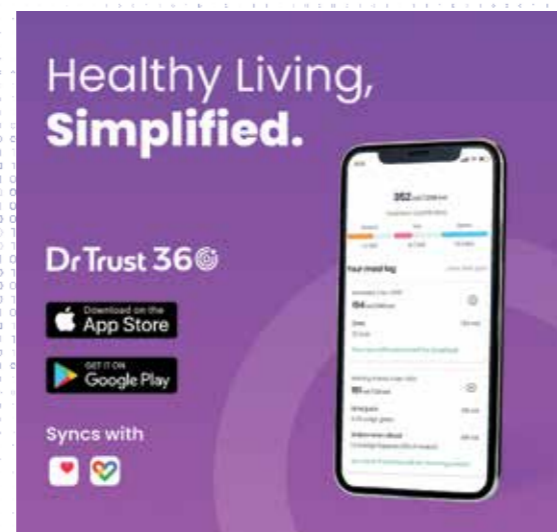
This data is automatically and seamlessly shared on readily and easily available platforms like WhatsApp with caregivers, doctors, family members sitting miles away to help monitor the daily health conditions, recommend a health journey, ensure it is followed and extend access to quality care, remotely. In case of deviated readings, doctors and caregivers are immediately alerted to address these changes.

The app's virtual solutions access data from various devices and disseminate a score that indicates your health journey goal. This score is an outcome of the app's risk assessment formula that is based on the American Diabetes Association and other similar globally accepted health databases. The app's Smart Sensei OCR-based technology allows the user to incorporate and integrate data reading from unconnected devices through a simple scan of the readings!

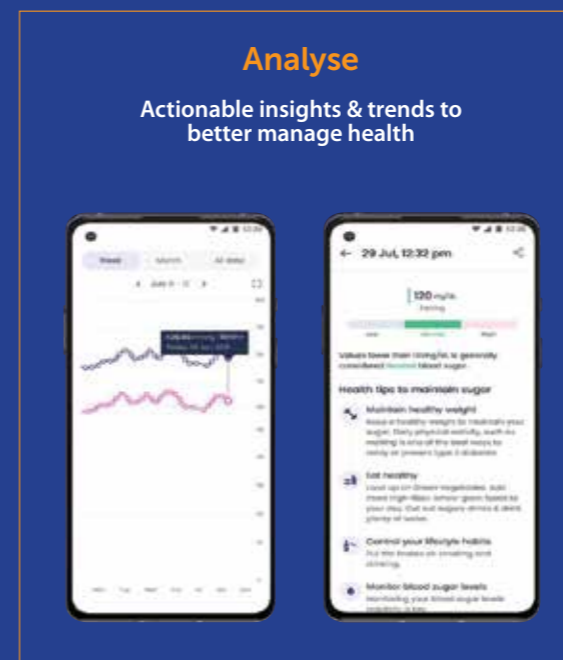
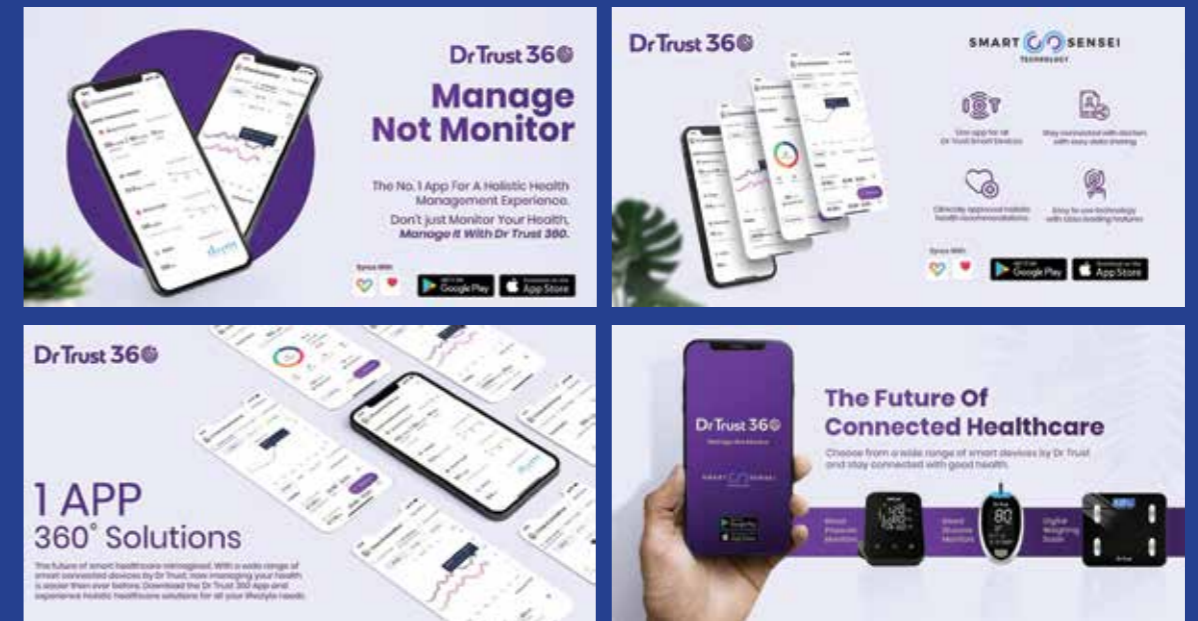
All the different data is transformed into personalised solutions that are imperative to maintaining good health. The app gives increased importance to nutrition – an imperative yet often ignored aspect that impacts an individual's health. Based on the readings analysed by the app, a nutritionist connects with the user to analyse their diet patterns and roll out the right nutrition chart

depending on the users' food preferences. The app uses technology, behavioural psychology and live nutritionist coaching to create a sustainable weight management journey for users. To make this more personalised, the application is equipped with a calorie tracker with a ready database of more than 100000 Indian and international food options, allowing users to populate calorie intake and micro-macro nutrients, thereby forming the foundation of weight and health management.

The power of innovation through technology, enhancing easy, quality solutions that transform patientcare are now harnessed by Dr Trust 360!



Our AI driven platform DrTrust 360



Enhancing Healthcare

Nureca goes Phy-gital!

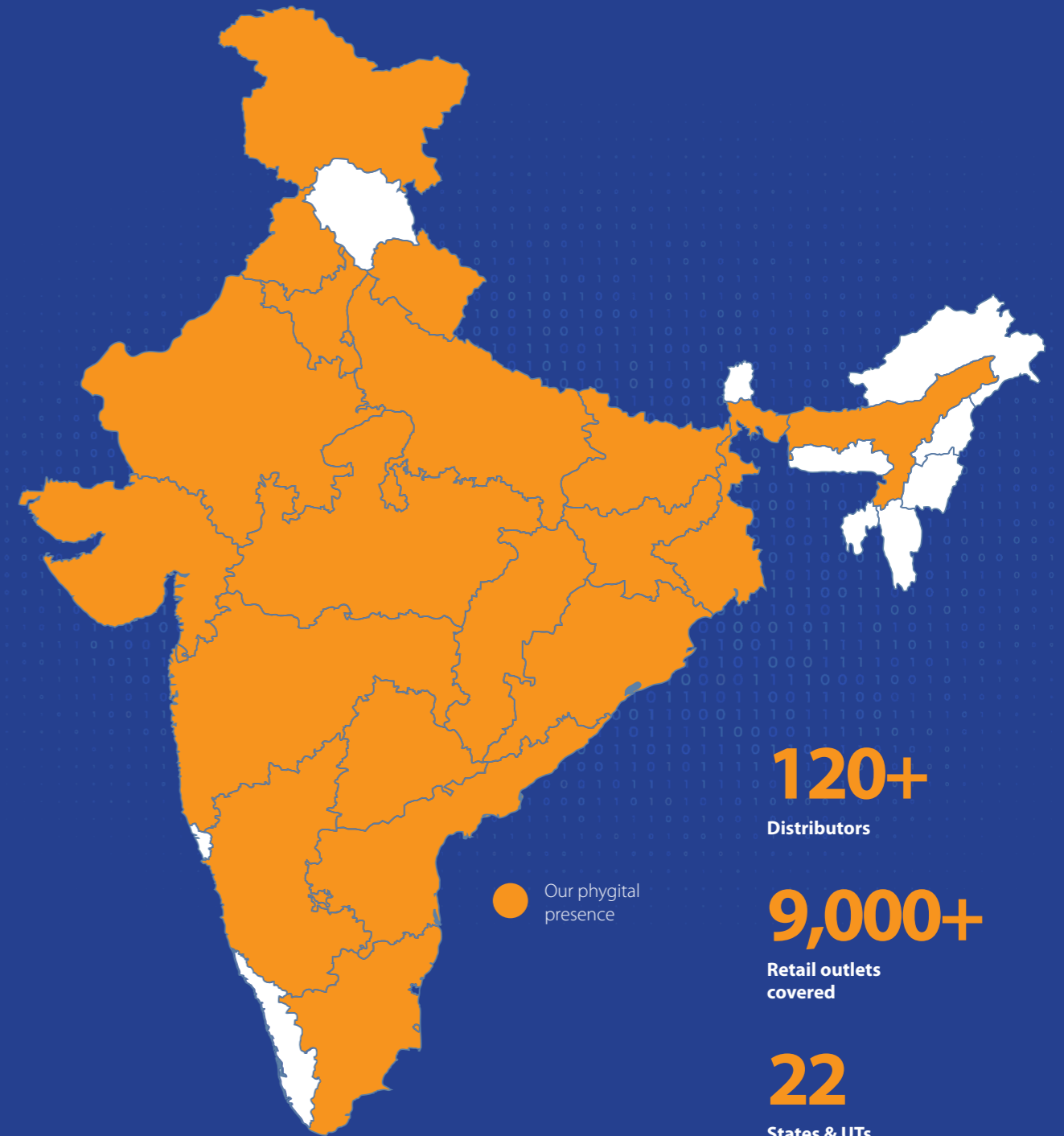
Nureca strategically leveraged online channels to extend its reach across the country and gain significant brand visibility. Within a short span, Nureca's range of healthcare management products and services have received a remarkable feedback and have helped change the lives of millions of Indians.

With the pandemic-led changes, our recognition has only amplified in the home medical devices segment and our products are synonymous to quality, dependability, transformation and affordability.

Being a consumer-first brand, it is our mission to address consumers' problems and pain points by leveraging technology and innovation. The tenets of innovate – enhance – transform have become our guiding light to optimise consumer experience and bring affordable, quality health management solutions at their fingertips.

This was an opportune time to hit the ground running and combine the two forces of Digital & Physical to fuel our omnipresent growth over the coming year. Our brand recall became a head start to establish our retail presence for us to extend and simplify access to our consumers.

Nureca has built an energetic offline team of 55 members during FY 22 to move a step closer to our consumers and connect with prospective customers. This is just a scratch on the surface. The Company is confident of growing our multi-fold presence across the country and globally in the near term.



120+
Distributors

9,000+
Retail outlets covered

22
States & UTs covered

Competitive Moat

Over the last 5 years, Nureca has generated a loyal customer base of over 10 million.

Currently, most of our products have 4+ Stars in 5-star ratings across e-commerce platforms.

Data Driven Integrated Platform:

With a strong focus on building a digital health infrastructure, our platform simplifies home health management through intelligent technology driven by data to make healthcare actionable, accessible, and affordable.

USFDA Approved Products:

Our monitoring devices are USFDA-approved with a strong focus on safety, reliability, sustainability, and compliance to national and global regulations.

Minimal customer acquisition cost:

Trusted product quality, an integrated AI-driven platform, a bouquet of home health management services and products, and customer engagement programs keeps our customers sticky and facilitates word-of-mouth publicity, keeping our customer acquisition cost low.

Affordable pricing:

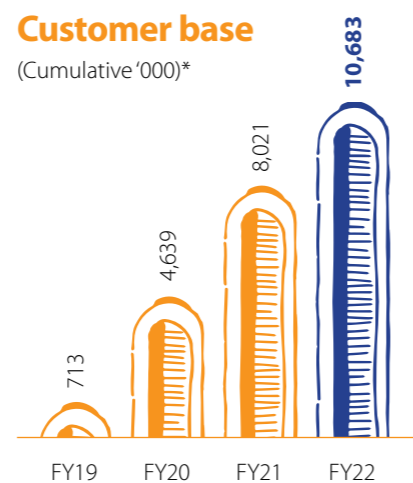
Innovation and frugality are key to ensuring efficient and affordable products that are easy to use and seamless to integrate.

Asset-light Model:

Keeping our business model asset-light, we partner with vendors who manufacture our products as per given specifications. This allows us to scale operations faster without incurring heavy capital expenditure on manufacturing facilities.

Customer base

(Cumulative '000)*



* Gross Market Volumes

Transforming Lives

Our Product Verticals

Innovate – Enhance – Transform with the Nureca Range of Home Health Management Products



Chronic Devices

Monitor. Prevent. Control

Our range of chronic devices support our consumers' long-term health goals. This comprises a range of home monitoring and medical wearables that consolidate readings to identify health patterns. This enables effective management of chronic diseases.



Orthopaedic

Rejuvenate. Rehabilitate. Restore

Nureca's Orthopaedic range offers specialised products to restore large muscle groups of the neck, shoulder, back and feet. These products target specific muscles with deep-action heat and pulse therapies.



Lifestyle

Health. Fitness. Balance

Our lifestyle products span weighing scales to yoga gear, enabling customers to stay active and on top of their fitness management.



Mother & Babycare

Safe. Caring. Joyful

From paediatric thermometers to carry cots, baby scales and breast pumps to bottle warmers, car seats, and steam sterilisers, the Nureca range of mom and baby products address the needs of parents and their babies at different stages of their life journey.



Nutrition

Nourish. Balance. Vitalise

Nureca's team of qualified experts put together recipes that deliver optimum nutritional benefits. Our bouquet of dietary nutritional supplements is available in capsules, tablets, granules, and liquids.



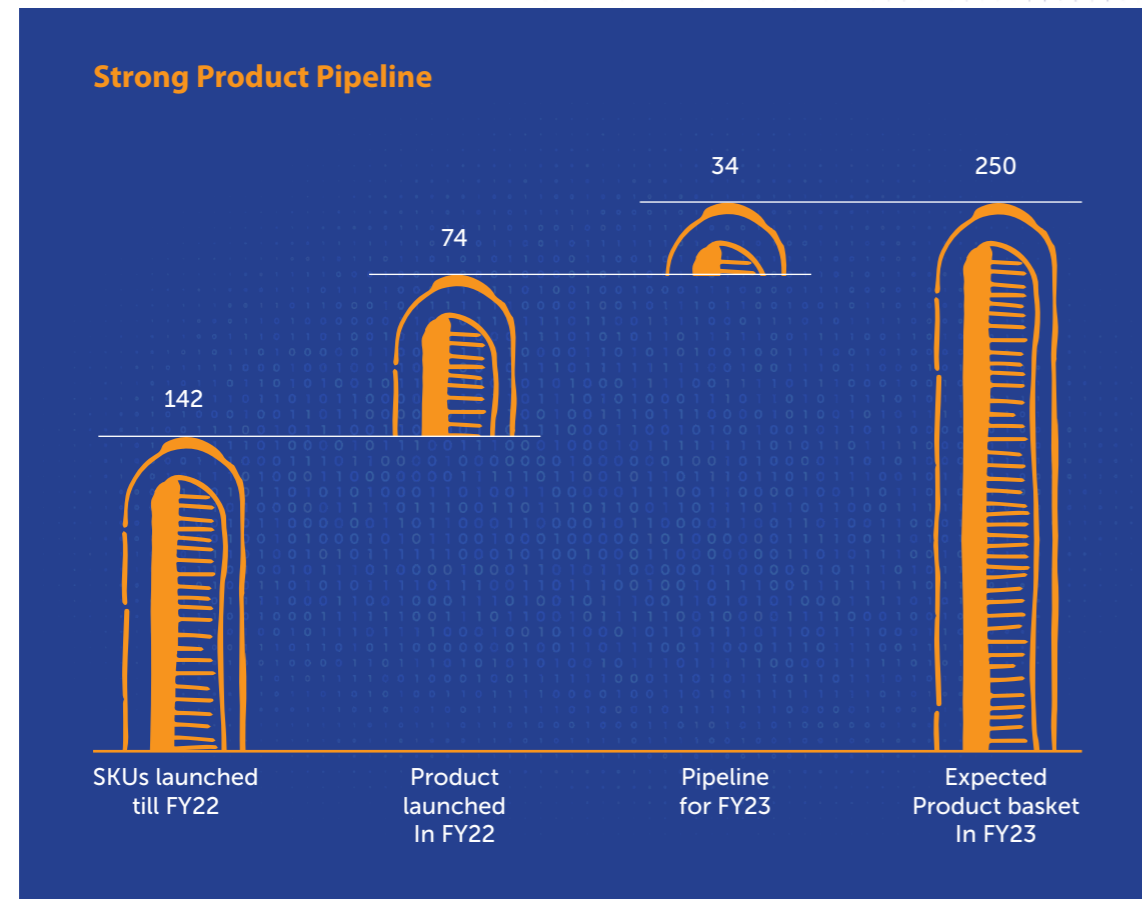
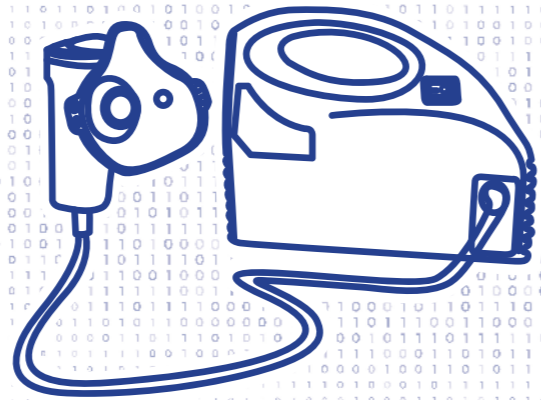
Connected Devices

Health. Anywhere. Anytime

Nureca offers smart technology-enabled, patient-centric connected healthcare solutions that collect, monitor, and share consumers' real-time health data for quick diagnosis and solutions.

Innovate for Growth

Easy integration to enhance use and thereby transform lives is at the heart of Nureca. This is probably why innovation is second nature for us. Since inception, we have worked towards developing differentiated products that alleviate human suffering. Innovating with high-end technology and superior inputs make these products score high on accuracy and reliability, while keeping them frugal, thereby offering unmatched value-proposition for users.



New Launches in FY 22

The year 2022 witnessed interesting additions to our brand portfolio.



Orthopaedic Supports and Braces

Under DrTrust, the Company introduced superior orthopaedic supports and braces to help people live fulfilling, active lives across ages. Our supports, orthoses, and medical compressions for knee, back, neck and ankle help maintain and regain health, enhance well-being and ensure greater quality of life. The products are manufactured with premium breathable fabric and materials which provide better support and comfort to the users.



Hot and Cold Therapy Packs

These reusable packs have been ergonomically designed side by side and make for an ultimate package for treating soft-tissue injuries and long-term chronic pains. Made from considerably higher quality materials, they are designed to stay colder for longer, or heat safely and effectively. We also have introduced packs with braces for various body parts, for targeted relief.



GlucoSMART

The Company launched GlucoSMART, a revolutionary glucose monitor which conveniently connects to the android smartphone without batteries. Connected with the DrTrust 360 app, users can better monitor and manage their diabetes with improved insight and care.



Professional Tens Massager

TENS unit provides prescription strength pain relief with customised treatment through five modes of stimulation and the ability to select the level of treatment intensity. This is targeted at home users as well as physiotherapy professionals.



"Trumom" –Organic Baby Care Range

To address the increasing and dynamic demands of quality-conscious parents who prefer safe and efficacious hygiene products for their babies, Trumom has expanded its range of baby products.

Enriched with Organic ingredients, our new range comprises Baby Wipes, Liquid Cleanser, Laundry Detergent, and Baby Soap.



Nutritional Products

Dr Trust offers a range of supplements including calcium, antioxidants, anti-toxins, migraine support, among a host of other products, which help fulfill basic nutrient gaps with macronutrients, micronutrients, phytonutrients, omegas, etc. All our supplements use the choicest ingredients and meet global standards of safety & efficacy.

Endorsements you can Trust!



Dr Ajay Kothari

Consultant Spine Surgeon, Sancheti Hospital, Pune

Dr Trust USA products from Nureca the cervical pillows, cervical collars, cervical support, knee braces, and lumbar belt all of which I use it for my patients.They find it handy,useful and economical too.



Dr Mandeep Singh

Speciality - Neurosurgery
M.CH Neurosurgeon

I am using an infrared thermometer, Goldline BP monitor since last 2 years. It is very accurate and precise, excellent quality and durable. Absolute correct device and gives fast results. Dr Trust Products come with advanced MDD technology that allows BP measurement during the deflation of the cuff. The technology makes BP monitoring highly accurate by producing low pressure on the arm. I recommend Dr Trust products to all my patients & practitioners. After-sale services are also good. I can say that Dr Trust is true to its name. As a customer, we can definitely trust Dr Trust.



Dr Vivek Kapur

Director - G H Rasoni Institute of Engineering & Technology

It is very accurate and precise; excellent quality and durable. Absolute correct device reading; value for money.



Dr Vianmra Sharma

MBBS
Patna, Bihar

I purchased this product from Amazon and I am quite happy with it as it connects from the mobile very easily and helps me maintain mine as well as my family's data on their app itself which is available on all platforms. Before buying the product, I was worried about whether I will get proper customer support. But, when I contacted them, they explained to me every doubt I had very nicely. So, I can say this for sure, that they are a brand with the name of Dr Trust and the products and services justify that name. As a customer, I have full faith on Dr Trust.



Dr Rohit Bansal

MBBS
Bathinda, Punjab

Overall 5 out of 5 stars at all levels. It's a great tool to have at home, especially during this pandemic. The case is good quality and protects the device when not in use. The lanyard connects to the device itself, not to the case, so it can be carried around the neck for ready access. Oxygenation is a key indicator for a primary Covid symptom. This is a great product that may help you recognise an infection before you develop other symptoms. With this and an infrared thermometer, I feel very confident in monitoring myself and my family for "red flags". The product is simple to use, easy to read and light to carry or store. Buy with confidence.



A vision for innovation, growth, value-creation...

Chairman's Communique

"In the near-term, we will harness the power of complementarities and synergies between our product, platform and presence which will accelerate the pace of our growth."

Dear Stakeholders

I count myself lucky to pen my thoughts in what has been an eventful year for us at Nureca and a specially trying time globally. For the last two years, the pandemic and its aftermath has continued to cast a shadow on India and its people.

The second wave was particularly debilitating with colossal losses of lives and livelihood. My heart goes out to all fellow Indians who have borne the brunt of this catastrophic health scare. Like always India rebounded sharply from this challenge.

During this trying time, we had our share of challenges too. Notwithstanding health issues, our teams tirelessly worked to meet the surging demand for some of our products. After a tough start, things got better with every passing month.

FY 22 has been eventful for Nureca!

With a strong pursuit to improve the quality and vitality of people's lives, we have taken meaningful strides towards realising our mission of creating a universal healthcare platform supported by quality home healthcare products

for our customers.

We achieved a significant milestone in our journey as we launched our flagship Dr Trust 360 app, an outcome of our idea to innovate-enhance-transform to build a holistic, affordable and efficient AI-driven platform to the home healthcare market.

Extending access to medical experts, this platform provides easy-to-use, unique features such as Doctor Consultations, Personalised Risk Assessment, Learn with Meaning (content for health and wellness and Yoga), Customised Nutrition Consultations and Plans, HbA 1 c (long-term metrics for glucometer users), Diet 360 to name a few.

A rousing response and increased traction for Dr Trust 360 app

Driving engagement, we continued our efforts in widening our product basket in the home healthcare market. In FY22, we focused primarily on expanding our Nutraceuticals, Mother & Baby and Orthopaedic product ranges.

74 products added across all categories

Given the positive consumer feedbacks, we continued the momentum of building on our omnipresence strategy. This was a milestone year as we initiated our offline presence intending to reach out to all major markets through our 'phy-gital' approach. To achieve this goal, we set up a dedicated sales team for our offline business and during the year, we expanded our reach to 9,000 retail outlets. We will continue to grow this channel to ensure last mile reach for our products. I am confident that over the coming years, this initiative will metamorphose into an important growth lever for the Company.

Our presence in almost all the segments of the home healthcare market, an AI-driven digital ecosystem of Dr Trust 360 and our smart Dr Trust devices along with our multi-channel outreach strategy puts us in pole position to emerge as the preferred choice for home health management for our customers.

On to some number crunching - from a performance standpoint, we continued to register healthy growth. Our operating revenue increased by 20% on a YoY basis to ₹2,555 million. Our EBITDA for the year was slightly lower than FY21 numbers. Further our Net Profit also dipped marginally when compared with the previous year. This was due to continuous fast-track expansion projects across business verticals that have accelerated our fixed and variable costs. Additionally, prevailing inflationary pressures and chip shortages right through the year impacted our business profitability. These challenges notwithstanding, we reported good numbers.

Our EBITDA margin was 24% and ROCE was 33%.

Nureca is in an investing phase -

1) Our focus will remain on empowering consumers to make healthier choices and launch new products, improve our R&D capabilities and reduce costs to provide superior value for our customers.

2) We will continue to invest in our technology platform to make it more robust and to facilitate all home healthcare needs of our customers by reducing barriers to care. Our sustained efforts in this direction will lead us to our desired model of providing technology-driven home healthcare services at an affordable annual subscription. As we continue to increase our customer base, I believe it will be our inflection point with real growth coming thereafter.

Striving for a robust business model that is unique, meaningful, and sustainable.

In the near-term, we will harness the power of complementarities and synergies between our product, platform and presence to accelerate the pace of our growth.

Before I close, I would like to thank the Board for guiding me to execute my responsibilities in the best possible manner. I would like to extend my gratitude to our team for their relentless efforts in making Nureca a leading player in the home healthcare space. A sincere word of gratitude to all our shareholders, bankers, business partners, regulators and Government authorities for their support and assistance throughout our journey. I look forward to continuing this path of success, together.

The journey ahead of us is indeed riveting.

Saurabh Goyal

Chairman and Managing Director

Our Founders



ARYAN GOYAL

Whole-time Director & CEO

Aryan's foray into healthcare & life sciences began in 2005, right after he completed his bachelor's degree in chemical engineering from Purdue University, USA. He spent nearly a decade driving growth for one of India's leading pharmaceutical companies. By 2017, he was ready to fuel his entrepreneurial passion and as a result, started Nureca.

In less than five years, his grit has shaped the Company to become a leader in digital healthcare devices. Aryan Goyal has more than 15 years of experience in the healthcare & life sciences industry.

SAURABH GOYAL

Chairman & Managing Director

Saurabh is a seasoned professional who manages external and internal customer touchpoints, along with driving up operational efficiencies. He is responsible for the overall success of the business while ensuring that the company is constantly moving towards fulfilling both short-term and long-term objectives. He steers Nureca in the direction of continuous growth and sees to it that the

Company does not diverge from the strategic purpose of increasing shareholder value. Saurabh has a master's degree in Science from King's College, London and has over a decade of experience in the healthcare & life sciences industry. His extraordinary organisational skills have helped Nureca achieve a leadership position as a global digital healthcare devices company.

Our Board of Directors



Vijay Kumar Sharma
Independent Director

Mr. Sharma has been a Director of our Company since 21 October, 2020. Previously, he served as the Managing Director and Chief Executive Officer of LIC Housing Finance Limited (2010–2013). In 2013, he became the Managing Director of the Life Insurance Corporation of India, and later its Chairman (2016–2018). He is on the boards of Reliance Power Limited, Tata Steel Limited and Mahindra & Mahindra Limited.



Nitin Bidikar
Independent Director

Mr. Bidikar is a Senior Advisor to Deloitte India and Global (2017). He has several qualifications including a BSc. (Chemistry), BSc. (Medical Sociology), D. Pharmacy, PGDIM and a Bachelor's degree in General Law. He has an experience of more than 29 years in senior management and consulting, and worked for Life Sciences, Pharmaceuticals, CRO, and KPO companies such as Deloitte India, KPMG India, Goldshield India (a subsidiary of Goldshield Group PLC UK, Dolphin Laboratories, Mumbai, Charak Pharmaceuticals Limited, Mumbai, and SMS Formulation Exports.



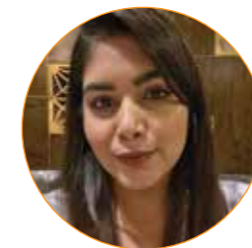
Dr Vikram Chaudhery
Independent Director

Dr Chaudhery is the COO and Co-Founder of General Inception, a Life Sciences Venture Studio in the USA and the Principal of Genoa Ventures, an early-stage life sciences fund. He was the Head of Life Sciences at Lam Research, a Fortune 500 semiconductor equipment manufacturer, for two years. He has 4 years of experience working in various positions at McKinsey & Company, Fortune's list of top 10 most important private companies. He is a recipient of the Paul D. Coleman Outstanding Research Award and A.R. "Buck" Knight Outstanding Senior Award. He has co-authored 25 peer-reviewed publications, authored 14 peer-reviewed articles and presented at 11 industry conferences.



Dr Shrikant Tamhane
Independent Director

Dr Tamhane is a Consultant in the department of Endocrinology at Reid Health, Richmond, USA (2017). He has three years of experience as an Assistant Professor of Medicine at the Mayo Clinic and has completed a three-year residency in Internal Medicine. He comes with a rich experience of 17 years in the medical field and clinical medicine. He also has an MBA (Health Sector) from the Fuqua School of Business, Duke University, Durham, USA. He completed his Bachelor of Medicine and Bachelor of Surgery degrees from B.J. Medical College, Maharashtra University of Health Sciences, Pune, India.



Charu Singh
Independent Director

Ms. Charu joined our Company as a Director on 21 October, 2020. She has over 5 years of experience in accounts and finance. She has worked with PriceWaterhouse & Co, GE India Business Services as Assistant Manager – India Transfer Pricing CoE, and as Ad-Hoc Assistant Professor (Department of Commerce) at Vivekananda College. She holds a Bachelor's degree in Commerce from the University of Delhi and a Master's degree in Commerce (Business Policy and Corporate Governance) from IGNOU. She has an MBA in International Business from Punjab University. She is a certified company secretary from the Institute of Company Secretaries of India.



Ruchita Agarwal
Independent Director

Ms. Ruchita has been a Director of our Company since 29 October, 2020. She has worked with J.P. Morgan Chase and Dow Jones Consulting and has over five years of experience. She holds a Bachelor's degree in Commerce from the University of Pune as well as a Global MBA degree (Finance) from S.P. Jain Center of Management, Singapore.

Environment, Social & Governance Report

Scope of Reporting

Our ESG journey is guided by our shared values of innovation, integrity, trust & responsibility. We are dedicated to continuously improve our impact by achieving visible and measurable progress.

This report includes Environmental, Social and Governance (ESG) aspects, opportunities, risks, and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value. The report provides material information relating to the Company between April 1, 2021 and March 31, 2022.

The report has been prepared using guidance from

- a) Global Reporting Initiative (GRI) standards

- b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations")

We welcome feedback on our report, to ensure that we continue to disclose information that is relevant to stakeholder decision making. Please send queries or suggestions to cs@nureca.com.



Focus Area

A materiality assessment exercise was conducted to identify ESG risks and opportunities that are most important to our Business and Stakeholders. The identification of material topics involves conducting research on global and local trends in our Industry, peer benchmarking, as well as industry best practices. Results of this assessment exercise were reviewed by our Senior Management from the point of view of relevance and adequacy. Based on the review, the materiality topics were finalized. To integrate the expectations of Stakeholders within the activities of the organisation, we intend to conduct external stakeholder engagement to prioritize material topics and better respond to changing landscape.

We will continue to assess these material topics on a regular basis to ensure their relevance and importance to our Business.

The CSR Committee is responsible for managing and promoting the activities to be carried out under the CSR Policy adopted by Nureca.

Policies and Strategies

Policy on Board Diversity

This policy is framed to ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge, perspective, and gender in the board. As per the policy, the Board of Directors of the Company shall comprise at least one-woman director. The Nomination and Remuneration Committee will review this policy as appropriate to ensure the effectiveness of the same.

Code of Conduct for Board of Directors and Senior Management

The code broadly lays down the general principles to be followed by the Board of Directors and the Senior Management of the Company as a guide for discharging their responsibilities as Members of the Board and Senior Management. The purpose of this code is to promote and enhance transparency in corporate governance and to ensure that the affairs of the company are conducted in an ethical manner and in compliance with the applicable laws and regulations.

Governance

Board of Directors

As on March 31, 2022, our Board of Directors include Mr. Saurabh Goyal, Mr. Vijay Kumar Sharma, Mr. Nitin R. Bidikar, Dr Vikram Chaudhery, Dr Shriikant Uttam Tamhane, Ms. Charu Singh and Ms. Ruchita Agarwal.

Business Responsibility Governance

To enhance the company's commitment towards responsible business, our Board has adopted Business Responsibility (BR) based on the principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG - SEE) as issued by the Ministry of Corporate Affairs, Government of India. In alignment with these principles and clause (f) of sub regulation (2) of regulation 34 of Listing Regulations, a Business Responsibility Report is published as a part of the Annual Report.

The Business Responsibility Report (BRR) is headed by Mr. Saurabh Goyal, Chairman & Managing Director and Mr. Nishant Garg, Chief Financial Officer. The report is subsequently reviewed by the Board of Directors every year.

CSR Governance

The Board of Directors of the Company has constituted a Committee called the "Corporate Social Responsibility Committee" ("CSR Committee") in accordance with the Companies Act 2013 and Rules made thereunder.

As on March 31, 2022, out of 7 Directors, 6 are Independent Directors.



Whistle Blower Policy

The purpose of this Policy is to provide framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the company. The Whistle Blower Policy, which is a channel to reinforce the robust implementation of the Company's code, has been formulated with the view to provide mechanism for Directors and Employees of the Company to approach the Chairman as the case may be.

Code of Conduct for prevention of Insider Trading

The Company endeavours to preserve the confidentiality of unpublished price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all stakeholders and in ensuring adherence to all laws and regulations. Every Designated Person of the Company has a duty to safeguard the confidentiality of all such information obtained during his or her work at the Company. No Designated Person may use his or her position or knowledge of the Company to gain personal benefit or to provide benefit to any third party. Such persons are prohibited from communicating/ counseling others with respect to the securities of the Company. Such persons should also refrain from profiteering by misusing the unpublished price sensitive information and thereby enabling the Company to retain investor confidence.

Risk Management Policy

We recognize risk as an integral component of business and is committed to manage the risk in pro-active and effective manner. To identify and mitigate risks, the Company has developed a risk management policy, which includes risk assessment, management, and monitoring. This policy has been developed in line with the objective of the company (strategic, operational, reporting and compliance).

Policy for Prevention of Sexual Harassment

We are committed to providing a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. The Company will therefore take all necessary steps to ensure that the employees are not subject to any form of harassment. To ensure this, the Prevention of Sexual Harassment Policy has been formed to prohibit, prevent, or deter the commission of acts of sexual harassment at workplace and to provide the procedure for redressal of complaints pertaining to sexual harassment. This policy was constituted in compliance with the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.

CSR Policy

We understand our responsibility towards the society and environment in which it operates and is committed to operate and grow its business in a socially responsible way. To ensure this, a CSR policy has been constituted by Nureca. Our CSR Policy highlights the objectives, roles, and responsibilities of the CSR Committee, focus area of CSR activities, and provides guidance for planning, implementation, and monitoring of our CSR initiatives. The policy also outlines the thematic areas of focus, primarily Schedule VII activities, for which we shall contribute as per the CSR norms.

Compliance with Anti-Bribery and Anti-Corruption

We strongly believe in conducting business with integrity and good ethical standards, in compliance with applicable anti-bribery and anti-corruption laws. The Company has reported zero confirmed incidents of corruption.

Economic Performance

We aim to deliver sustainable returns to all stakeholders by propelling constant economic growth while committing to operate in a responsible manner. We recognize the financial interconnectivity that our economic performance has with all our stakeholders.

Please refer to the financial statements in the Annual Report for more information regarding Nureca's economic performance.

Environment

In a world where sustainable development is the trending mantra, it's of paramount importance to commit to delivering positive outcomes for both our people and the planet. Our green gospel constitutes 4 Rs- Reduce, Reuse, Recycle and Recover.

In our quest to safeguarding the environment we keep strict vigil in minimising the impact of our operations. It is our constant endeavour to ensure compliance with the regulatory norms. Our direct energy consumption arises from electricity used in the offices, warehouse, and manufacturing location. We continue to seek opportunities to improve our energy use and have consumed 601.17 GJ of energy leading to 21.49 tCO2e Scope 2 emission in the reporting year.

Our product line features many energy efficient products. For example, our foot and calf massagers (item nos. 1008, 1022, 1024) are extremely energy efficient and consume only 80/40W. The gadgets come in environment friendly packaging. Another Product - BP Monitor comes with USB port connectivity and supports multiple peripheral USB devices. This feature helps the users from hassle of changing batteries often and is also environment friendly.

Further, the Company endeavors to work with Suppliers who follow good environmental practices. Few of our Suppliers have ISO 14001:2015 (Environment Management System) certification and are also members of "Business Social Compliance" initiative.

The Company also have ISO 9001:2015 (Quality Management System) certification.

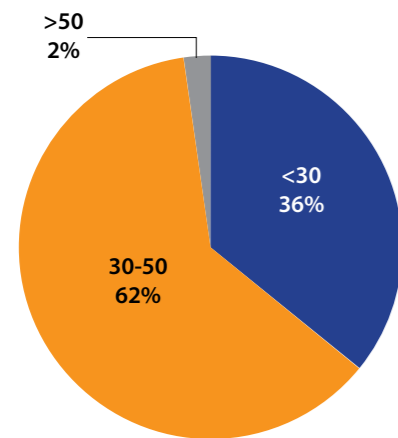


Social

Talent attraction and development

Our motto is to promote an employee centric work ecosystem built on the superior modules of open & honest communication, engagement, innovation, team spirit, and growth. We employ various channels for attracting new talent. These include job posting on company website; job postings on social media platforms like LinkedIn; recruitment consultants and employee referrals. We do not discriminate at any stage of the recruitment process. We practice zero discrimination and conduct ourselves accordingly.

Employee distribution by age

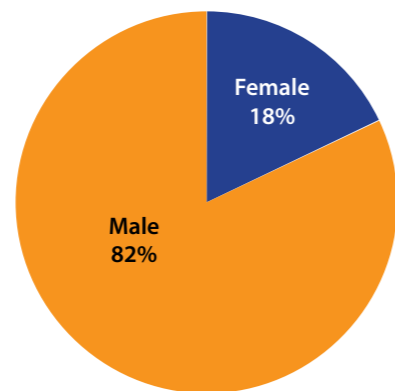


As on 31st March 2022, our employee strength was 181, out of which 32 were female employees. In FY 22, we hired 168 new employees during the period of which 36 were females.

We have a young and dynamic workforce and we invest in their growth and development since the day they join Nureca. Every new joiner receives a welcome kit and undergoes an orientation on the entire business. They are then introduced to their respective department heads, who provide an overview of the department.

A welcome lunch is also organized which provides all new joiners an opportunity to know each other and other team members in a more casual setting.

Employee distribution by gender



Performance benchmarks are set by employees themselves in discussions with their managers at the beginning of the year. Progress against the metrics are reviewed mid-year. Employees are consistently coached by their managers throughout the year to help them build on their capacities.

At the end of the year, a combination of self-rating and manager rating is used to provide feedback and performance rating to all eligible employees. 30% weightage is provided to self-rating and 70% weightage is provided to manager rating. A total of 102 employees were provided with performance rating and appraisals in FY 22 as per their eligibility.

In our quest for betterment, we have also designed a survey to assess additional needs & aspirations of our people. This is a very detailed survey comprising 60 questions covering domains like safety, job satisfaction, trust & transparency, compensation etc. Through this survey we plan on understanding our employees needs and requirements better and accordingly work towards creating a better working environment for our people. In terms of employee engagement activities, we also celebrate various festivals and employee birthdays in our office.

Grievance Redressal

Our company has a clear, concise and well-documented grievance redressal policy & mechanism. Everyone in the company are oriented on the same. Employees have the option of reaching out to Human Resource Management Team directly or can also raise their concerns anonymously through a grievance register placed at each of our operating locations. The Human Resource Team acts on all concerns immediately and identifies the root cause and corrective action within 10 days of receipt of complaint.

Ensuring a safe workspace

Health and safety of every employee hold paramount importance in our overall corporate strategy. We provide necessary support to our employees in helping them abide by safety protocols and standards. We thrive to manage all our operations in an exemplary manner to ensure that we can provide a safe space for all employees to work and grow. All employees are given technical and on-the-job training to ensure they are well versed with company's safety protocols. Employees are groomed on adopting good safety practices through regular email alerts and awareness generating posters across our operating locations. We have also conducted mental health awareness sessions and provide facilities for employees to access such services as per need. All our employees and contractual workers are covered either under Employee State Insurance (ESI) or private medical insurance.

Customer Centricity

Valuing and safeguarding our customer's interests by ensuring that our product quality and standards meet the commercial benchmarks is of top priority for us at Nureca. We as an organisation believe that an individual approach is instrumental in fulfilling requirements put forward by our clients and pay thorough attention to ensure that our products are in line with the necessary norms and regulations.

Customer Relationship Management

Our core working principles include promoting and complying with privacy compliant operations. Taking consent of our customers, we collect basic 'Know Your Customer' (KYC) and contact details, which include the name, phone number, and addresses of our clients. Telephonic queries and complaints by our clients are recorded for quality purposes to ensure optimum and standardised services.



These data archives are stored on trusted and secured third party platforms that provide limited access to only the higher management and customer support departments. Additionally, selective access is provided to certain teams such as the Quality and Maintenance management depending upon relevant business requirements. Data privacy is a matter of utmost importance for us, and, there have been no complaints over customer data privacy for the reporting year. It has been our aim to utilize customer responses and to align our business practices in accordance to the responses.

After sale of our products, our clients receive a feedback link that leads to the review section on various search engines and social media platforms. Our customers can also get in touch through our helpline number or through our official website. We have effectively dealt with cases that involve complete replacement or repair of a product in view for our commitment towards high product standards and customer satisfaction. In special cases, our clients have also been compensated with complementary offerings/ gifts / goodies to the customer to increase their delight / satisfaction.

Our product packaging comes with a QR code redirecting the user to a website showcasing demo videos as a guide to make sure that our products are more usable. "We believe that an individual approach is necessary to fulfil any requirements put forward by our clients and pay thorough attention to make sure that our products meet the necessary norms and regulations."



BP Monitors, Infrared Thermometers and Oximeters provided to PGIMER, Chandigarh during the pandemic

Infrared Thermometers and Oximeters provided to National Health Mission during the pandemic

Corporate Social Responsibility

Nureca, as a responsible corporate entity, focusses on community development through its bouquet of CSR initiatives. This is in line with the applicable regulations as per the Companies Act and the Schedule VII provisions.

CSR Committee

In accordance with CSR Policy, the CSR Committee of Nureca, consists of three members with at least one independent director.

The CSR committee is involved in developing and recommending appropriate CSR activities to the Board of Directors, along with financial recommendations of their activities. The CSR committee also monitors and

evaluates the projects undertaken by Nureca, suggests recommendations, and also work towards aligning Nureca's CSR Policy with the mission and vision of the organization. The Board of Directors further approve or reject decisions and recommendations proposed by the CSR Team. Once approval is received, the Committee implement the CSR Plan.

Our Initiatives

Total CSR investment for the reporting year amounted to INR 50.46 lakhs towards Promoting Healthcare including Preventive Healthcare. For more information, please refer the Annual Report on CSR Activities, which is annexed with the Directors' Report.

Management Discussion & Analysis

Economic Review

Global Economy

The world economy rebounded sharply registering a GDP growth estimated at 5.7% in 2021 its strongest post-recession pace in the last eight decades, as demand surged consequent to a relaxation in pandemic-related lockdowns in advanced, developing, and emerging nations.

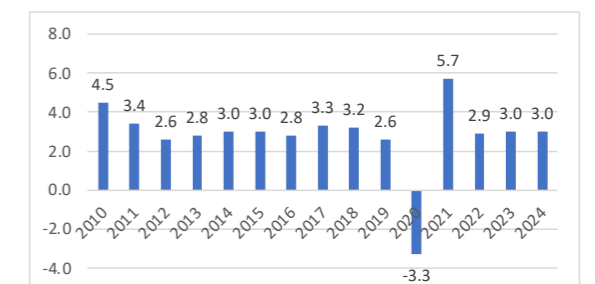
In 2022, as global economy started its recovery from the two years of economic shock from the pandemic, yet another major negative shock struck the global markets as Russia invaded Ukraine. This has not only precipitated a humanitarian catastrophe—with thousands of civilians killed and millions more displaced—but also resulted in a deep regional slowdown and substantial negative global spillovers. These spillovers are magnifying pre-existing strains from the pandemic, such as bottlenecks in global supply chains and significant increases in the price of many commodities.

The effects of the war have also caused a further reduction in policy space, which is now much more limited than at the onset of the pandemic. Amid surging commodity prices and supply chain disruptions, inflation has soared across the world, exacerbating the exceedingly difficult trade-offs policy makers face between supporting growth and controlling price pressures. Global financial conditions have tightened and borrowing costs have increased, particularly in emerging market and developing economies (EMDEs), reflecting reduced policy accommodation in response to inflationary pressures,

elevated uncertainty, and heightened geopolitical risks. In addition to this, the unwinding of fiscal support measures has continued to weigh on global activity.

Against the backdrop of this significantly challenging context, the world economy is expected to experience its sharpest deceleration following an initial recovery from global recession in more than 80 years. Global growth is projected to slow from 5.7 percent in 2021 to 2.9 percent in 2022 and average 3 percent in 2023-24, as Russia's invasion of Ukraine significantly disrupts activity and trade in the near term, pent-up demand fades, and policy support is withdrawn amid high inflation. The effects of the war—including more acute inflationary pressures and a faster pace of monetary tightening than previously assumed—account for most of the 1.2 percentage points downward revision to this year's growth forecast.

Global Growth:



Source: World Bank

Indian economy:

As 2020-21 was coming to a close, there was optimism in the air. India was gearing up for a strong economic recovery—with International Monetary Fund forecasting the growth rate to exceed 9% in 2022 as India recovers from the deadly delta variant wave. This optimism received a jolt in second half of 2021-22 as a wave of Omicron infections swept through the country (which, thankfully, did not last long). In February 2022, Russia invaded Ukraine and this geopolitical event aggravated the pre-existing challenges such as surging inflation, supply shortages, and shifting geopolitical realities across the world with no definite end in sight. The subsequent confluence of headwinds such as surging commodity prices, disruption in trade and financial transactions quickly deteriorated economic fundamentals that were trending up a few months back. To provide support to the economy, the government announced a slew of fiscal measures, including excise duty cuts on petrol and diesel and more subsidies, to limit the upside pressures on inflation.

The Consumer Price Index (CPI)-based inflation in India stood at 7.01% during June 2022, the sixth consecutive month when the inflation remains above the RBI's tolerance limit of 6%. However, this is the second consecutive month that has seen a slight easing in inflation as compared to the previous month. The inflation in April 2022 had stood at 7.79%, which fell to 7.04% in May and now to 7.01% in June.

Indian economy had witnessed a contraction of 6.6% in the previous financial year 2020-21 with the economy expanding by 8.7% for the full financial year 2021-22.

Some of the major risks to India's economic recovery include rising commodity prices, supply-side disruptions, and bleak global growth prospects with the conflict prolonging in Europe. A slowdown in the Chinese economy is also expected to have an impact on India's growth. Increased input cost is impairing discretionary spending as these get passed on to the final consumer through higher selling prices.

Overall, As India isn't immune to the global shocks, the Indian economy is expected to expand by 7.0% in the financial year 2022-23 with a minimum and maximum growth estimate of 6.5% and 7.3% respectively.

Industry Overview

Global Home Healthcare Market

Home healthcare broadly refers to the treatment of diseases, palliative, or even critical care within the comfort of the patients' homes and sometimes assistance with daily living for senior citizens or people with several chronic ailments.

The home healthcare market has evolved significantly over the years and has been valued at USD 320.6 billion in 2021. The surge in orthopaedic diseases and the rising geriatric population will fuel the market growth. The global healthcare market is estimated to grow to USD ~390 Bn by 2026. With the treatment costs on the rise, governments and healthcare organizations are striving to make healthcare costs more affordable, with home healthcare becoming a cost-efficient alternative to expensive hospital stays.

Sedentary lifestyles have increased the lifestyle diseases burden. That said, there is an increased awareness around home care services and devices to monitor and manage lifestyle diseases. The availability of portable home healthcare devices like heart rate monitors, respiratory aids and blood glucose monitors has enhanced patient convenience, making disease management both efficient and effective.

In the overall home healthcare equipment market, diagnostics accounted for the major market share in 2021. It is further expected to gain lucrative share owing to increasing prevalence of diseases like diabetes, cardiovascular and cardiopulmonary diseases, growing patient awareness, increased diagnosis of long-term illnesses and high adoption of BP monitors, pregnancy & fertility tests.

Indian Home Healthcare Market

The Indian home healthcare sector has grown into a \$5.4 billion market. Currently growing at 19% CAGR, the segment is expected to expand to a \$19.9 billion market by 2025 with the potential to further grow to an additional \$ 5 billion with a fitting stimulus such as rapid evolution, policy initiatives by the government towards building innovative and efficient models, growing digital presence and the changing consumer mindset driven by the pandemic.

The market is rapidly marching towards creating a well-differentiated, holistic, tech-enabled, quality-driven integrated care ecosystem and experiencing metamorphic leaps across business model innovations to quality driven outcome.

It was the second wave of the COVID-19 pandemic that lay greater emphasis on the need for home healthcare. With tremendous pressure on the country's healthcare system by a sudden demand surge, home healthcare came as an effective and efficient solution to the country's care demand-supply gaps.

With lockdowns, an overworked and strained hospital infrastructure, home healthcare in India rose to becoming an imperative component of the healthcare ecosystem exemplifying its capabilities and sharing the load from hospitals to ease capacity and burden. During the first and second waves in particular, an average of ~60% COVID patients were treated at home with telemedicine gaining sizeable impetus. Besides COVID patients, a significant number of people with chronic diseases found new home in managing and monitoring their health with a strong home healthcare infrastructure.

India has several home healthcare players providing services across preventive, promotive, chronic, acute rehabilitative, and palliative care in the comfort of the patient's home. However, the segment continues to remain unorganised and largely fragmented while factors such as low insurance coverage, poor integration, and the urban-rural divide responsible for its limited adoption.

Indian Home Healthcare Devices Market

The home healthcare devices segment is estimated to reach INR 197.51 Bn by 2027, growing at a CAGR of ~21.12% during the period of 2020-2027. Rising incidence of chronic diseases, increased awareness towards health management, movement restrictions and hospital infection fear during the COVID-19 pandemic fuelled demand for home healthcare devices.

Self-monitoring devices such as blood pressure monitors and blood sugar monitors are in high demand with India's elderly population expected to triple in the next three decades. This will represent 20% of overall population by 2050. The government is supporting and promoting the idea of 'Active and Healthy Aging' at home. Rise in chronic

illnesses in the younger population, changing family dynamics, increased affordability has made a significant section of India's population the largest consumers of homecare services in the country, thereby increasing the demand and development of innovative products and services in this segment.

India Home Healthcare Market Segmentation

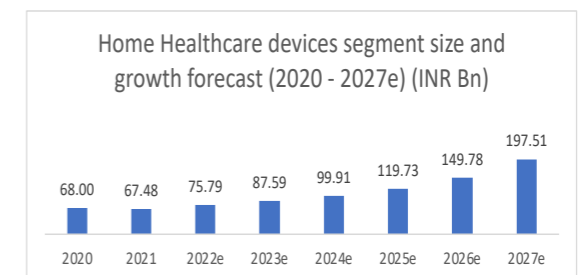
Given the ease of access and awareness, India's tier 1 cities contribute the highest share to the total market size of the home healthcare market and this market share stands over 76% in the overall space. Cities such as Delhi/NCR, Mumbai, Chennai, Bangalore, Hyderabad, Jaipur, Ahmedabad, Kolkata, and Pune have shown a substantial change in demand from traditional healthcare services to home healthcare services.

Patients above the age of 60 years are the majority contributors to the home healthcare market in India. Services availed by them range from elderly care, homecare pertaining to a chronic ailment, physiotherapy among others.

Chronic Care Market in India

The very nature of chronic diseases requires a holistic, comprehensive treatment and management approach. This usually spans the length and breadth of lifestyle choices like exercise, dietary habits, mental wellness and most importantly, regular tracking and monitoring with clinical solutions. Chronic care diseases are a rising problem in India and remain largely unaddressed. Increasing urbanisation, pollution, lifestyle changes, a more sedentary lifestyle are some of the factors responsible for the rise of chronic diseases in India. A Bain report estimates that chronic care diseases to cost India \$6.2T between 2015-2030.

Home Healthcare devices segment size and growth forecast (2020 – 2027e)



India's predominant burden of chronic disease hinges on two distinct groups – one, the cardiovascular conditions, usually attributed to overnutrition and the other, diarrheal disease and lower respiratory tract conditions that allude to undernutrition and poverty among the impoverished sections of society. The cardiometabolic diseases market for the cardiovascular disease (CVD) segment was worth US\$ 2,341.38 million in 2020 and is projected to reach US\$ 3,527.68 million by 2028 and is expected to grow at a CAGR of 5.4% during the forecast period.

Chronic disease management comprises of a predefined set of actions focused on delivering high-quality healthcare and improving patients' quality of life. Chronic illness management solutions include recommendations self-management model of chronic illness conditions, multidisciplinary treatment, and lifestyle counselling to raise knowledge about various diseases to name a few.

Digitisation of Healthcare in India

Digital healthcare in India is at its tipping point largely by the impetus from the Government, pandemic-induced digitisation and a thriving market. According to IBEF, the digital healthcare market, which is projected to grow at a CAGR of 27.4% to reach US\$485.43 billion by 2024, is segmented into telehealth, mHealth, electronic health records/electronic medical records (EHR/EMR), and others (remote diagnostics and healthcare analytics). mHealth followed by telehealth is forecasted to dominate with ~60% share by 2024, considering a rise in health tracking and reduction of hospital visits, triggered by COVID-19.

India has seen c. \$3B invested in the Digital Health across 600+ promising start-ups. In 2020, the funding raised by Indian start-ups, grew 4.7x over a period of 3 years thereby highlighting the promising future of this sector.

With the launch of the Ayushman Bharat Digital Mission, the Government aims to improve quality, accessibility, transparency and affordability of healthcare in India by converging various stakeholders under a robust digital ecosystem.

A NITI Aayog Report estimates that new and emerging technologies will be strong enablers for the sector's quantum leap in the quality and access of healthcare services. Since the pandemic, consumers are proactively addressing their healthcare needs and are committed to their wellness by digitally monitoring and seeking healthcare information and interventions. With growing technologies that generate health data, these will require powerful tools such AI to organise, integrate, interpret and offer personalised wellness solutions.

Home Healthcare Trends in India

- **Wearable Technology:** Wearables are being used in transformative applications like medicine, and other fields. Powered by microprocessors, these devices can collect, send & receive data over internet. The advent of mobile & wireless technology allows high-speed data transfers and small microprocessors to seamlessly work. According to the International Data Corporation, India's wristwear market reported a robust growth of 141.3% year-over-year in 2021, closing the calendar year with 14.4-million-unit shipments.
- **Internet of Medical Things (IoMT):** Internet of Medical Things is the collection of medical devices connected to the healthcare IT system through online computer networks. This technology primarily saves travel time for patients and came to good use through the pandemic. Over the last two years, IoMT redefined the Indian healthcare systems by moving healthcare from hospitals to homes. Remote patient monitoring and use of IoMT in ambulances and homes led to an increase in teleconsultations and monitoring thereby resulting in less hospital visits and hence less contaminations.
- **5G Technology:** The high-speed 5G network is designed to connect everybody with everyone and everything. It allows users to send and receive very large data during collaborative care. This is extremely beneficial while sending x-ray plates or scanned images to medical professionals for diagnosis or when sending files to a geographically remote location. As part of an ongoing 5G trial in India, Vodafone India Ltd partnered with Ericsson to demonstrate the power of 5G to revolutionise India's healthcare system. Powered by high-speed data network, low latency and reliability, a doctor residing in a city can actually carry out a scan of a patient in a remote village.
- **Functional food:** Functional foods offer health benefits beyond their original nutritional value. Most of these foods contain supplements or additional ingredients designed to improve health. India is one of top 3 fast-growing functional food markets in the world. Although in its infancy, the potential for functional food in India is exciting. Young people with growing income and rising health awareness can be a major growth driver of this sector in India.
- **E-commerce:** E-commerce is one of the fastest growing industries in India, significantly fuelled by the pandemic. The positive impact of this has also rubbed off on the home healthcare devices market. During and after the lockdown, both medical professionals

and common people depended on the e-commerce industry for their medical and healthcare needs. Going forward, experts suggest that the Indian e-commerce market could reach US\$114 billion market by 2025.

- **Remote patient monitoring (RPM) and telehealth:** Telehealth is the delivery of healthcare, health education and health information via remote technologies. Certain aspects of a patient's health can be monitored from their own home. It proves beneficial for chronic and acute cases and helps cut down travel costs, massive hospitalisation bills and infection risk.

Remote Patient Monitoring (RPM) involves the reporting, collection, transmission and evaluation of a patient's health data through a host of technologies including different kinds of wearables, mobile devices, smartphone apps and internet-enabled computers. Wearables and other monitoring devices are used to collect vital signs.

Some of these monitoring devices include blood pressure monitor, continuous glucose monitor, anticoagulation testing device, ECG device, medication monitoring, smart pills, etc. Considerable investments are now being made in the Internet of Medical Things (IoMT) applications in RPM which can accurately predict the onset of a physical condition and even prevent it.

Growth drivers of home healthcare industry

- **Rising hospitalisation costs:** Private sector hospitals is the primary means of healthcare for 70% of urban Indians and 63% of India's rural population given the advanced medical technology & quality care that these private hospitals offer. However, this quality coupled with medical inflation comes at a high cost making it a primary factor in excessive hospitalisation costs in private hospital.
- **Increase in geriatric population:** India was home to around 138 million old people in 2021. Estimates suggest that by 2031 this number will grow to be almost 194 million. With growing age comes chronic and acute diseases and dependency issues that need efficient medical care at the earliest. The home healthcare devices sector offers various diagnostic and monitoring tools to address these challenges. Home healthcare devices such as BP monitors, nebulisers, glucometer, pulse oximeter, ECG monitors are in great demand which are beneficial for both patients and healthcare professionals to regularly monitor and manage their ailments.

- **Technology-oriented growth:** Technology is one of the most critical components in home healthcare. One prominent technological aspect in today's home healthcare is computing. This is both pervasive and ubiquitous, wearable and is used in every aspect of our lives. Hence, advancements in computing, or merely better computing speed is going to help home healthcare device market grow immensely.

E-commerce and associated technologies like omnichannel presence, AI chatbots, fund transfer system, etc have helped in the seamless adoption and use of ecommerce in efficient home healthcare management.

- **Growing awareness in preventive healthcare:** Preventive healthcare can be divided into two main categories: - a) Early warning procedure for health conditions and b) Nutraceuticals.

Preventive healthcare primarily includes identifying the risk of certain diseases before people contract it and requires regular health check-ups. A late-stage cancer or a sudden heart attack can make anyone vulnerable to serious medical conditions or worse. In keeping with this trend, several insurance companies have also started offering preventive care packages.

The Nutraceuticals market comprises of any food that provides medical or health benefits, including the prevention and treatment of the disease. Therefore, nutraceuticals may be used to improve health, prevent chronic diseases, increase life expectancy, slow down the aging process or just support the functions and integrity of the body.

This market is naturally on the rise for last few years in India. The recent pandemic has only accelerated its adoption. Further, vitamins and zinc supplements are regularly prescribed by the doctors which helped the market grow in last couple of years.

- **Increasing number of lifestyle diseases:** Lifestyle diseases are non-communicable diseases (NCDs), which are showing a stark increase after 18 years in India and have taken a quantum leap after 35 years. Hypertension, digestive disease and diabetes are the top three common NCDs. The number of people who have NCDs are mostly in the age group between 26-59, the most workable age group. 116 people out of 1000 suffer from NCDs in India and these alarming realities provide significant promise for the home healthcare device sector.

Business overview

Nureca, a hall-mark of trust and dependability, is a proxy to India's large and rapidly growing and evolving home healthcare space.

A top-tier healthcare and wellness brand, Nureca offers the largest product basket in the home healthcare space comprising more than 200 SKUs across different categories which comply with the demanding standards of stringent global regulatory authorities namely the US FSA, European CE, ROHS and the ISO. The Company's wide array of products support diagnosis, treatment and prevention of illness through monitoring and analysis of health data.

Platformed on a unique business model, the asset-light enterprise is rich in intellectual property with more than a hundred design patents in its closet. The Company's equity is listed on the BSE Limited and the National Stock Exchange of India Limited.

Battling the second wave of Covid-19

COVID-19 changed the healthcare ecosystem with people moving faster towards pre-diagnostic and preventive care leading to higher demand for medical devices. The deadlier second wave of the pandemic hit the nation at the onset of FY22, very hard. Despite the prevailing challenges, the Company remained agile and alive to the surging domestic demand.

- It continued to carry on business operations – the digital DNA of the Company helped in uninterrupted business operations, illustrating the resilience of the unique business model
- The team ensured that its products were always available on all the platforms during the difficult times of COVID-19.

The strategy of selling high quality products through online channels helped the Company garner huge loyal customer base leading to continuous demand for its products

Operational performance

1) Progress in FY22

- The Company forayed into the offline market recently and built a strong presence in 22 States and UTs with 120 Distributors covering 9000 retail outlets across India.
- Invested in manpower to create focus teams to dedicatedly work on areas such as building an all new AI based integrated platform, widening our reach in the offline channel, widening product basket, etc.

2) New Product Launches

The Company continued to introduce new and relevant products that hold the promise to become effective solutions to prevailing household health issues.

Stress management

- Introduced a wrist BP monitor, designed to be worn on wrist and the best option for those who don't feel comfortable using an traditional pressure monitor.
- Launched Dr Physio Head and Scalp Massager for stress relief and higher blood circulation

Nutraceuticals

- Launched dietary supplements (such as multivitamin gummies, fish oil tablets, antioxidant capsules and biotin capsules) to capitalize on higher demand for such products driven by awareness and health-conscious Gen-Z
- Launched Jointrack® which reduces inflammation, regenerates cartilage, lubricates joints, and offers comfort to stiff joints naturally.
- Launched Dr Trust Red Yeast to healthy heart.

Dental care

Launched Dr Trust Aquacare® Sonic electric toothbrush for better dental health

Oximeter

Launched the Pediatric Pulse Oximeter to cater to customer demand for the product

Orthopaedic supports and braces

Launched Orthopedic supports and braces – the supports, orthoses and medical compressions for knee, back, neck and ankle help the individual to maintain and regain health, increase well-being and ensure greater quality of life.

GlucoSMART

Launched GlucoSMART, a revolutionary glucose monitor which can conveniently connect to your android smartphone without batteries.

Pain management

- Launched the Professional TENS Massager to provide the best in pain management and TENS therapy.
- Launched Dr Trust Knee Pillow and Dr Trust Hot Water Bag for expanding our rehabilitation portfolio.
- Launched hot and cold therapy packs which have been designed to form the ultimate package for treating soft-tissue injuries and long-term chronic pains.

Technology Solution

Added number of features in our AI driven Dr Trust 360 platform. This smart healthcare platform is our next leap into the connected world and with this platform we will provide a holistic experience to our customers.

Financial Performance review

Key highlights for the year

- GMV for the year was at ₹3,403 million as compared to ₹2,994 million in FY21, an increase of 14%
- EBITDA was ₹632.04 million as compared to ₹643.58 million in FY21, a decrease of 2%
- EBITDA margin stood at 24% as against 29.8% in FY21, margin decreased by 575 basis points
- PAT stood at ₹449.60 million; it was ₹463.74 million in FY21, dipping 3%
- Employee expenses more than doubled this year as the Company on-boarded talent for expanding its business verticals such as Offline entry, Health-tech Platform, entry into Nutraceuticals, baby products, etc.
- In Q4 FY22, the Company incurred several one-off costs which included professional and legal consultancy fees, setting up of various frameworks and other smaller one-time expenses
- Cash and Cash Equivalents stood at ₹843.5 million, while Investment were at ₹331.9 million as of March 31, 2022 – a showcase of the strength in the Balance Sheet

Analysis of the profit and loss statement Revenue

Revenue from operations reported a 20% growth from ₹2,134.5 million in FY21 to reach ₹2,555.5 million in FY22. Other income jumped by 173% and accounted for a 3% share of the total revenue reflecting the Company's dependence on its core business operations.

Expenses

Total expenses increased by 31% from ₹1539.4 million in FY21 to Rs 2022.6 million in FY22 primarily owing to an increase in cost of goods sold and other expenses due to increase in operations. The cost of goods sold (constitutes 52% of the Company's revenue from operations) increased by 33% from ₹994.82 million to ₹1326.24 million owing to an increase in operations. Other expenses (constitute 23% of the Company's revenue from operations) increased by 20% from ₹478.5 million to ₹575 million mainly due to an increase in operations and a higher marketing spend during the year.

Analysis of the Balance Sheet

Source of Funds

Net worth increased by 25% from ₹1,630.9 million in

March 31, 2021 to ₹2,032 million in March 31, 2022 owing to accrual of Profits to Reserves by ₹451.01 million.

The Capital Employed increased by 24% from ₹1,669.8 million as on March 31, 2021 to ₹2,076 million as on March 31, 2022. This drop was owing to an increase in Reserves & Surplus. Return on average capital employed, a measurement of returns derived from money invested in the business, decreased by 3,400 basis points from 67% in FY21 to 33% in FY22.

Application of funds

Cash and cash equivalents and other bank balances decreased from ₹1,266.9 million as of March 31, 2021 to ₹843.5 million as of March 31, 2022 owing to investment in mutual funds and working capital requirements.

The Investment portfolio increased by ₹331.9 million from NIL as on March 31, 2021 to ₹331.9 million as on March 31, 2022 owing to investments in mutual funds.

Working capital requirements

Current assets increased by ₹250.7 million from ₹1,811.2 million in March 31, 2021 to ₹2,061.9 million in March 31, 2022. Inventories of the Company increased by ₹264 million from ₹367.8 million as on March 31, 2021 to ₹631.8 million as on March 31, 2022 owing to increase in operations.

Current liabilities of the Company decreased by ₹66.3 million from ₹188.7 million as on March 31, 2021 to ₹122.4 million as on March 31, 2022 owing to decrease in trade payable of ₹40.2 million.

Margins

The EBITDA margin of the Company decreased by 575 basis points from 29.8 % in FY21 to 24 % in FY22. This reduction was a result of more than doubling of our employee expenses this year as we continue to acquire more talent to expand various business verticals such as Offline entry, Health-tech Platform, entry into Nutraceuticals, baby products.

Net profit margins of the Company decreased by 436 basis points from 21.4% in FY 2020-21 to 17.1% in FY 2021-22.

(a) Financial performance with respect to operational performance

The Company's revenue during FY22 stood at ₹2,555.5 million against ₹2,134.5 million in the previous year recording an increase of 20%. This increase was owing to an increase in sale of home healthcare and wellness products.

	FY22	FY21
EBITDA Margin (%)	24.0 %	29.8%
PBT Margin (%)	23.2%	28.8%
PAT Margin (%)	17.1%	21.4%

Significant changes in key financial ratios

Key Financial Ratios	FY22	FY21	Change %	Numerator/ Denominator	Reason for variance >25%
(i) Debtors Turnover Ratio	60.41	17.14	253	(Overall sales / average accounts receivable)	Debtors Turnover Ratio has increased due to increase in sales and better collection efficiency
(ii) Inventory Turnover Ratio	2.65	3.74	(29)	(Cost of goods sold / average inventory)	Inventory Turnover Ratio has decreased because of increase in average inventory level in comparison to cost of goods sold
(iii) Interest Coverage Ratio	83.3	39.90	109	(EBIT / Interest)	Interest Coverage Ratio has increased for the year ended 31 March 2022 due to the lower finance cost.
(iv) Current Ratio	16.85	9.60	76	(Current Assets / Current Liabilities)	Current Ratio has increased for year ended 31 March 2022, since business scale has increased and consequently current asset base has increased
(v) Debt Equity Ratio	0.02	0.02	(9)	(Long term Debt / Equity)	
(vi) Operating Profit Margin (%)	48.1%	53.4%	(10)	(Gross operating margin / net sales)	
(vii) Net profit Margin (%)	17.1%	21.4%	(20)	(PAT / Net sale)	

Return on Net worth (PAT / Net Worth)

FY22	FY21	Reason for change
22.1%	28.4%	The reduction in ratio is due to a dip in the Net Profit for the year under review.

Internal Control and Adequacy

A strong internal control culture is an important focus and thrust area in the Company. The organisation has comprehensive internal systems, controls and policies for all the major processes to ensure the reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The formalized systems of control facilitate effective compliance as per LODR Regulations. The Company also has a well-documented Standard Operating Procedures (SOPs) for various functions, which are periodically reviewed for changes warranted due to business needs.

The Internal Auditors of the Company continuously monitor the efficacy of internal controls and ensure compliance with SOPs with the objective of providing the Audit Committee and the Board of Directors, with an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's risk

management, control and governance processes.

The scope and authority of the Internal Audit activity are well defined in the Internal Audit scope and guidelines, approved by the Audit Committee. Internal Auditors develop a risk-based annual audit plan with inputs from major stakeholders and major focus areas of previous audit reports. All significant audit observations are reviewed periodically and followed up with the Audit Committee.

The panel also meets the Company's Statutory Auditors and Internal Auditors to incorporate their views on the financial statements, including the financial reporting system, compliance with accounting policies and procedures, adequacy and effectiveness of internal controls and systems followed by the company.

Top and senior management also assesses scope for improvement in business processes, systems and controls, provides recommendations, designed to add value to the organization and follows up on the implementation of corrective actions and improvements in business processes.

The senior management meets periodically to assess the performance of business segments and key functions of the Company and areas for improvement of performance/ controls are identified and reviewed continuously.

Human resource

The Company has always strived to attract the best talent, provide invigorative work environment, retain achievers and outstanding performers and to inculcate in the employees commitment for the organization. Raising employees' involvement in the decision making process and grooming them for leadership positions has been an ongoing process. Employees' strength as on 31st March, 2022 was 181.

Managing business uncertainty

In a rapidly changing business environment with dynamic customer requirements, business risks are constantly evolving. As a result, there is significant variation in the emerging risks landscape across businesses.

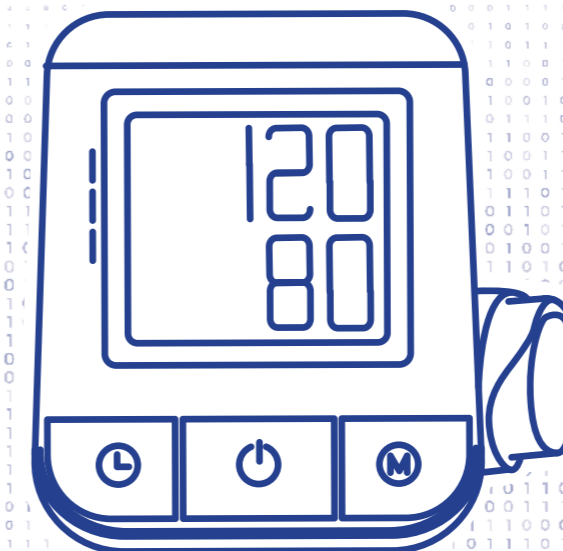
We continuously monitor the internal and external environment to identify potential, emerging risks and their

impact on our business. Our risk management framework ensures identification of emerging risks and is flexible enough to accommodate decentralised risk management practices. We evaluate risks that can impact our strategic, operational, compliance and reporting objectives.

Forward - Looking Statement

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to the Company or its business are intended to identify such forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could vary materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, assumption, expectations, future event, subsequent development, or otherwise.



Directors' Report

Dear Members

The Directors are pleased to present their 6th (Sixth) Annual Report together with the audited financial statements of **Nureca Limited** ('Nureca' or 'the Company') for the financial year ended March 31, 2022.

Financial Performance

The Company's financial performance (on consolidated basis) for the year under review along with previous year's figures are given hereunder:

	31-Mar-22	31-Mar-21
	₹ in Millions	
Revenue from operations	2,555.48	2,134.54
Other Income	76.95	28.17
Total Income	2,632.43	2,162.71
Profit before interest and depreciation	632.04	643.58
Finance Costs	7.41	16.03
Depreciation & Amortization	14.82	4.22
Profit before tax	609.81	623.33
Tax expenses	160.21	159.59
Profit after tax	449.60	463.74
Other Comprehensive income(Net of Taxes)	1.41	0.11
Profit after tax available for Appropriations	451.01	463.85

The Company's revenue during Financial Year 2021-22 stood at ₹2,555.5 million against ₹2,134.5 million in the previous year recording an increase of 20%. This inclination is due to increase in sale of products of home healthcare and wellness.

Financial performance of the Company is discussed in detail in the Management Discussion and Analysis, which forms a part of this report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Annual Report.

Dividend

The Board of Directors, in their Meeting held on February 12, 2022, declared an interim dividend of ₹3/- per equity share of face value of ₹10/- each, to all the shareholders who were recorded on the register of members as on February 25, 2022, being the record date fixed for this purpose.

The Board has not recommended a final dividend for Financial Year 2021-22.

Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Board has approved and adopted a Dividend Distribution

Policy, which is available on the website of the Company at weblink <https://www.nureca.com/wp-content/uploads/2021/06/Dividend%20Distribution%20Policy.pdf>

Change in the Nature of Business

There has been no change in the nature of business of the Company during the year.

Amount Proposed to be carried to Reserves

No amount proposed to be transferred to General Reserves.

Indian Accounting Standards (IndAS)

The Company follows Indian Accounting Standards ('IndAS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standard Rules, 2015) as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act to the extent applicable and accordingly, standalone and consolidated audited financial statements have been prepared in accordance with the recognition and measurement principles laid down in IndAS and the other accounting principles generally accepted in India.

Corporate Governance

A report on corporate governance together with the Certificate

from M/s A. Arora & Co., a firm of Practicing Company Secretaries, confirming compliance with corporate governance norms as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms a part of this report.

Business Responsibility Report

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Business Responsibility Report for Financial Year 2021-22 is attached as **Annexure A** and forms part of this Report.

Share Capital

There is no change in the Company's issued, subscribed and paid-up equity share capital during the year.

Utilization of Proceeds of IPO

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee / Board reviewed the statement of deviation(s) or variation(s) in use of proceeds raised from the IPO during FY 2021-22 and reported the same to the Stock Exchanges. There was no deviation in the utilisation of the Proceeds from the objects stated in the prospectus.

As on March 31, 2022, the IPO proceeds were fully utilized, as per the statement given herein below

Object of the issue as per Prospectus	Original Allocation (in Millions)	Modified Allocation, if any	Utilisation up to March 31, 2022 (in Millions)	Unutilised amount as on March 31, 2022 (in Millions)
Funding incremental working capital requirements	750.00	N.A.	750.00	-
General Corporate Purpose	217.79	N.A.	217.79	-
TOTAL	967.79	-	967.79	-

Subsidiaries, Joint Ventures or Associate Companies

The Company have 2 wholly-owned subsidiaries in India, namely – Nureca Technologies Private Limited and Nureca Healthcare Private Limited and 1 wholly-owned subsidiary outside India in USA, namely – Nureca Inc.

During the year under review, the Company has invested an amount of ₹49.0 Lakhs in equity shares of Nureca Technologies Private Limited (on rights basis).

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 (hereinafter referred as 'Act'), a statement containing salient features of financial statements of Subsidiary Companies in Form AOC-1 is attached to the Financial Statements. The separate financial statements in respect of each of the subsidiary companies shall be kept open for inspection at the Registered Office of the Company during working hours for a period of 21 days before the date of the Annual General Meeting (AGM). The Company will also make available these documents upon request by any Member interested in obtaining the same.

The separate audited/ unaudited financial statements in respect of each of the Subsidiary Companies are also available on the website of the Company www.nureca.com.

Material Subsidiaries

The Board of Directors of your Company has approved a policy for determining material subsidiaries. At present, your Company does not have a material subsidiary. The Policy on material subsidiaries can be viewed on the Company's website at the following link: <https://www.nureca.com/wp-content/uploads/2021/03/Material-Subsidiary.pdf>

Consolidated Financial Statements

In accordance with the provisions of the Companies Act, 2013, Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the Financial Year 2021-22, together with the Auditors' Report forms part of this Annual Report.

Directors

In terms of the provisions of Section 152(6) of the Companies Act, 2013 and the Rules made there under, Mr. Saurabh Goyal, Director retires by rotation and being eligible, has offered, himself for re-appointment.

At the last Annual General Meeting, held on September 29, 2021, the Members had approved the appointment of Dr. Vikram Chaudhery, Mr. Nitin R. Bidikar and Dr. Shrikant Uttam Tamhane as Independent Directors of the Company for a period of five years.

At the last Annual General Meeting, held on September 29, 2021, the resolutions for the appointment of Mr. Santosh Kumar Srivastava as an Additional Director and Whole-time Director of the Company designated as Director – Compliance for a period of three years was not approved by the Members. Accordingly, Mr. Santosh Kumar Srivastava ceased to be the Director of the Company with effect from September 29, 2021.

Mr. Rajinder Sharma tendered his resignation as Director of the Company with effect from July 31, 2021. Accordingly, he ceased to be the Director of the Company effective from July 31, 2021.

The Board, on the recommendation of its Nomination and Remuneration Committee, appointed Mr. Sushil Kumar Bhardwaj as an Additional Director of the Company and further appointed him as Whole-time Director of the Company designated as Director – Compliance for a period of three years effective from February 12, 2022. Mr. Sushil Kumar Bhardwaj tendered his resignation as a Director of the Company with effect from February 28, 2022.

The Board, on the recommendation of its Nomination & Remuneration Committee, appointed Mr. Rajinder Sharma as Whole-time Director of the Company with effect from May 28, 2022, for a period of three years, subject to approval of the Members at the ensuing Annual General Meeting of the Company.

The Board, on the recommendation of its Nomination & Remuneration Committee, appointed Mr. Aryan Goyal as Whole-time Director of the Company designated as Whole-time Director & CEO with effect from May 28, 2022, for a period of five years, subject to approval of the Members at the ensuing Annual General Meeting of the Company.

The details of the Directors being recommended for appointment / re-appointment are contained in the Notice convening the ensuing Annual General Meeting of the Company.

The Company has a duly constituted Board with the prescribed composition of Independent Directors including Women Directors and Executive Directors as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2022, following are the Directors of the Company -

S. No	Name of Directors	DIN	Designation
1.	Mr. Saurabh Goyal	00136037	Chairman & Managing Director
2.	Mr. Vijay Kumar Sharma	02449088	Independent Director
3.	Ms. Charu Singh	07822158	Independent Director
4.	Ms. Ruchita Agarwal	08941249	Independent Director
5.	Dr. Vikram Chaudhery	00509297	Independent Director
6.	Mr. Nitin R. Bidikar	02472794	Independent Director
7.	Dr. Shrikant Uttam Tamhane	08965471	Independent Director

Key Managerial Personnel

In terms of the applicable provisions of the Companies Act, 2013, Mr. Saurabh Goyal, Chairman & Managing Director, Mr. Aryan Goyal, Chief Executive Officer, Mr. Nishant Garg, Chief Financial Officer and Ms. Chetna Anand, Company Secretary and Compliance Officer are Key Managerial Personnels of the Company as on March 31, 2022.

Ms. Sakshi Mittal, Chief Financial Officer tendered her resignation w.e.f. June 15, 2021 and subsequently, the Board has appointed Mr. Nishant Garg as Chief Financial Officer of the Company with effect from June 16, 2021.

The Board at its meeting held on November 10, 2021 has re-designated Mr. Gurvikram Singh, Company Secretary and Compliance Officer as Assistant Manager - Investor Relations and Corporate Affairs and Ms. Chetna Anand was appointed as Company Secretary and Compliance Officer of the Company w.e.f. November 11, 2021.

Independent Directors and Declaration of Independence

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

Board evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees after seeking inputs from all the Directors and Members of relevant Committees. The Board has also carried out performance evaluation of each Director based on the evaluation carried out by its Nomination and Remuneration Committee.

The criteria for performance evaluation included composition and structure of the Board and its Committees, effectiveness of

the Committees, knowledge of the Company's operations by the members, their participation at meetings including preparedness for issues for consideration, level of contribution in assessing and improving performance of the Company and interactions amongst themselves and with senior management. Adherence to Code of Conduct of the Company, fiduciary and statutory obligations, continuing maintenance of independence by independent Directors, etc. were also a part of the performance evaluation.

The Board was satisfied with its composition and its diversified nature and that all Directors upheld the highest standards of integrity and probity, adhered to the Company's code of conduct, made constructive and effective contribution at meetings and generally carried out their responsibilities well in the interest of the Company and its stakeholders.

A separate meeting of Independent Directors was held during the year to review the performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman of the Company, taking into account the views of other Directors.

Policy on Directors' appointment, remuneration and other details

The Company's Policy on Directors' appointment, remuneration and other matters namely Nomination and Remuneration Policy as provided in Section 178(3) of the Companies Act, 2013 is annexed as **Annexure B** and forms part of this Report.

The Policy is also available on the website of the Company at the following web link – <https://www.nureca.com/wp-content/uploads/2021/03/Nomination-and-Remuneration-Policy.pdf>.

The salient features of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and Officials comprising the Senior Management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management. The remuneration / compensation / commission etc., to the Directors, Key Managerial Personnel and Senior Management are determined by the Nomination and Remuneration Committee and recommended to the Board for its approval. There is no change in the policy during Financial Year 2021-22.

Meetings of the Board

Four Board meetings were held during the year as detailed in the Corporate Governance Report which forms a part of this Report.

Audit Committee

The Audit Committee comprises of three Independent Directors, Ms. Charu Singh (Chairperson), Ms. Ruchita Agarwal (Member) and Dr. Vikram Chaudhery (Member).

The composition, powers and duties of the Committee is detailed out in the Corporate Governance Report which forms a part of this Report.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

Directors' Responsibility Statement

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profits of the Company for the year ended on that date;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Corporate Social Responsibility (CSR)

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended March 31, 2022, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure C**, which forms a part of this report.

Particulars of Employees

The information as per Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure D**, which forms a part of this report.

In terms of first proviso to Section 136 of the Companies Act, 2013, this report and the financial statements are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to provisions of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary at cs@nureca.com.

Internal financial control systems and their adequacy

The Company has adequate financial controls. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms a part of this report.

Statutory Auditors

B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) was appointed as the Statutory Auditors of the Company, at the Annual General Meeting held on October 30, 2020, for a period of five years.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The observations of Statutory Auditors in its reports on standalone and consolidated financials are self-explanatory and therefore do not call for any further comments.

During the financial year under review, the Statutory Auditors have not reported any fraud under sub section (12) of Section 143 of the Companies Act, 2013.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s A. Arora & Co., a firm of Company Secretaries in practice, were appointed as the Secretarial Auditors of the Company to carry out the Secretarial Audit of the Company for Financial Year 2021-22.

The Secretarial Audit Report, for the year under review, does not contain any qualification and is attached as **Annexure E**.

The Company has undertaken an audit for the Financial Year 2021-22 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the Stock Exchanges within stipulated timeline.

Cost Records

There are no cost records which are prescribed under Section 148(1) of the Companies Act, 2013 for any of the product of the Company.

Material changes and commitments affecting the financial position of the Company

No material changes have occurred or commitments made after March 31, 2022, which may affect the financial position of the Company or require disclosure.

Details of Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

To the best of our knowledge, the Company has not received any such orders from Regulators, Courts or Tribunals during the year which may impact the going concern status of the Company or its operations in future. Further, there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Particulars of loans, guarantees and investments

The Company has not given any loan or provide guarantee as per Section 186 of the Companies Act, 2013. However, the amount receivable from subsidiaries and the investments under Section 186 of the Companies Act, 2013 are given in the Financial Statements forming part of the Annual Report.

Transactions with Related Parties

All related party transactions that were entered into during the financial year were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, read with the Rules issued thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, there were no transactions with related parties which qualify as material transactions.

All transactions with related parties were reviewed and approved by the Audit Committee.

During the year under review, the Board of Directors has modified the Policy to deal with Related Party Transactions to align the same with the amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2022 (with further specified amendments effective from 1 April 2023). It is available on the Company's website under web link <https://www.nureca.com/investor-relations/#1619713093679-a2650db1-1322>

The Form AOC - 2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure F**.

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website

of the Company at the web link : https://www.nureca.com/wp-content/uploads/2021/07/Form_MGT_7-%2031.03.2022%20FINAL-1.pdf?t=1655365382

Deposits

During the year under review, the Company has not accepted any deposit under Chapter V of Companies Act, 2013.

Vigil Mechanism/ Whistle Blower Policy

The Company has a vigil mechanism through Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report.

The Whistle Blower Policy to provide Vigil Mechanism for Directors and Employees is available on the website of the Company at web link - <https://www.nureca.com/wp-content/uploads/2021/03/Whistle-Blower-Policy.pdf>

Familiarization Programme for Independent Directors

The details of familiarization programme for Independent Directors in respect of their roles, rights & responsibilities, business model of the Company and related matters are available on the website of the Company at web link : <https://www.nureca.com/investor-relations/#1646223868993-523097d9-5423>

Compliance with Secretarial Standards

The Company is in Compliance with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India.

Committee and Policy against Sexual Harassment at Workplace

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has made the Anti Sexual Harassment Policy under above referred Act for all individuals working for Nureca at all levels and grades, including senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, staff, casual workers, interns.

The Company has not received any complaint of sexual harassment during the year.

Conservation of Energy, Technology Absorption and Foreign Exchange

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013 is attached as **Annexure G**.

Risk Management

The primary objective of risk management is to protect the Company against risks to the value of the business, its capital and its continuity. In order to achieve the objective and for better governance, the Board has constituted a Risk Management Committee (RMC) comprising two Independent Directors and One Executive Director.

The Company has adopted a formal Risk Management Policy based on the recommendations of RMC. The Policy sets out key risk areas - financial risks (including risk to assets), commodity price risks, foreign exchange fluctuation risks, legislative and regulatory risks, Operational risks: Market, Production and Technology, IT risks including cyber security, risks arising from employment and manpower.

The Chief Executive Officer identifies and proposes action in respect of all risks through his management team as and when any are perceived or foreseen or inherent in operations; analyses these, and then reports to RMC for its review and guidance.

Change of Registered Office of the Company within local limits

During the year under review, the Company has changed its registered office from Gala No. 128, Udyog Bhavan, Sonawala Lane, Goregaon East, Mumbai, Maharashtra -400063 to Office No. 101, 1st Floor, Udyog Bhavan, Sonawala Lane, Goregaon East, Mumbai, Maharashtra -400063

Acknowledgement

Your Directors would like to express their sincere and grateful appreciation for the assistance and cooperation and also thank the shareholders for the confidence reposed by them in the Company and looking forward to their valuable support in the future plans of the Company.

Your Directors also thank its agents, the medical professionals and its customers for their continued patronage to the Company's products.

For and on behalf of the Board of Directors
of **Nureca Limited**

Dated: 28.05.2022 **(Saurabh Goyal)**
Place: Chandigarh **Chairman and Managing Director**

ANNEXURE A TO DIRECTORS' REPORT

Business Responsibility Report for Financial Year 2021-22

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L24304MH2016PLC320868
2	Name of the Company	NURECA LIMITED ('NURECA' or 'Company')
3	Registered address	Office No.101, 1st Floor, Udyog Bhavan, Sonawala Lane, Goregaon East Mumbai, Maharashtra -400063
4	Website	www.nureca.com
5	E-mail id	cs@nureca.com
6	Financial Year reported	April 2021 to March 2022
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	The Company is engaged in the business of Home Healthcare and Wellness Products (NIC Code – 869 "Other human health activities" as described under National Industrial Classification for India 2008.
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Key products of our Company includes – <ul style="list-style-type: none"> • Chronic Device Products – which includes products such as blood pressure monitors, pulse oximeters, thermometers, nebulizers, self-monitoring glucose devices, humidifier and steamers. • Orthopedic Products – which includes rehabilitation products such as wheelchairs, walkers, lumbar and tailbone supports and physiotherapy electric massagers. • Mother and Child Products–which includes products such as breast pumps, bottle sterilizers, bottle warmers, car seats and baby carry cots. • Nutrition Supplements–which includes products such as fish oil, multivitamins, probiotics, biotin, Apple Cider Vinegar. • Lifestyle Products – which includes products such as smart scales, aroma diffusers and fitness tracker. • Connected Devices- which includes ECG, fitness tracker, blood pressure monitor, glucometer and smart weighing Scale
9	Total number of locations where business activity is undertaken by the Company :	1 Regd. Office - Office No.101, 1st Floor, Udyog Bhavan, Sonawala Lane, Goregaon East Mumbai, Maharashtra -400063 2 Corp Office – SCO 6-7-8, Sector 9-D, Chandigarh - 160009 3 Warehouse – Plot No. 110, Industrial Area, Phase – I, Chandigarh 4 Warehouse – Khata No. 884/913, Khasra No. 19/9/1, Village Pabhat, Godown Area, Zirakpur, Punjab - 140603 5 Warehouse – Khata No. 802/933 and 803/934, Khasra No. 32/7/1 and 19/23, Village Pabhat, Godown Area, Sub Tehsil Zirakpur, Punjab – 140603 6 Warehouse – Khatoni No. 933, Khasra No. 19//18/2 (5-7), Village Pabhat/234, Godown Area, Sub Tehsil Zirakpur, Punjab - 140603 7 Technology Office - ClayWorks Mini Forest, Private Studio S1, No.74, MASS Complex, 3rd Floor, 15th Cross Road, JP Nagar, 3rd Phase, Bengaluru – 5600788. 8 Nureca Inc (USA) – 276 5th Ave RM 704-397 New York
10.	Markets served by the Company – Local / State / National / International	We serve all the Markets be it Local, National or International.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (FY 2021-22)

1.	Paid up capital	₹100 Millions
2.	Total Turnover	₹2,555.49 Millions
3.	Total Profit after tax	₹453.09 Millions
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹5.05 Millions
5.	List of activities in which expenditure in 4 above has been incurred	Promoting health care including preventive health care

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. The Company have 2 wholly-owned subsidiaries in India, namely – Nureca Technologies Private Limited and Nureca Healthcare Private Limited and 1 wholly-owned subsidiary outside India in USA, namely – Nureca Inc, USA.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

The subsidiary companies are not required to comply with the Business Responsibility/Corporate Social Responsibility initiatives as per the laws applicable to them.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%].

The other entities with whom the Company does business, viz., suppliers, distributors, etc. do not participate in the business responsibility initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of Director responsible for implementation of the BR policy / policies

DIN Number	-	00136037
Name	-	Mr. Saurabh Goyal
Designation	-	Managing Director

(b) Details of BR Head

DIN Number	-	NA
Name	-	Mr. Nishant Garg
Designation	-	Chief Financial Officer
Telephone number	-	0172-5292900
e-mail id	-	nishant.garg@nureca.com

2. Principle-wise (as per NVGs) BR Policy/policies

a) Details of compliance

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows :

Principle 1- (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2- (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3- (P3)	Businesses should promote the wellbeing of all employees
Principle 4- (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5- (P5)	Businesses should respect and promote human rights
Principle 6- (P6)	Business should respect, protect, and make efforts to restore the environment
Principle 7 - (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8- (P8)	Businesses should support inclusive growth and equitable development
Principle 9- (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	NA	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Relevant internal and external stakeholders were consulted, as deemed appropriate, during the formulation of the policies.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Policies are drafted in line with the provisions of the respective applicable laws in India.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	The Board of Directors of the Company have approved, from time to time, entity level policies such as Code of Ethics & Conduct, Whistle Blower Policy, Corporate Social Responsibility Policy, etc. in line with the Regulatory requirements. These policies are signed by respective officers authorized by the Board. Other policies & procedures are formulated having regard to business needs, controls and compliance with applicable laws & regulations and are approved and signed by the Managing Director.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	While few of the Policies mandate requirement of a Board Committee, the rest of them are monitored by the Management Team.								
6	Indicate the link for the policy to be viewed online?	Relevant external policies are available at the website of the Company viz. https://www.nureca.com/investor-relations/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Company has internal mechanism to evaluate the Policies. However, no independent audit has been carried out by any external agency.								

2b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Board of Directors reviewed and will continue to review BR performance on an annual basis.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Business Responsibility Report forms part of the Annual Report, which is available on the website of the Company viz. www.nureca.com. It is published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company has a Code of Ethics & Conduct for its Directors, Senior Management and other employees that cover aspects inter-alia related to ethics, bribery and corruption, workplace responsibilities and conflict of interest. All Directors, Senior Management and other employees of the Company affirm compliance with this Code on an annual basis.

The Company also has a Whistle Blower Policy, approved by the Board of Directors, which is applicable to Directors and Employees of the Company.

Details relating to Shareholders' complaints are provided in Corporate Governance Report, which forms part of the Annual Report. However, there was no Stakeholder complaint with regard to ethics, bribery and corruption during the reporting period.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company is engaged into the business of home healthcare and wellness products. The key products of the Company are as follows –

- **Chronic Device Products** – which includes products such as blood pressure monitors, pulse oximeters, thermometers, nebulizers, self-monitoring glucose devices, humidifier and steamers.
- **Orthopedic Products** – which includes rehabilitation products such as wheelchairs, walkers, lumbar and tailbone supports and physiotherapy electric massagers.
- **Mother and Child Products**–which includes products such as breast pumps, bottle sterilizers, bottle warmers, car seats and baby carry cots.
- **Nutrition Supplements**–which includes products such as fish oil, multivitamins, probiotics, biotin, Apple Cider Vinegar.
- **Lifestyle Products** – which includes products such as smart scales, aroma diffusers and fitness tracker.
- **Connected Devices**- which includes ECG, fitness tracker, blood pressure monitor, glucometer and smart weighing Scale.

The Company's product line features many energy efficient products. For example, the Foot and Calf massagers (item nos. 1008, 1022, 1024) are extremely energy efficient and consumes only 40W/80W electricity. The item also comes in environment friendly packaging.

Another Product - BP Monitor comes with USB port connectivity and supports multiple peripheral USB devices. This feature helps the users from hassle of changing batteries often and is also environment friendly.

The Company's direct consumption arises from electricity used in the offices and warehouses. The Management continues to seek opportunities to improve the energy consumption. During FY 2021-22, total 601.17 GJ of energy has been consumed leading to 21.49 tCO2e scope 2 emission in the reporting year.

Further, the Company endeavors to work with Suppliers who follow good environmental practices. Few of our Suppliers have ISO14001:2015 (Environment Management System) certification and are also members of "Business Social Compliance" initiative.

The Company also have ISO 9001:2015 (Quality Management System) certification.

Principle 3 - Businesses should promote the wellbeing of all employees

Employees' data as on 31st March, 2022 is provided herein below :

1. **Please indicate the Total number of employees** - 181
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis** - 206
3. **Please indicate the Number of permanent women employees** - 32
4. **Please indicate the Number of permanent employees with disabilities** – 1

5. Do you have an employee association that is recognized by Management? No.

6. What percentage of your permanent employees is members of this recognized employee association - N.A.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour /forced labour /involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees : 66%
- (b) Permanent Women Employees : 78%
- (c) Casual/Temporary/Contractual Employees : 0
- (d) Employees with Disabilities : 0

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes, the Company has identified disadvantaged, vulnerable and marginalized stakeholders.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes. Please refer **Annexure C** of Directors' Report for details on CSR Projects of the Company.

Principle 5 - Businesses should respect and promote human rights

The Company strongly believes in the principle of respect for human rights of all, which imbibes its spirit from the Constitution of India.

The Company has in place, a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.

The Company also has policies like Whistle Blower Policy, Policy on Prevention of Sexual Harassment at Workplace, which encourage respect and promotion of human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2021-22.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

The Company is committed towards conservation of the environment and compliance with all requirements related to Environment, Health and Safety [EHS]. The Company looks at these initiatives beyond statutory compliance with a focus on the 4 Rs–Reduce, Reuse, Recycle and Recover for valuable resources. The Company encourages sustainability initiatives across its subsidiary companies also.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company is a member of the following Trade & Chamber or Association :

1. PHD Chamber of Commerce and Industry

2. Entrepreneurs Organization, Punjab

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No.

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, the Company has a Corporate Social Responsibility (CSR) Policy which derives its core values and covers various aspects as per requirements of the Companies Act, 2013.

2. Are the programmes / projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

The CSR programmes and projects are undertaken directly by the Company.

3. Have you done any impact assessment of your initiative?

No.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company has spent ₹50.46 lakhs as part of its CSR initiatives. Details of CSR projects are provided at **Annexure C** of Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

All CSR initiatives are perceived in consultation with the local community including Local Government authorities, wherever required, having regard to their needs and priorities.

Principle 9- Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

During FY 2021-22, total 112 customers' complaints were received and all were duly resolved.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information).

Product information as per mandatory requirements is displayed on product label.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, the company carries out consumer surveys internally as well as through external firms, from time to time, to review market trends, consumer needs and customer satisfaction in terms of its products, service and sales. The Company regularly conducts customer surveys to know the customer satisfaction trends. Also, the products of the Company are well reviewed by happy customers on various market places and social media.

ANNEXURE B TO DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY

1. PREFACE

With reference to the Company's efforts to consider human resources as its valuable assets, to pay equitable remuneration to all Executive Directors, Key Managerial Personnel ("KMPs") and Employees of the Company; to harmonize the aspirations of the human resources consistent with goals of the Company and pursuant to Companies Act 2013, the Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors.

2. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of the Companies Act 2013, the Board of Directors has constituted Nomination and Remuneration Committee ("NRC" or "the Committee") consisting of three non-executive directors out of which not less than one-half are Independent Directors. The Chairman of the Committee is an Independent Director.

3. POLICY OBJECTIVES:

The objective of this policy is to lay down a framework in relation to remuneration of directors, KMPs, senior management personnel and other employees. The key Objectives of the Committee would be:

- (a) Guiding the Board in relation to appointment or removal of Directors, Key Managerial Personnel and Senior Management.
- (b) Formulation of criteria for determining qualifications, experience, positive attributes and independence of Directors.
- (c) Formulation of Policy regarding remuneration of Directors, KMPs and Senior Management Personnel.
- (d) Formulation of criteria for evaluation of Independent Director and evaluation of performance of the Board.
- (e) Recommendation to the Board regarding remuneration payable to the Executive Directors, KMPs, and Senior Management.

4. SCOPE OF THE POLICY:

The Policy is applicable regarding appointment and remuneration in case of:

- (a) Executive Directors
- (b) Key Managerial Personnel (KMPs)*
- (c) Senior Management Personnel

*"Key Managerial Personnel" means:

- Managing Director or Chief Executive Officer or Manager;
- Chief Financial Officer;
- Whole-Time Director;
- Company Secretary; and
- Such other officers as may be prescribed.

5. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs, AND SENIOR MANAGEMENT:

Appointment criteria and qualifications:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person proposed to be appointed as Director, KMP or Senior Managerial Personnel and recommend to the Board his/ her appointment.

A person should possess adequate qualification, expertise and experience for the position for which appointment is considered. The Committee has discretion to decide whether qualification, expertise and experience possessed by the person is sufficient as per the requirement of the concerned position.

The Company shall not appoint or continue employment of any person as a Whole-time Director who has attained the age of seventy years provided that the term of person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the justification stating reasons/ clarification for extension of appointment beyond seventy years.

6. TERM/ TENURE OF APPOINTMENT:

a) Managing Director / Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

The Company shall not appoint or continue employment of any person as Whole-time Director who has attained the age of seventy years provided that the term of person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the justification stating reasons/ clarification for extension of appointment beyond seventy years.

b) Independent Director:

An Independent Director shall hold office for a term up to maximum of five consecutive years on the Board of the

Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 (five) years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

c) Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

d) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

e) Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

7. REMUNERATION TO DIRECTORS/ KMPs/ SENIOR MANAGEMENT PERSONNEL

Remuneration to Managing / Whole-time / Executive Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per the provisions of the Companies Act, 2013 and the rules made thereunder or any other enactment for the time being in force.

Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive

remuneration/ compensation/ commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

8. DUTIES IN RELATION TO NOMINATION MATTERS

Duties and responsibilities of the Committee:

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation;
- Determining the appropriate size, diversity and composition of the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board; and
- Considering any other matters, as may be requested by the Board.

The duties of the Committee in relation to remuneration matters include:

- Considering and determining the Remuneration Policy, based on the performance reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

- Approving the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee.
- Considering any other matters as may be requested by the Board.

Review and Amendments:

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there are any statutory changes necessitating the change in the policy.

For and on behalf of the Board of Directors
of **Nureca Limited**

Dated: 28.05.2022
Place: Chandigarh

(Saurabh Goyal)
Chairman and Managing Director

ANNEXURE C TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility Policy of Nureca Limited (hereinafter referred to as "NL" or "the Company") has been formulated by the CSR Committee and approved by the Board of Directors. The objective of the Company is to continuously and consistently initiate projects that benefit communities; encourage an increased commitment from employees towards CSR activities and volunteering; generate goodwill in communities where the Company operates or are likely to operate.

2. Composition of CSR Committee.

S. No.	Name of the Director	Designation / Nature of Directorship	No. of meetings held during the year 2021-22	No. of meetings attended during the year 2021-22
1	Mr. Saurabh Goyal, Chairperson (ceased to be Chairperson w.e.f. July 31, 2021 and again re-elected as Chairperson w.e.f. November 10, 2021)	Executive (Managing Director)	1	1
2	Ms. Charu Singh	Independent, Non-Executive	1	1
3	Dr. Vikram Chaudhery (appointed w.e.f. June 16, 2021)	Independent, Non-Executive	--	--
4	Mr. Rajinder Sharma (ceased w.e.f. June 16, 2021)	Non-Executive	1	1
5	Mr. Santosh Kumar Srivastava (appointed as Chairperson w.e.f. July 31, 2021 and ceased w.e.f. September 29, 2021)	Executive (Director-Compliance)	--	--

During the year, 1 (One) meeting of the Committee was held on April 10, 2021.

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

Composition of CSR Committee : <https://www.nureca.com/investor-relations/#1619713290739-12cde66a-c7c1>

CSR Policy : https://www.nureca.com/wp-content/uploads/2021/07/CSR_Policy%202021-22.pdf?t=1630993106

CSR Projects approved by the Board: <https://www.nureca.com/csr-details/>

4. Provide the 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. 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 ₹)	Amount required to be setoff for the financial year, if any (in ₹)
		NIL	

6. Average net profit of the Company as per Section 135(5).	₹236.64 Millions
7. (a) Two percent of average net profit of the Company as per Section 135(5)	₹4.73 Millions
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
(c) Amount required to be set off for the financial year, if any.	--
(d) Total CSR obligation for the financial year (7a+7b-7c)	₹4.73 Millions

8. (a) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
₹5.05 Millions	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	NA	NA	NA	NA	NA

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

Sl. No. of the Project	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project (State District)	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name, CSR Registration number)
NOT APPLICABLE										

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

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project (State District)	Amount spent for the project (₹ Millions)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency (Name, CSR Registration number)
1	Promoting Healthcare including Preventive Healthcare	Healthcare	No	PAN India	5.05	Direct	N.A.
Total					5.05		

- (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) :** ₹5.05 Millions
- (g) Excess amount for set off, if any :**

Sl. No.	Particular	Amount (₹ in Millions)
(i)	Two percent of average net profit of the company as per section 135(5)	4.73
(ii)	Total amount spent for the Financial Year 2021-22	5.05
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.32
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.32

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

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

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

Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
NIL								

10. 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 :

- (a) Date of creation or acquisition of the capital asset(s) : Not Applicable
- (b) Amount of CSR spent for creation or acquisition of Capital asset. : Not Applicable
- (c) Details of entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) : Not Applicable

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) : Not Applicable

For and on behalf of the Board of Directors of **Nureca Limited**

Saurabh Goyal **Aryan Goyal**
Chairman, CSR Committee **Chief Executive Officer**

Place : Chandigarh Place : USA
 Dated : 28.05.2022 Dated : 28.05.2022

ANNEXURE D TO THE DIRECTORS' REPORT

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ended March 31, 2022	- Mr. Saurabh Goyal, Chairman & Managing Director 39:1
(ii)	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2021-22	- Mr. Saurabh Goyal, Chairman & Managing Director 20%
		- Mr. Aryan Goyal, Chief Executive Officer (Refer Note below) NA
		- Mr. Nishant Garg, Chief Financial Officer (appointed w.e.f. June 16, 2021) NA
(iii)	Percentage increase in the median remuneration of employees in the financial year 2021-22	- Ms. Chetna Anand, Company Secretary (appointed w.e.f. November 11, 2021) NA
		39.75%
(iv)	Number of permanent employees on the rolls of the company as on March 31, 2022	181
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	- Average increase in remuneration of Managerial Personnel 20%
		- Average increase in remuneration of employees other than the Managerial Personnel 19.09%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013

Note : Mr. Aryan Goyal was appointed as Chief Executive Officer w.e.f. September 3, 2020, therefore his yearly remuneration is not comparable. However, his monthly (fixed) remuneration increased by 20%.

For and on behalf of the Board of Directors
of **Nureca Limited**

Dated: 28.05.2022 **(Saurabh Goyal)**
 Place: Chandigarh **Chairman and Managing Director**

ANNEXURE E TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members,
Nureca Limited,
Office No. 101, 1st Floor, Udyog Bhawan,
Sonawala Lane, Goregaon East, Mumbai,
Maharashtra 400063.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NURECA LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2022 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 NURECA LIMITED ("the Company") for the financial year ended on March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)

- Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021: Not Applicable during the financial year under review.
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.
- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.
- f) The erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Chapter V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- Not applicable as the company has not issued any debt securities during the financial year under review.
- g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
- h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
- i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.
- (vi) The major provisions and requirements have also been complied with as prescribed under other applicable laws.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the National Stock Exchange of India Limited and BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that:

- 1. The Board of Directors of the Company is duly constituted with proper balance of Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.
- 2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3. All decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

Place: Chandigarh
Date : 09.05.2022
UDIN: F002191D000288334

ANNEXURE F TO DIRECTORS' REPORT

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

- 1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**
- 2. Details of material contracts or arrangements or transactions at arm's length basis:**

The Company has not entered into any material contract or arrangement or transaction with its related parties which is at arm's length during financial year 2021-22. However, the details of non-material contract or arrangement or transaction with its related parties which are at arm's length during financial year 2021-22 has been given in the notes to the Financial Statements forming part of the Annual report.

Dated: 28.05.2022
Place: Chandigarh

4. The company has proper board processes.
Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that:

- 1. There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 2. Based on the examination of the relevant documents and records on test check basis the company has complied with the laws specifically applicable to the company.

I further report that, during the audit period under review there were no instances of

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity
- (ii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Redemption / Buy-back of Securities
- (v) Foreign technical collaborations.

**For A. Arora & Co.
Company Secretaries**

AJAY K. ARORA
(Proprietor)

FCS No. 2191
C P No.: 993

For and on behalf of the Board of Directors
of **Nureca Limited**

(Saurabh Goyal)
Chairman and Managing Director

ANNEXURE G TO DIRECTOR'S REPORT

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

A. CONSERVATION OF ENERGY

1. The steps taken or impact on conservation of energy

The Company's direct consumption arises from electricity used in the offices and warehouses. The Management continues to seek opportunities to improve the energy consumption. During FY 2021-22, total 601.17 GJ of energy has been consumed leading to 21.49 tCO_{2e} scope 2 emission in the reporting year.

2. The steps taken by the company for utilizing alternate sources of energy

The Company's product line features many energy efficient products. For example, the Foot and Calf massagers (item nos. 1008, 1022, 1024) are extremely energy efficient and consumes only 40W/80W electricity. The item also comes in environment friendly packaging.

Another Product - BP Monitor comes with USB port connectivity and supports multiple peripheral USB devices. This feature helps the users from hassle of changing batteries often and is also environment friendly.

Further, the Company endeavors to work with Suppliers who follow good environmental practices. Few of our Suppliers have ISO 14001:2015 (Environment Management System) certification and are also members of "Business Social Compliance" initiative.

The Company also have ISO 9001:2015 (Quality Management System) certification.

3. Capital investment on energy conservation equipments

Capital Investment: Nil

B. TECHNOLOGY ABSORPTION

1. The efforts made towards technology absorption:

The Company has been at forefront of innovation in the home health care solutions industry as it continues to bring innovative products to the market at affordable prices. During the year under review, the Company has launched Dr Trust 360 mobile application for health, activity & fitness and Tracking. The platform is designed and developed for remote patient monitoring and tele-medicine.

2. The benefits derived like product improvement, cost reduction, product development or import substitution

The holistic Dr Trust 360 Health Monitoring Mobile application connects to the Bluetooth enabled Dr Trust devices like BP monitors, glucose monitor, smart scales and fitness trackers. It enables accurate monitoring, analyses, storing and reporting of health data and patterns over time. Its innovative AI driven data capture technology empowers all non-Bluetooth Dr Trust Blood Pressure and Glucose devices to connect and share as well. It has helped the user to get proper advice of their health status before critical condition arises and has significantly reduced visits to doctors / hospitals.

3. Information in case of imported technology (imported during the last three years) - Not Applicable

4. The expenditure incurred on Research and Development

During the year under review, the Company has not spend any amount on Research & Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is making all efforts to expand its product portfolio and export its products to new countries & markets.

	(₹ in Crores)
Foreign exchange earned in terms of actual inflow during the financial year ended on March 31, 2022	--
Foreign exchange outgo in terms of actual outflow during the financial year ended on March 31, 2022	115.99

For and on behalf of the Board of Directors
of Nureca Limited

(Saurabh Goyal)
Chairman and Managing Director

Dated: 28.05.2022
Place: Chandigarh

Report on Corporate Governance

Nureca Limited' philosophy on Corporate Governance

Nureca Limited ("Nureca" or "Company") is committed to maximise the wealth of its shareholders, besides catering to the interest of its customers, employees and associates, with the highest standards of professionalism, integrity, accountability, fairness, following its values, transparency at all levels, social responsiveness and business ethics.

The Company's governance practices go beyond the statutory and regulatory requirements as it tries its best endeavour to follow the spirit of good governance in addition to regulatory requirements with a mission to alleviate human suffering with excellent global quality & affordable medicines created with a spirit of innovation, entrepreneurship & sustainability to create a better tomorrow.

The vision of the Company is: **"We are transforming lives through the patented products that support diagnosis, treatment, and prevention of illness through easy monitoring & analysis of health data"**.

The Company is in compliance with corporate governance requirements specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'LODR Regulations'). Any disclosure not given in this report but disclosed in Board of Directors Report or its Annexures, shall be deemed to be reported in this report.

The Company's compliance of Corporate Governance guidelines, as per LODR Regulations, are as under; however, this report is to be read with Directors' Report and all its Annexures for more clarity on corporate governance practices of the Company

I. Board of Directors

Composition and Responsibilities

The size and composition of the Board commensurate with the

Company's future growth plans and also conforms to the LODR Regulations with total 7 (Seven) Directors on the Board as on March 31, 2022, comprising of 1 (One) Executive Director cum Chairperson and 6 (Six) Independent Directors (including two women Directors).

All Independent Directors were appointed in accordance with the Companies Act, 2013 and LODR Regulations. The formal letter of appointment issued to Independent Directors containing terms and conditions of appointment is disclosed on the Company's website www.nureca.com. All the Independent Directors have declared to the Company that they meet the criteria of 'independence' set out in LODR Regulations and the Companies Act, 2013. The Board of Directors, based on the declarations received from the Independent Directors, have verified the veracity of such disclosure and confirm that the Independent Directors fulfil the conditions specified in LODR Regulations and are independent of management of the Company. During the year, none of the Independent Directors had resigned.

The Board of the Company has devised a policy for orderly succession for appointments to the Board and to Senior Management.

The responsibilities of the Board include charting out business plans; devising corporate strategy; brand equity; formulation of policies; new initiatives; other management matters; performance review and control and ensuring that the targeted objectives are met on a consistent basis. In all, the Board of Directors of Nureca Limited believes to ensure compliance of all the applicable laws of the land, in letter as well as in spirit.

Information as per LODR Regulations has been placed before the Board for its consideration. The Board reviews material compliances of all extant laws applicable to the Company as affirmed by the Management.

Skills / Expertise / Competencies of the Board of Directors

S. No.	Name of the Director	Expertise / Skill
2	Mr. Vijay Kumar Sharma	Governance and Regulatory oversight; Financial Experience and Risk oversight; Business Strategy
3	Dr. Vikram Chaudhery	Knowledge of domain of home healthcare and wellness products; Governance and Regulatory oversight
4	Mr. Nitin R Bidikar	Governance and Regulatory oversight; Risk oversight; Business Strategy
5	Dr. Shrikant Uttam Tamhane	Knowledge of domain of home healthcare and wellness products; Governance and Regulatory oversight
6	Ms. Charu Singh	Financial Experience
7	Ms. Ruchita Agarwal	Financial Experience and Risk oversight; Governance and Regulatory oversight

None of the Directors on the Board holds the office of:

- i) Director in more than 20 (Twenty) Companies; or
- ii) Director in more than 10 (Ten) Public Companies including Private Companies which are Holding / Subsidiaries of Public Companies; or
- iii) Director in more than 7 (Seven) Listed Companies; or
- iv) Independent Director in more than 3 (Three) Listed Companies in case he/she is a Whole-time Director in a Listed Company; or
- v) Membership in more than 10 (Ten) Committees of the Board (Audit Committee and Stakeholders Relationship Committee); or
- vi) Chairmanship in more than 5 (Five) Committees of the Board (Audit Committee and Stakeholders Relationship Committee).

Number of Meetings of the Board

During the year, 4 (Four) Board Meetings were held on June 16, 2021, July 31, 2021, November 10, 2021 and February 12, 2022. In the wake of Covid-19 pandemic and to adhere to the lockdown and social distancing norms, the Directors and Invitees participated in the meetings of the Board and Committees through video conferencing / other audio visual means. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days. During the year, the Board also transacted some of the business under its terms of reference by passing resolution by circulation.

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and at the last Annual General Meeting ("AGM") and the number of Directorship and Committee Chairmanships / Memberships held by them in other Companies as on March 31, 2022 are given below:

Non-Executive Directors' Compensation

Apart from receiving sitting fee for attending the meetings of the Board/ Committees, there were no pecuniary relationships or transactions between the Company and the Non-Executive & Independent Directors.

Name of Director (DIN No.)	Category	Board Meetings during 2021-22		Attendance at the AGM held on 29.09.2021	Directorship in other Companies* (as on 31.03.2022)		Number of Committee positions in Companies# including Nureca Limited (as on 31.03.2022)	
		Meetings Held	Meetings Attended		Public	Private	Member	Chairman
Mr. Saurabh Goyal Chairman & Managing Director (DIN 00136037)	Executive	4	4	Present	--	4	1	--

Name of Director (DIN No.)	Category	Board Meetings during 2021-22		Attendance at the AGM held on 29.09.2021	Directorship in other Companies* (as on 31.03.2022)		Number of Committee positions in Companies# including Nureca Limited (as on 31.03.2022)	
		Meetings Held	Meetings Attended		Public	Private	Member	Chairman
Ms. Ruchita Agarwal (DIN 08941249)	Independent Non-Executive	4	4	Present	--	--	2	--
Ms. Charu Singh (DIN 07822158)	Independent Non-Executive	4	4	Present	--	1	--	2
Mr. Vijay Kumar Sharma (DIN 02449088)	Independent Non-Executive	4	4	Present	5	--	2	3
Dr. Vikram Chaudhery (DIN 00509297)	Independent Non-Executive	4	3	Present	--	1	1	--
Mr. Nitin R. Bidikar (DIN 02472794)	Independent Non-Executive	4	4	Present	--	--	--	--
Dr. Shrikant Uttam Tamhane (DIN 08965471) (appointed w.e.f. April 15, 2021)	Independent Non-Executive	4	2	--	--	--	--	--
Mr. Rajinder Sharma [^] (DIN 00317133) (ceased w.e.f. July 31, 2021)	Non-Executive	2	--	NA	NA	NA	NA	NA
Mr. Santosh Kumar Srivastava Director-Compliance (DIN 09168623) (appointed w.e.f. June 16, 2021 and ceased w.e.f. September 29, 2021)	Executive	1	--	--	NA	NA	NA	NA
Mr. Sushil Kumar Bhardwaj Director-Compliance (DIN 09468448) (appointed w.e.f. February 12, 2022 and ceased w.e.f. February 28, 2022)	Executive	NA	NA	NA	NA	NA	NA	NA

* Excludes Directorships in Associates, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Companies Act, 2013.

[^] Mr. Rajinder Sharma was again appointed as Director (Executive) of the Company for a period of three years w.e.f. May 28, 2022.

- (a) As on March 31, 2022, none of the Directors are shareholder of the Company except Mr. Saurabh Goyal, Chairman & Managing Director who holds 34,99,979 equity shares of the Company.
- (b) The Senior Management Personnel have made disclosures confirming that there are no material, financial and/or commercial transactions between them and the Company which would have potential conflict of interest with the Company at large.
- (c) The Board of Directors at the meeting held on May 28, 2022 has appointed Mr. Aryan Goyal as Whole-time Director of the Company designated as Whole-time Director & CEO for a period of five years w.e.f. May 28, 2022, subject to approval of the shareholders at the Annual General Meeting.

Details of Directors holding Directorship in Listed Entities including Nureca Limited and the category of their Directorship as on March 31, 2022 :

Name of Director	Name of Listed Entities in which the concerned Director is a Director	Category of Directorship
Mr. Saurabh Goyal (DIN 00136037)	Nureca Limited	Chairman & Managing Director
Ms. Ruchita Agarwal (DIN 08941249)	Nureca Limited	Independent Director
Ms. Charu Singh (DIN 07822158)	Nureca Limited	Independent Director
Mr. Vijay Kumar Sharma (DIN 02449088)	Nureca Limited Reliance Power Limited Mahindra & Mahindra Limited Tata Steel Limited	Independent Director Independent Director Non-Executive Non-Independent Director Director
Dr. Vikram Chaudhery (DIN 00509297)	Nureca Limited	Independent Director
Mr. Nitin R. Bidikar (DIN 02472794)	Nureca Limited	Independent Director
Dr. Shrikant Uttam Tamhane (DIN 08965471)	Nureca Limited	Independent Director

II. Code of Conduct

The Board of Directors adopted the Code of Conduct pursuant to the provisions of LODR Regulations. The Code is available on the website of the Company www.nureca.com.

All Board Members and Senior Management Personnel affirmed compliance with the Code. A declaration to this effect signed by Mr. Aryan Goyal, Chief Executive Officer is attached to this Report.

III. Audit Committee

During the year ended March 31, 2022, the Audit Committee comprised of 3 (three) Directors viz. Ms. Charu Singh (Chairperson of the Committee), Ms. Ruchita Agarwal and Dr. Vikram Chaudhery. Mr. Saurabh Goyal ceased to be a Member of the Committee with effect from July 31, 2021. Mr. Santosh Kumar Srivastava was appointed as a Member of the Committee with effect from July 31, 2021 and consequent to his cessation, he ceased to be a

Member of the Committee with effect from September 29, 2021.

The Company Secretary is the Secretary to the Committee. The Managing Director, Chief Executive Officer, Chief Financial Officer, Statutory Auditors and Internal Auditors are invitees to the meetings of the Committee.

During the year under review, 5 (Five) meetings were held on June 16, 2021, July 31, 2021, November 10, 2021, February 12, 2022 and March 31, 2022. The maximum gap between any two Meetings of the Committee held during the year was not more than 120 days. During the year, the Audit Committee also passed two resolutions by circulation dated November 12, 2021 and March 7, 2022 with the consent of requisite majority.

Ms. Charu Singh, the Chairperson of the Audit Committee was present at the 5th Annual General Meeting of the Members of the Company held on September 29, 2021.

The composition of the Audit Committee and the details of the meetings attended by the Members during the year are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Ms. Charu Singh , Chairperson	Independent, Non-Executive	5	5
Ms. Ruchita Agarwal	Independent, Non-Executive	5	5
Dr. Vikram Chaudhery	Independent, Non-Executive	4	2
Mr. Saurabh Goyal (ceased w.e.f. July 31, 2021)	Executive (Managing Director)	2	2
Mr. Santosh Kumar Srivastava (appointed w.e.f. July 31, 2021 and ceased w.e.f. September 29, 2021)	Executive (Director-Compliance)	NA	NA

Terms of reference to the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section 177) and the LODR Regulations (Regulation 18 read with Part C of Schedule II), which, inter-alia, includes:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) 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 being 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, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the Management, the quarterly financial statements before submission to the board for approval;
- (6) 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;

- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (13) 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;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) 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;
- (16) Discussion 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;
- (17) To look 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;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (21) Reviewing the utilization of loans and/ or advances from/ investment by the Company in its subsidiary(ies) exceeding rupees 100 crore or 10% of the asset size of the respective subsidiary(ies), whichever is lower including existing loans/ advances/ investments.

IV. Nomination and Remuneration Committee

During the year ended March 31, 2022, the Nomination and Remuneration Committee comprised of 3 (three) Directors viz. Ms. Charu Singh (Chairperson of the Committee), Ms. Ruchita Agarwal and Dr. Shrikant Uttam Tamhane. Mr. Rajinder Sharma ceased to be a Member of the Committee with effect from June 16, 2021 and Dr. Shrikant Uttam Tamhane was appointed as a Member in his place with effect from June 16, 2021.

During the year under review, 4 (four) meetings were held on April 29, 2021, June 12, 2021, November 10, 2021 and February 12, 2022. The Company Secretary is the Secretary to the Committee.

The composition of the Nomination and Remuneration Committee and the details of the meetings attended by the Members during the year are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Ms. Charu Singh , Chairperson	Independent, Non-Executive	4	4
Ms. Ruchita Agarwal	Independent, Non-Executive	4	4
Mr. Rajinder Sharma (ceased w.e.f. June 16, 2021)	Non-Executive	2	2
Dr. Shrikant Uttam Tamhane (appointed w.e.f. June 16, 2021)	Independent, Non-Executive	2	1

Terms of reference to the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the LODR Regulations (Regulation 19 read with Part D of Schedule II), which, inter-alia, includes:

- 1) Formulation of 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) Formulation of criteria for evaluation of Independent Directors and the Board.
- 3) Devising a policy on Board diversity.
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- 5) 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.
- 6) Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

7) Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

8) Recommending to the Board, all remuneration, in whatever form, payable to senior management of the Company.

The Nomination, Remuneration and Evaluation Policy is formulated by the Nomination and Remuneration Committee and approved by the Board. The web link of said Policy has been provided in Board's report.

The details of remuneration of Directors are given in disclosures part of this Report.

The performance evaluation criteria for Independent Directors are disclosed in Directors' report.

V. Risk Management Committee

During the year ended March 31, 2022, the Risk Management Committee comprised of 3 (three) Directors viz. Mr. Nitin R. Bidikar (Chairperson of the Committee), Mr. Saurabh Goyal and Ms. Charu Singh. Mr. Santosh Kumar Srivastava was appointed as a Member of the Committee with effect from June 16, 2021 and consequent to his cessation, he ceased to be a Member of the Committee with effect from September 29, 2021.

During the year under review, 2 (two) meetings were held on September 28, 2021 and March 26, 2022. The maximum gap between two Meetings of the Committee held during the year was not more than 180 days.

The Company Secretary is the Secretary to the Committee.

The composition of the Risk Management Committee and the details of the meetings attended by the Members during the year are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Mr. Nitin R. Bidikar , Chairperson	Independent, Non-Executive	2	2
Mr. Saurabh Goyal	Executive (Managing Director)	2	2
Ms. Charu Singh	Independent, Non-Executive	2	2
Mr. Santosh Kumar Srivastava (appointed w.e.f. June 16, 2021 and ceased w.e.f. September 29, 2021)	Executive (Director-Compliance)	1	--

The development and implementation of Risk Management Policy has been covered in the Directors' Report.

Terms of reference to the Risk Management Committee are as per the governing provisions of the LODR Regulations (Regulation 21 read with Part D of Schedule II), which, inter-alia, includes:

- 1) To formulate a detailed risk management policy which shall include:
 - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) Business continuity plan.
- 2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

VI. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of Ms. Charu Singh, Independent Director as the Chairperson and Ms. Ruchita Agarwal and Mr. Saurabh Goyal as Members of the Committee.

Ms. Ruchita Agarwal ceased to be the Chairperson of the Company with effect from July 31, 2021 and in her place, Ms. Charu Singh became the Chairperson of the Committee. Mr. Santosh Kumar Srivastava was appointed as a Member of the Committee with effect from July 31, 2021 and consequent to his cessation, he ceased to be a Member of the Committee with effect from September 29, 2021. Mr. Saurabh Goyal ceased to be Member of the Committee w.e.f. July 31, 2021 and was re-appointed as a member w.e.f. November 10, 2021.

The Company Secretary acts as the Secretary of the Committee and also the Compliance officer of the Company.

During the year under review, 2 (two) meetings were held on July 29, 2021 and November 29, 2021. During the year, the Stakeholders' Relationship Committee also passed 1 (One) resolution by circulation dated March 11, 2022 w.r.t. the proposal to change the Registrar and Share Transfer Agent of the Company, which was passed by all the Members.

The composition of the Stakeholders' Relationship Committee and the details of the meetings attended by the Members during the year are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Ms. Charu Singh , Chairperson (appointed as Chairperson w.e.f. July 31, 2021)	Independent, Non-Executive	2	2
Ms. Ruchita Agarwal (ceased to be Chairperson w.e.f. July 31, 2021)	Independent, Non-Executive	2	2
Mr. Saurabh Goyal	Executive (Managing Director)	2	2
Mr. Santosh Kumar Srivastava (appointed w.e.f. July 31, 2021 and ceased w.e.f. September 29, 2021)	Executive (Director-Compliance)	NA	NA

Terms and Reference of the Committee are as follows :

- | | |
|---|---|
| <p>1) Resolving the grievances of the 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.</p> <p>2) Review of measures taken for effective exercise of voting rights by shareholders.</p> <p>3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.</p> | <p>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.</p> <p>5) Carrying out any other function contained in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.</p> <p>As on March 31, 2022, 100% of the Company's shares are held in electronic (Demat) form.</p> |
|---|---|

During the year under review, the detail of complaints received and redressed are as follows -

Quarter	No. of Investor complaints pending at the beginning of the quarter	No. of Investor complaints received during the quarter	No. of Investor complaints disposed of during the quarter	No. of Investor complaints unresolved at the end of the quarter
April- June	Nil	17	17	Nil
July- September	Nil	1	1	Nil
October- December	Nil	1	1	Nil
January- March	Nil	Nil	Nil	Nil
Total	--	19	19	--

VII. Corporate Social Responsibility ("CSR") Committee:

The Company has constituted a Corporate Social Responsibility Committee as required under Section 135 of the Companies Act, 2013.

Terms of reference of the Committee, inter-alia, includes :

- | | |
|--|---|
| <p>1) To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;</p> <p>2) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;</p> <p>3) To monitor the CSR policy of the Company from time to time;</p> | <p>4) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.</p> <p>The Company has amended the Corporate Social Responsibility Policy, in accordance with the amendments in the Section 135 of the Companies Act, 2013 read with the Rules and Schedule framed there under. The amended policy is available on the Company's website www.nureca.com.</p> <p>The annual report on CSR activities, for FY 2021-22, forms a part of Directors' Report.</p> <p>During the year, 1 (One) meeting of the Committee was held on April 10, 2021. During the year, the Committee also passed 3 (Three) resolutions by circulation dated July 30, 2021 and 1 (One) resolution by circulation dated November 26, 2021, which were passed by the requisite majority.</p> |
|--|---|

The composition of the Committee and details of meetings attended by the Members during the year are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Mr. Saurabh Goyal , Chairperson (ceased to be Chairperson w.e.f. July 31, 2021 and again re-elected as Chairperson w.e.f. November 10, 2021)	Executive (Managing Director)	1	1
Ms. Charu Singh	Independent, Non-Executive	1	1
Dr. Vikram Chaudhery (appointed w.e.f. June 16, 2021)	Independent, Non-Executive	NA	NA
Mr. Rajinder Sharma (ceased w.e.f. June 16, 2021)	Non-Executive	1	1
Mr. Santosh Kumar Srivastava (appointed as Chairperson w.e.f. July 31, 2021 and ceased w.e.f. September 29, 2021)	Executive (Director-Compliance)	NA	NA

VIII. Management Committee:

The composition of the Committee and the details of the meetings attended by the Members during the year are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Mr. Aryan Goyal , Chairperson (appointed as Chairperson w.e.f. July 31, 2021)	Chief Executive Officer	11	8
Mr. Gurvikram Singh	Assistant Manager-Investor Relations and Corporate Affairs	11	11
Mr. Nishant Garg (appointed w.e.f. November 10, 2021)	Chief Financial Officer	5	5
Mr. Santosh Kumar Srivastava (appointed w.e.f. July 31, 2021 and ceased w.e.f. September 29, 2021)	Executive (Director-Compliance)	2	--
Mr. Saurabh Goyal (ceased to be Chairperson and Member w.e.f. July 31, 2021)	Executive (Managing Director)	3	3

During the year under review, 11 meetings were held on May 11, 2021, July 8, 2021, July 31, 2021, August 25, 2021, September 20, 2021, October 15, 2021, November 23, 2021, November 26, 2021, January 14, 2022, February 12, 2022 and February 14, 2022.

The Company Secretary is the Secretary to the Committee.

The meeting of this Committee is held as and when it's Members think appropriate or necessary to discuss the matters within their terms of reference.

IX. IPO Committee

The IPO Committee was set up by the Board to oversee the IPO and related compliances.

The composition of the IPO Committee are given below :

Name	Category	No. of meetings held during the tenure of each member	No. of meetings attended during the year
Mr. Saurabh Goyal, Chairperson	Executive (Managing Director)	--	--
Ms. Smita Goyal	Non-Executive	--	--
Mr. Rajinder Sharma	Non-Executive	--	--

During the year, no meeting of the Committee was held.

The Board of Directors, at the meeting held on June 16, 2021, has dissolved the Committee.

X. Details of General Meetings

(i) Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolution passed
2018-19	August 20, 2019	11.00 AM	103/104, Orbit Plaza, New Prabhadevi Marg, Mumbai	NIL
2019-20	October 30, 2020	11.00 AM	128 Gala Number Udyog Bhavan, 1 st Floor Sonawala Lane, Goregaon East Mumbai	NIL
2020-21	September 29, 2021	9:15 AM	Through VC/OAVM (Deemed Venue - 128 Gala Number Udyog Bhavan, 1 st Floor Sonawala Lane, Goregaon East Mumbai)	NIL

(ii) Extraordinary General Meeting : No extraordinary general meeting was held during Financial Year 2021-22

(iii) Postal Ballot : No resolution was passed by way of postal ballot during Financial Year 2021-22.

XI. Disclosures

a) Whistle Blower Policy

The Board of Directors has adopted the Whistle Blower Policy. The policy has provided a mechanism for Directors and Employees to report to the Chairman of the Audit Committee, any instance of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or to report genuine concerns or grievances. The policy has been uploaded at the website of the Company viz. www.nureca.com. No person has been denied access to the Audit Committee.

b) Adoption of discretionary requirements

i) The Board

Since the Company has an executive Chairperson, the requirement regarding non-executive Chairperson is not applicable.

ii) Shareholder Rights

The Company regularly publishes its quarterly and annual results in Newspapers in Regional language and English language having wide circulation as required under LODR Regulations. These results are also available on the Company's website www.nureca.com. The Annual Report containing Audited Financial Statements, Directors' Report, Auditor's Report and other important information is circulated to the Members and is also displayed on the Company's website www.nureca.com.

iii) Un-modified opinion(s) in Audit Report

The Company confirms that its financial statements are with un-modified audit opinion.

iv) Reporting to Internal Auditor

The Internal Auditor of the Company directly reports to the Audit Committee.

c) Related Party Transactions

The Company has adopted a policy to deal with related party transactions and during the year there were no material related party transactions made by the Company that would have required Shareholders' approval. The Company has not entered into any transaction of material nature that may have any potential conflict with the interest of the Company. The details of the related party transactions as per Ind AS 24 'Related Parties Disclosures' are set out in note 33 to the financial statements and also in Form AOC-2 attached to Directors' Report.

The policy on related party transactions is uploaded on the Company's website www.nureca.com.

d) Disclosure of accounting treatment

In the preparation of Financial Statements, the Company has followed the accounting Standards issued under the Companies (Indian Accounting Standards) Rules, 2015, as amended up to date, to the extent applicable.

e) CEO / CFO Certification

As required under LODR Regulations, the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have certified to the Board regarding Annual Financial Statements for the year ended March 31, 2022. A copy of the certificate was placed before the Board at the meeting held on May 28, 2022 and forms part of this report.

f) Separate Meeting of Independent Directors

A separate meeting of Independent Directors was held, in accordance with the Companies Act and Listing Regulations, to review performance of non-independent Directors, the Chairperson and the Board as a whole and assess the quality, quantity and timeliness of flow of information between the Management and the Board.

g) Familiarisation Programme for Independent Directors

The familiarization programme for Independent Directors

can be assessed from the website of the Company at the web-link <https://www.nureca.com/investor-relations/#1646223868993-523097d9-5423>

h) Remuneration of Directors

All Non-Executive / Independent Directors of the Company except Mr. Vijay Kumar Sharma are entitled to sitting fee of ₹10,000/- per Board meeting. Mr. Vijay Kumar Sharma is entitled to sitting fee of ₹1,00,000/- per Board meeting. The sitting fee of ₹1,000/- is paid to the Members for every Committee meeting attended by them. Apart from the sitting fee, Non-Executive / Independent Directors did not have any material pecuniary relationship with the Company.

Remuneration paid to Whole-time Directors is decided by the Board on the recommendation of the Nomination and Remuneration Committee and approved by the shareholders at General Meeting.

The details of Directors' remuneration for the financial year ended March 31, 2022:

Name and designation of Director	Sitting fee (₹)	Salaries and perquisites (₹)	Period of service	Number of shares held as on March 31, 2022
Mr. Saurabh Goyal Chairperson & Managing Director	N.A.	1,52,55,710	Upto September 2, 2023	34,99,979
Mr. Vijay Kumar Sharma Independent Director	5,00,000	N.A.	Upto October 20, 2025	Nil
Ms. Charu Singh Independent Director	68,000	N.A.	Upto October 20, 2025	Nil
Ms. Ruchita Agarwal Independent Director	63,000	N.A.	Upto October 28, 2025	Nil
Dr. Vikram Chaudhery Independent Director	32,000	N.A.	Upto March 28, 2026	Nil
Mr. Nitin R. Bidikar Independent Director	42,000	N.A.	Upto March 28, 2026	Nil
Dr. Srikant Uttam Tamhane	Refer Note (c) below	N.A.	Upto April 14, 2026	Nil
Mr. Santosh Kumar Srivastava Director-Compliance	N.A.	1,16,480	Ceased w.e.f. September 29, 2021	Nil
Mr. Sushil Kumar Bhardwaj Director-Compliance	N.A.	28,414	Ceased w.e.f. February 28, 2022	Nil
Mr. Rajinder Sharma Non-Executive Director	22,000	N.A.	Ceased w.e.f. July 31, 2021	Nil

Notes :

- a) The Company did not provide any stock option to its Directors and Employees.
- b) No notice period and severance fee is payable to any Director.
- c) Mr. Srikant Uttam Tamhane, Independent Director has waived his right to receive any sitting fee effective April 15, 2021.
- d) Ms. Smita Goyal, Non-Executive Director was paid sitting fee of Rs. 19,000 during FY 2021-22 (for the meetings attended by her in FY 2020-21). Ms. Smita Goyal ceased to be the Director of the Company w.e.f. March 26, 2021.

i) Performance linked Incentives

Based on the approval of the Shareholders, the Performance Linked Incentive amounting to ₹75.0 Lakh was paid to Mr. Aryan Goyal, Chief Executive Officer during the year under review.

j) Compliance with Mandatory Requirements

The Company is in compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the LODR Regulations.

k) Details of non-compliances

There has neither been any non-compliance of any legal provision of applicable law nor any penalty, stricture imposed by the Stock Exchanges or SEBI or any other authorities, on any matters related to capital market since the listing of securities of the Company.

l) Code for Prevention of Insider Trading practices

The Company had in place a 'Code of Conduct for Prevention of Insider Trading' and 'Code of Fair Disclosures', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The codes referred above are placed on the Company's website www.nureca.com.

m) Disclosure in relation to recommendation made by any Committee which was not accepted by the Board

The Board accepted the recommendations of all its Committees, wherever made, during the year.

n) Certificate from Practicing Company Secretary

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such authority from being appointed or continuing as Director of the Company.

M/s A. Arora & Co., a firm of Company Secretaries in practice, has submitted a certificate to this effect, which forms part of this report.

o) Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company

Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The Company has engaged the services of M/s A. Arora & Co., a firm of Company Secretaries in practice, for providing this certification.

The said Secretarial Compliance Report, has been submitted to the Stock Exchanges within stipulated time.

p) Total fees for all services paid by the Company and its Subsidiaries to the Statutory Auditors

Total fees of ₹52.97 Lakh (including out of pocket expenses) was incurred by the Company and its Subsidiaries, on a consolidated basis, in Financial Year 2021-22 for all the services rendered by the Statutory Auditor and all entities in the network firm / network entity of which Statutory Auditor is a part.

q) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013

Number of complaints filed during the financial year 2021-22	Nil
Number of complaints disposed off during the financial year 2021-22	Nil
Number of complaints pending as on end of the financial year 2021-22	Nil

r) Reconciliation of Share Capital Audit

As stipulated by SEBI, a Practicing Company Secretary carries out the Audit of Reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. The Audit report is submitted to the Stock Exchanges and is placed before the Board at its meetings.

s) Reporting as per Para F of Schedule V of the LODR Regulations

The details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are as under:

At the beginning of the year i.e. April 1, 2021	Aggregate number of shareholders	1
	Outstanding shares in the suspense account	35
<hr/>		
	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	1
<hr/>		
	Number of shareholders to whom shares were transferred from suspense account during the year	1
<hr/>		
	Number of shares which are transferred to IEPF Authority pursuant to Sections 124(6) and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (IEPF) (Accounting, Audit, Transfer and Refund) Rules, 2016	Nil
<hr/>		
At the end of the year i.e. March 31, 2022	Aggregate number of shareholders	Nil
	Outstanding shares in the suspense account	Nil

t) Details of Loans and Advances to the Firms/Companies in which Directors are interested

During the year under review, the Company has not given any loans and advances to the firms / Companies in which Directors are interested.

u) Certifications as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The compliance certificate signed by the Compliance Officer of the Company and the authorised representative of the Registrar and Transfer Agent (RTA), with a confirmation that all activities of share transfer facility (both physical and electronic) are maintained by RTA, registered with SEBI, was submitted with the stock exchanges within prescribed timeline.

v) Policy on determining Material Subsidiary

The Company has 2 (Two) Subsidiary Companies which are incorporated in India and 1 (One) Subsidiary Company which is incorporated outside India. Please refer to the Directors' Report for further details regarding subsidiaries.

The Board has approved a "Policy for determining Material Subsidiaries" of the Company and the same is available on the website of the Company at web link <https://www.nureca.com/wp-content/uploads/2021/03/Material-Subsidiary.pdf>

At present, the Company doesnot have a material subsidiary.

w) Management Discussion and Analysis Report

Management Discussion and Analysis Report has been attached to Directors' Report.

x) Means of Communication

Quarterly results

The details of quarterly results published in the Newspaper are as under:

Period	English Daily	Marathi Daily
For the quarter and full year ended March 31, 2021	Financial Express-All Edition	Navshakti-Mumbai Edition
For the quarter ended June 30, 2021	Business Standard-All Edition	Navshakti-Mumbai Edition
For the quarter and half-year ended September 30, 2021	Business Standard-All Edition	Navshakti-Mumbai Edition
For the quarter and nine months ended December 31, 2021	Financial Express-All Edition	Navshakti-Mumbai Edition

The results are also displayed on the Company's website www.nureca.com.

The official news' is also displayed on the Company's website. Apart from the above, the Company also regularly provided the information to the Stock Exchanges as per the requirements of the LODR Regulations and the desired information can be accessed from the websites of the respective Stock Exchanges. Other than the annual accounts, the quarterly and half-yearly financial results are not being sent to the household of each shareholder.

The presentations made to institutional investors or analysts, if any, are also disclosed to the Stock Exchanges, from time to time and hosted on the Company's website.

General Shareholder Information

I. 06th Annual General Meeting	
Date	Saturday, September 10, 2022
Time	10:30 A.M. (Indian Standard Time)
Deemed Venue	Registered Office of the Company i.e. Office No.101, 1 st Floor, Udyog Bhavan Sonawala Lane, Goregaon East, Mumbai, Maharashtra - 400063
II. Financial Year	April 1, 2021 to March 31, 2022
III. Date of Book Closure	September 4, 2022 to September 10, 2022 (both days inclusive)
IV. Dividend Payment date	No dividend recommended by the Board for FY 2021-22
V. The Equity Shares of ₹10/- each of the Company are listed on	<p>The National Stock Exchange of India Limited (NSE) Regd. Office: "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra Tel: 91-22-26598100, 66418100</p> <p>BSE Limited (BSE) New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra Tel: 91-22-22721233, 22721234</p>
VI. Listing Fee	Listing fee for Financial Year 2022-23 for both Stock Exchanges has been paid
VII. Stock Code / Symbol	BSE Code: 543264 NSE Symbol: NURECA
VIII. ISIN of Company's Equity Shares	INE0DSF01015
IX. Corporate Identification Number (CIN)	L24304MH2016PLC320868

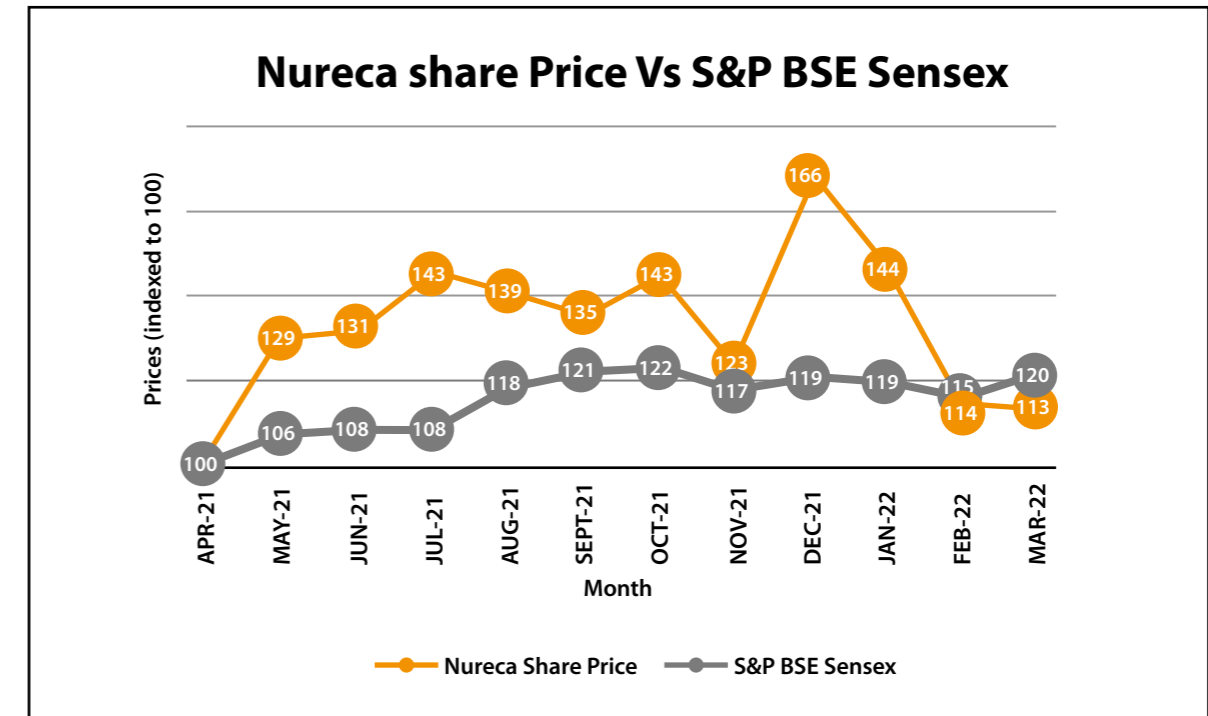
X. Stock Market Data

Month wise high and low price for one equity share of ₹10/- at BSE and NSE is given below :

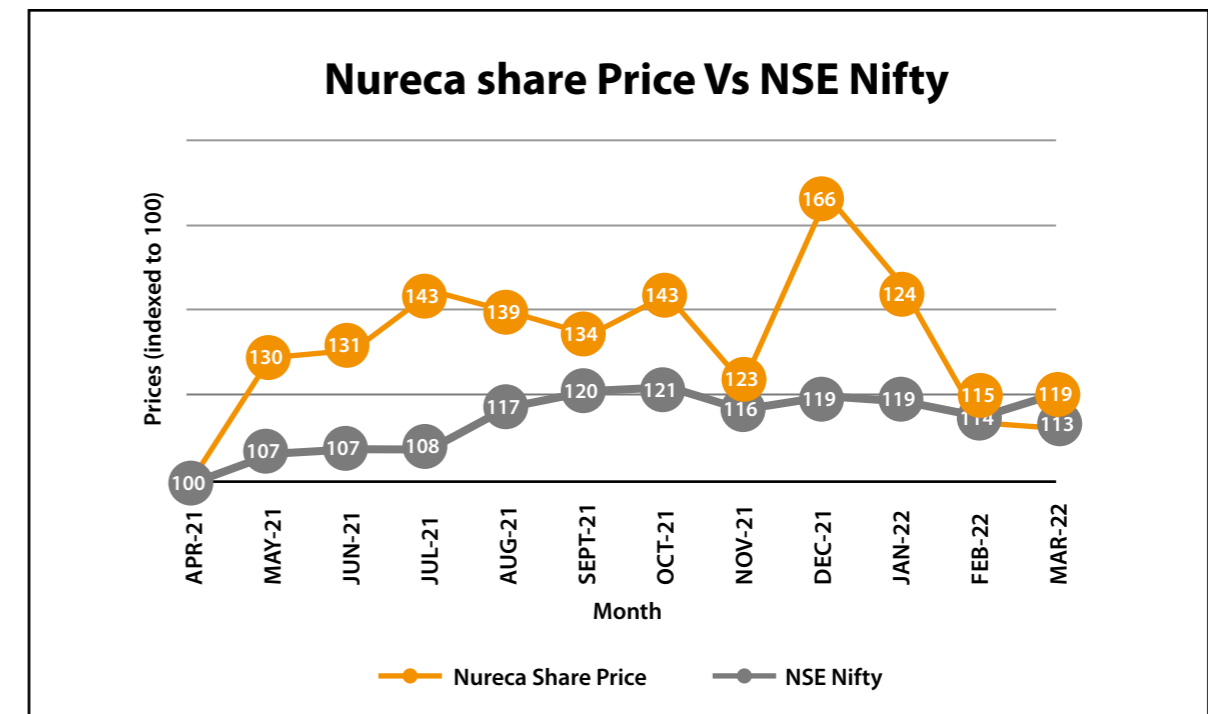
Month	BSE LIMITED (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2021	1481	589	1481	583
May 2021	1770	1149	1770	1149
June 2021	1794	1443	1792	1450
July 2021	1728	1540	1725	1539
August 2021	2001	1525	1997	1527
September 2021	1734	1584	1733	1570
October 2021	2317	1605	2315	1610
November 2021	1914	1350	1909	1363
December 2021	2175	1353	2175	1350
January 2022	2138	1571	2145	1566
February 2022	1790	1270	1785	1281
March 2022	1600	1308	1611	1310

XI. Performance of the Company's share price with BSE Sensex and NSE Nifty

(a) Performance of the Company's share price at BSE in comparison with S&P BSE Sensex



(b) Performance of the Company's share price at NSE in comparison with NSE Nifty

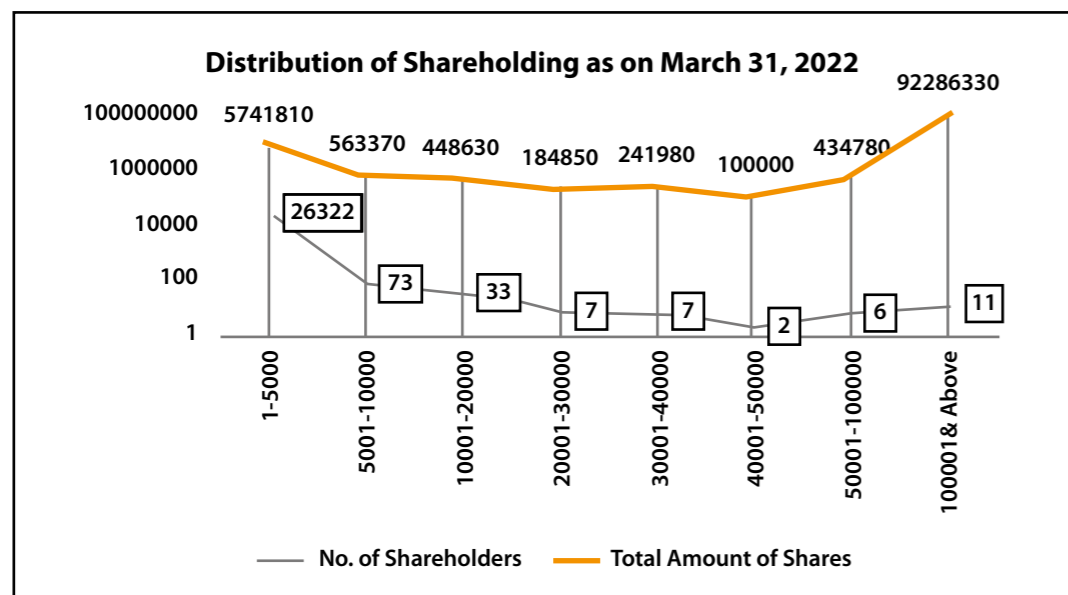


Note : Above comparison is based on the month end closing share price of Nureca Limited and BSE / NSE Index

XII	Registrar and Transfer Agents (RTA)	Alankit Assignments Limited 205-208 Anarkali Complex Jhandewalan Extension, New Delhi -110055 Tel No.: 011-42541234, 011-23552001 Email : rta@alankit.com Website : www.alankit.com The Company has appointed Alankit Assignments Limited as Registrar and Transfer Agent in place of Link Intime India Private Limited with effect from April 20, 2022.
XIII	Address for correspondence at the Company	Ms. Chetna Anand Company Secretary & Compliance Officer Nureca Limited SCO 6-7-8, Sector 9-D, Chandigarh – 160009 Tel. No. : 0172-5292900 Email : cs@nureca.com
XIV	Website Address of the Company	www.nureca.com
XV	Share Transfer System	100% of shares of the Company are held in dematerialised form. Transfer of the dematerialised shares are done through the depositories with no involvement of the Company.

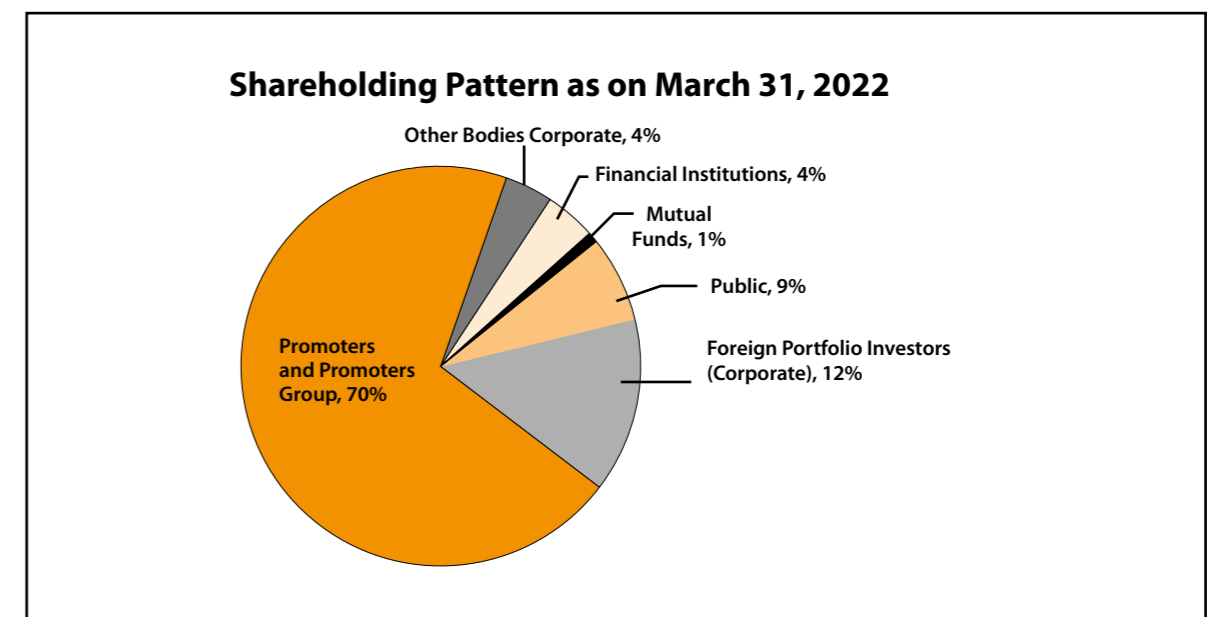
XVI. Distribution of Shareholding as on March 31, 2022

Category (Amount)	No. of Shareholders	No. of Shares	Total Amount of Shares	%age of Shareholding
1-5000	26322	5,74,181	57,41,810	5.74
5001-10000	73	56,337	5,63,370	0.56
10001-20000	33	44,863	4,48,630	0.45
20001-30000	7	18,485	1,84,850	0.18
30001-40000	7	24,198	2,41,980	0.24
40001-50000	2	10,000	1,00,000	0.10
50001-100000	6	43,478	4,34,780	0.43
100001 & Above	11	92,28,633	9,22,86,330	92.28
TOTAL	26,461	1,00,00,175	10,00,01,750	100



XVII. Shareholding Pattern as on March 31, 2022

Category	No. of Shareholders	No. of Shares held	%age of Shareholding
Promoters and Promoters Group	5	6999993	70.00
Clearing Members	67	9522	0.10
Other Bodies Corporate	52	358334	3.58
Financial Institutions	1	387986	3.88
Hindu Undivided Family	332	19050	0.19
Mutual Funds	1	134628	1.35
Non Resident Indians	293	16518	0.17
Public	25697	848660	8.49
Foreign Portfolio Investors (Corporate)	5	1222147	12.22
Trusts	1	120	0.00
Body Corporate - Ltd Liability Partnership	5	217	0.00
NBFC registered with RBI	2	3000	0.03
TOTAL	26461	10000175	100

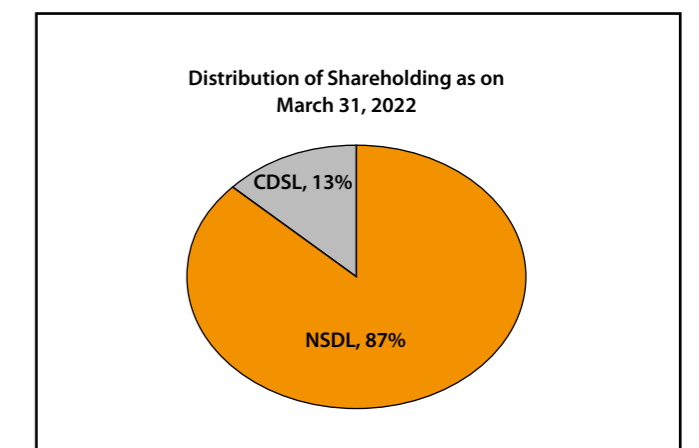


XVIII. Dematerialisation of Shares and Liquidity

Trading in equity shares of Nureca Limited is permitted only in dematerialised form. As on March 31, 2022, 100% of the Company's equity shares were held in dematerialisation form.

The Distribution of shareholding of the Company (as per the depository system) as on March 31, 2022 was as under:

Sl..no.	Category	Total Shares	Percentage
1.	Physical	Nil	Nil
2.	NSDL	86,79,545	86.79
3.	CDSL	13,20,630	13.21
TOTAL		1,00,00,175	100.00



The Company's shares are regularly traded on the National Stock Exchange of India Limited (NSE) and the BSE limited (BSE), in electronic form.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INEODSF01015.

XX. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

XXI. Commodity price risk

The Company does not engage in commodity hedging activities.

XXII. Foreign Exchange Risk

Risk associated with foreign exchange transactions for the Company is not material. Particulars of the foreign currency exposures have been covered in Note 36 to Financial Statements.

XXIII. Credit Rating

There is no credit rating obtained by the Company or any revisions thereto during the Financial Year 2021-22, as there are no –

(a) debt instruments; or

(b) any fixed deposit programme; or

(c) any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad.

XXIV. There are no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XXV. Transfer of unclaimed dividend to the Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to

IEPF, constituted by the Central Government. Accordingly, the dividend amount for the Financial Year ended 2020-21 remaining unclaimed shall become due for transfer on November 5, 2028 to the Investor Education and Protection Fund (IEPF) established by the Central Government in terms of the Companies Act, 2013. The Company has uploaded the information of unclaimed / unpaid dividend lying with the Company on the website of the Company www.nureca.com.

Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed / unpaid for a period of 7 years from the date they became first due for payment.

XXVI. Report on corporate governance

This Report, read together with the information given in the Board's Report and the chapters on Management Discussion and Analysis and General Shareholder Information, constitute the compliance report on Corporate Governance during the Financial Year 2021-22. The Company is regularly submitting the quarterly compliance report to the stock exchanges, as required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and placing it before the meeting of the Board for their information and noting.

XXVII. Auditor's certificate on compliance of conditions of Corporate Governance

Certificate from the auditors on compliance of conditions on Corporate Governance is enclosed along with the Directors' Report.

For and on behalf of the Board of Directors
of Nureca Limited

(Saurabh Goyal)
Chairman and Managing Director

Dated: 03.08.2022

Place: Chandigarh

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Nureca Limited

We have examined the compliance of the conditions of Corporate Governance by Nureca Limited ("the Company") for the Financial Year ended 31st March, 2022, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as referred to in Regulation 15(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as mentioned in the above mentioned Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

We further state that such compliances 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.

Date : 09.05.2022

Place : Chandigarh

UDIN : F002191D000290281

Ajay K Arora
Company Secretary

M. No. 2191

C.P. No. 993

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,
Nureca Limited,
Office No. 101, 1st Floor, Udyog Bhawan,
Sonawala Lane, Goregaon East, Mumbai,
Maharashtra 400063.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Nureca Limited having CIN: L24304MH2016PLC320868 and having registered office at Office No. 101, 1st Floor, Udyog Bhawan, Sonawala Lane, Goregaon East, Mumbai, Maharashtra 400063 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers,) we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Saurabh Goyal	00136037	11.02.2017
2.	Mr. Vijay Kumar Sharma	02449088	21.10.2020
3.	Ms. Charu Singh	07822158	21.10.2020
4.	Ms. Ruchita Agarwal	08941249	29.10.2020
5.	Dr. Vikram Chaudhery	00509297	29.03.2021
6.	Mr. Nitin R. Bidikar	02472794	29.03.2021
7.	Dr. Shrikant Uttam Tamhane	08965471	15.04.2021

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

For **A. Arora & Co.**
Company Secretaries

AJAY K. ARORA
(Proprietor)

Date: 09.05.2022
Place: Chandigarh
UDIN: F002191D000288367

M. No. 2191
C P No.: 993

Certificate as per the provisions of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Chief Executive Officer and Chief Financial Officer of Nureca Limited, pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, do certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2022 and that to the best of our knowledge and belief :
 - 1. financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading,
 - 2. financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee
 - 1. significant changes in internal control over financial reporting during the year,
 - 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Aryan Goyal
(Chief Executive Officer)

Dated : 28.05.2022
Place : USA

Nishant Garg
(Chief Financial Officer)

Dated: 28.05.2022
Place : Chandigarh

Declaration to the Compliance with code of conduct as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Aryan Goyal, Chief Executive Officer of Nureca Limited having its registered at Office No.101, 1st Floor, Udyog Bhawan Sonawala Lane, Goregaon East Mumbai City MH 400063 IN, do hereby certify that the Board of Directors has formulated the code of conduct as per the Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Directors and Senior Management Personnel, which has been posted on the website of the company.

Further, it is hereby confirmed that all the Directors and the Senior Management Personnel have complied with the code of conduct and a confirmation to this effect has been obtained from them for the financial year 2021-22.

Place : Chandigarh
Dated : 12.05.2022

(Aryan Goyal)
(Chief Executive Officer)

Independent Auditor's Report

To the Members of Nureca Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Nureca Limited** the ("Company"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Description of Key Audit Matter

Revenue recognition

See note 2.9 and Note 21 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
<p>Revenue from the sale of goods is recognized when control in goods is transferred to the customer and is measured net of rebates, discounts and returns.</p> <p>Standards on Auditing presume that there is fraud risk with regard to revenue recognition. We focused on this area since there is a risk that revenue may be overstated because of fraud, resulting due to the pressure from Management and Board of Directors who may strive to achieve performance targets. Also, revenue is a key performance indicator for the Company which makes it susceptible to misstatement because the timing of revenue recognition requires exercise of judgement.</p> <p>In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> We assessed the appropriateness of the revenue recognition accounting policies against the requirement of Ind AS 115 i.e. Revenue from contracts with customers. We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions (using random sampling); We performed testing by selecting samples (using statistical sampling) of revenue transactions recorded for the year. For such samples, verified the underlying documents, including invoices, purchase orders, customer acceptances and shipping documents, and subsequent receipts in the bank statements to assess whether these are recognized in the appropriate period in which control is transferred.

Basis for Opinion

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

Key Audit Matters

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

- We carried out analytical procedures on revenue recognized during the year to identify unusual variances.
- We tested, on a sample basis (selected based on specified risk-based criteria), specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognized in the appropriate financial period
- We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items,
- We assessed the adequacy of the disclosures made in the financial statements against the requirement of Ind AS 115.

Other Information

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions

of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 1 April 2022 and 9 May 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.

- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) There were no pending litigations as at 31 March 2022 which would impact the financial position of the Company.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 40 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 40 to the standalone financial statements, no funds have been received by the Company from

any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (Ultimate Beneficiaries) by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The final dividend paid by the Company during the year in respect of the dividend declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act, 2013.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

Place: Chandigarh
Date: 28 May 2022

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 22507857AJVGER4302

Annexure A referred to in clause 1 under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report to the Members of Nureca Limited on the accounts for the year ended 31 March 2022.

We report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on such verification were not material and have been properly adjusted in the books of account.
- (c) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained or the stock listing has been obtained from online portal of third parties. Further, for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory being stock in trade.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured to the companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in a company and other parties in respect of which the requisite information is as below. The Company has not made any investments in firms or limited liability partnership.
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee and security or granted any loans or advances in the nature of loans secured or unsecured to the companies, firms, limited liability partnership or any other parties during the year. Accordingly, paragraph (iii)(a), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) is not applicable to the Company.
 - (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the investments made during the year are, prima facie, not prejudicial to the interest of the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of section 186 of the Act, have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products traded by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of

the Company, in our opinion amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident Fund, Employees' State Insurance, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in a case of GST. Further, the Company has been irregular in deducting/ depositing undisputed dues in relation to income tax of ₹1.42 million and ₹2.50 millions, which were due at various dates during the year ended 31 March 2021 and

31 March 2022 respectively. These balances have been deposited at various dates during and subsequent to year ended 31 March 2022.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹ in millions)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Income Tax Act, 1961	Income Tax	1.53	1 April 2021 to 30 September 2021	Seventh day of each month	29 April 2022	

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

term basis have been used for long-term purposes by the Company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loan during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that no funds raised on short-

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2022.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Act. The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2022.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the current year. During the previous year, the Company had raised ₹967.79 million by way of initial public offering (IPO) of fresh equity shares out of which ₹190.53 million were utilised in the previous year. In our opinion and according to the information and explanations given to us the Company has during the current year utilized the balance ₹777.26 million for the purpose for which it was raised.

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and

explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the year.

- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not a part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 22507857AJVGER4302

Place: Chandigarh
Date: 28 May 2022

Annexure B to the Independent Auditors' report on the standalone financial statements of Nureca Limited for the period ended 31 March 2022.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Nureca Limited (the Company) as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the Guidance Note).

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as the Act).

Auditors' Responsibility

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

Place: Chandigarh
Date: 28 May 2022

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 22507857AJVGER4302

Standalone Balance sheet

as at 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	3a	32.68	4.38
(b) Right-of-use assets	4a	41.19	29.29
(c) Intangible assets	3b	23.92	-
(d) Intangible assets under development	3c	4.23	3.02
(e) Financial assets			
- Investments	5	13.06	8.16
- Other financial assets	6	22.14	0.85
(f) Deferred tax assets (net)	29d	1.01	5.52
Total non-current assets		138.23	51.22
(2) Current assets			
(a) Inventories	7	631.66	367.76
(b) Financial assets			
- Investments	5	331.86	-
- Trade receivables	8	28.68	2.27
- Cash and cash equivalents	9	81.58	169.99
- Bank balances other than cash and cash equivalents	10	760.28	1,094.50
- Other financial assets	6	67.38	56.07
(c) Other current assets	11	155.68	117.00
Total current assets		2,057.12	1,807.59
Total assets		2,195.35	1,858.81
Equity and liabilities			
(1) Equity			
(a) Equity share capital	12	100.00	100.00
(b) Other equity	13	1,937.43	1,532.92
Total equity		2,037.43	1,632.92
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
- Borrowings	14	-	7.79
- Lease liabilities	15	32.81	25.57
(b) Provisions	16	4.14	4.51
Total non-current liabilities		36.95	37.87
(3) Current liabilities			
(a) Financial liabilities			
- Borrowings	14	-	1.46
- Lease liabilities	15	10.48	3.30
- Trade payables	17	-	-
- Total outstanding dues of micro and small enterprises		3.61	5.09
- Total outstanding dues of creditors other than micro and small enterprises		43.38	82.53
- Other financial liabilities	18	0.07	0.08
(b) Other current liabilities	19	41.20	50.47
(c) Provisions	16	1.69	0.70
(d) Current tax liabilities (net)	20	20.54	44.39
Total current liabilities		120.97	188.02
Total liabilities		157.92	225.89
Total equity and liabilities		2,195.35	1,858.81
Significant accounting policies	2		
Notes to the standalone financial statements	3-42		

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Standalone Statement of Profit and Loss

for year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I Revenue from operations	21	2,555.49	2,133.31
II Other income	22	77.20	28.17
III Total income (I + II)		2,632.69	2,161.48
IV Expenses			
Purchase of stock-in-trade	23	1,595.34	1,199.00
Changes in inventories of stock-in-trade	24	(269.16)	(205.30)
Employee benefits expense	25	98.31	45.83
Finance costs	26	7.31	15.97
Depreciation and amortization expense	27	14.32	4.09
Other expenses	28	573.27	476.96
Total expenses (IV)		2,019.39	1,536.55
V Profit before tax (III-IV)		613.30	624.93
VI Tax expense:			
(i) Current tax	29	155.70	164.69
(ii) Deferred tax	29a	4.51	(5.10)
Total tax expense		160.21	159.59
VII Profit for the year (V-VI)		453.09	465.34
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit obligation		1.90	0.12
Income tax relating to remeasurement of defined benefit obligation		(0.48)	(0.03)
Total other comprehensive income for the year (net of tax)		1.42	0.09
IX Total comprehensive income for the year (VII+VIII)		454.51	465.43
Earnings per equity share			
Basic and diluted [nominal value of ₹10 per share]	30	45.31	62.25
Significant accounting policies	2		
Notes to the standalone financial statements	3-42		

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Standalone Statement of Cash Flow

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A Cash flows from operating activities		
Profit before tax for the year	613.30	624.93
Adjustments for:		
Depreciation expense	14.32	4.09
Income on unwinding of security deposits	(0.07)	(0.02)
Unrealized foreign exchange (gain)	(0.65)	(1.60)
Finance costs	7.31	15.97
Interest income	(52.33)	(17.55)
Gain on mutual funds	(6.51)	-
Operating cash flows before working capital changes	575.37	625.82
Working capital adjustments		
(Increase) in inventories	(263.90)	(203.50)
(Increase)/ decrease in trade receivables	(25.84)	126.69
(Decrease)/Increase in trade payables	(39.98)	30.70
(Increase) in other assets	(41.08)	(124.64)
(Decrease)/ increase in other current liabilities	(9.27)	42.35
Increase in provisions	2.52	4.25
Cash generated from operating activities	197.82	501.67
Income tax paid (net)	(179.55)	(150.66)
Net cash generated from operating activities (A)	18.27	351.01
B Cash flows from investing activities		
Purchase of property, plant and equipment	(32.60)	(0.95)
Purchase of intangible assets under development	(1.21)	(3.02)
Purchase of intangible assets	(24.74)	-
Interest income received	40.41	1.37
Investment in subsidiaries	(4.90)	(7.70)
Purchase of mutual funds	(325.35)	-
Fixed deposits (placed)/redeemed	314.72	(1,094.50)
Net cash (used in) investing activities (B)	(33.67)	(1,104.80)

Standalone Statement of Cash Flow (Contd.)

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C Cash flows from financing activities		
Proceeds from issue of equity shares on private placement basis	-	50.00
Proceeds from issue of equity shares through initial public offer	-	1,000.00
IPO expenses	-	(32.21)
Payment of lease liabilities (including interest)	(9.53)	(4.65)
Interest paid	(4.30)	(8.26)
Repayment of non-current borrowings	(7.79)	(128.85)
(Repayment)/ proceeds from current borrowings (net)	(1.46)	47.36
Dividend Paid	(49.93)	-
Net cash (used in)/generated from financing activities (C)	(73.01)	923.39
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(88.41)	169.60
Cash and cash equivalents at the beginning of the year	169.99	0.39
Cash and cash equivalents at the end of the year	81.58	169.99
Notes:		
1. Components of cash and cash equivalents		
Balances with banks:		
- In current accounts	1.58	3.99
- Fixed deposits with original maturity upto three months	80.00	166.00
	81.58	169.99
2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows. Also, refer to note 2.3.18.		
3. Refer note 14(C) for reconciliation of movements of liabilities to cash flows arising from financing activities.		
3. During the year, the Company paid in cash ₹ Nil (previous year: ₹0.76) towards corporate social responsibility (CSR) expenditure (included in Corporate social responsibility expenditure - Refer note 28(b)).x		
Significant accounting policies	2	
Notes to the standalone financial statements	3-42	

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Standalone Statement of Changes in Equity

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

A Equity share capital

Particulars	Note	As at 31 March 2022		As at 31 March 2021	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		1,00,00,175	100.00	10,000	0.10
Add: Share capital issued pursuant to scheme of arrangement		-	-	10,00,000	10.00
Less: Share capital cancelled pursuant to scheme of arrangement		-	-	(10,000)	(0.10)
Add: Bonus share issued during the year	12(d)	-	-	60,00,000	60.00
Add: Shares issued on private placement basis	12(e)	-	-	5,00,000	5.00
Add: fresh issue through initial public offering	12(f)	-	-	25,00,175	25.00
Balance at the end of the year		1,00,00,175	100.00	1,00,00,175	100.00

B Other equity (Refer note 13)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Reserves and surplus		
			Capital reserve	Securities premium	Retained earnings
Balance as at 1 April 2020	10.00	(0.10)	(12.96)	-	152.66
Total comprehensive income for the year	-	-	-	-	465.34
Add : Profit for the year	-	-	-	-	465.34
Add : Other comprehensive income/loss (net of tax) for the year	-	-	-	-	0.09
Total comprehensive income for the year	10.00	(0.10)	(12.96)	-	618.09
Add: Share capital cancelled pursuant to scheme of arrangement	-	0.10	-	-	-
Less: Share capital issued pursuant to scheme of arrangement	(10.00)	-	-	-	(10.00)
Less: Bonus share issued during the year	-	-	-	(60.00)	(60.00)
Add: Premium on issue of equity shares on private placement basis	-	-	-	45.00	45.00
Add: Premium on issue of equity shares through initial public offering	-	-	-	975.00	975.00
Less: Utilization towards share issue expenses (Refer note 39)	-	-	-	(32.21)	(32.21)
Balance as at 31 March 2021	-	-	(12.96)	987.79	558.09
Balance as at 31 March 2022	-	-	(12.96)	987.79	1,532.92

Standalone Statement of Changes in Equity (contd.)

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Reserves and surplus		
			Capital reserve	Securities premium	Retained earnings
Balance as at 1 April 2021	-	-	(12.96)	987.79	558.09
Total comprehensive income for the year	-	-	-	-	453.09
Add : Profit for the year	-	-	-	-	453.09
Add : Other comprehensive income (net of tax) for the year	-	-	-	-	1.42
Total comprehensive income for the year	-	-	(12.96)	987.79	1,012.60
Less: Final dividend paid for financial year 2020-2021	-	-	-	-	(20.00)
Less: Interim dividend paid for financial year 2021-2022	-	-	-	-	(30.00)
Balance as at 31 March 2022	-	-	(12.96)	987.79	962.60
Significant accounting policies	2				
Notes to the standalone financial statements	3-42				

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 1. Corporate information

Nureca Limited (the Company) is a public limited company which is domiciled and incorporated in Republic of India under the provisions of the Companies Act, 2013 (CIN U24304MH2016PLC320868) on 02 November 2016 and has been converted into a public company with effect from 08 July 2020 with registered office situated at 101 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai – 400063. The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India on 25 February 2021.

The Company is engaged in the business of home healthcare and wellness products.

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

a. Statement of compliance

These standalone Ind AS financial statements (Ind AS financial statements) have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

Effective 01 April 2019, the Company had transitioned to Ind AS while the financial statements were being prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (previous GAAP) till 31 March 2020 and the transition was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. While carrying out transition, in addition to the mandatory exemptions, the Company had elected to certain exemption which are listed as below:

- The Company had opted to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognized in the financial statements prepared under previous GAAP and use the same as deemed cost in the financial statement as at the transition date.
- The Company had opted to carry the assessment whether a contract or arrangement contains a lease on the basis of and circumstances existing at the date of transition except where the effect is not expected to be material. In accordance with Ind AS 17, this assessment should be carried out (at the inception of the contract or arrangement).

The standalone financial statements for the year ended 31

March 2022 were approved for issue by the Company's Board of Directors on 28 May 2022.

b. Functional and presentation currency

Items included in these Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone Ind AS financial statements are presented in Indian rupee (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹10,000 have been rounded and are presented as ₹0.00 million in these Ind AS financial statements.

c. Basis of measurement

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

Items	Measurement basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair value
Defined benefits obligation	Present value of defined benefits obligations

d. Use of estimates and judgments

The estimates used in the preparation of the Standalone Financial Statements of each year presented are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Standalone Financial Statements in the period in which they become known.

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Significant judgements

- Allowances for uncollected trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

- Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although there can be no assurance of the final outcome of legal proceedings in which the Company is involved, it is not expected that such contingencies will have material effect on its financial position of probability.

- Impairment of other financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

- Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

- Defined benefit plans

The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment at which they are currently being depreciated represent the correct estimate of the lives and need no change.

- Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

- Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Standalone Statement of Assets and Liabilities Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Current vs non-current classification

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

An asset is treated as current when it is:

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

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;

- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

f. Measurement of fair values

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

Significant valuation issues, if any, are reported to the Company's board of directors.

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

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

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

The Company recognises transfers between levels of the fair

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(Amount in ₹ million, unless otherwise stated)

value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing these standalone financial statements is included in the note 40(a).

2.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

a. Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in Statement of Profit and Loss.

Classification and subsequent measurement

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

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year the Company changes its business model for managing financial assets.

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The

Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

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

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method ('EIR'). The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its Statement of Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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b. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

The Company has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

Derecognition of financial liabilities

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

c. Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

d. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Statement of Balance Sheet if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

2.3 Property, plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of each item can

be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- Purchase price, net of any trade discounts and rebates;
- Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use; and
- Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the expenditure can be measured reliably.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013.

Particulars	Management estimated useful life	Useful life as per Schedule II
Computers	3 Years	3 Years
Office Equipment	5 Years	5 Years
Furniture and fixtures	10 Years	10 Years

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

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

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is

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for the year ended 31 March 2022

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included in the Statement of Profit and Loss when the asset is derecognised.

2.4 Other Intangible assets

Acquired Intangible

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

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

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

Subsequent expenditure

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

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Statement of Profit and Loss.

2.5 Leases

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

Leases in which the Company is a lessee

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

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

underlying asset or the site on which it is located, less any lease incentives received.

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether

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it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

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

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

2.6 Impairment

a. Impairment of financial assets

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

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

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

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

Measurement of expected credit losses

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

- Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- Financial assets that are measured as at FVTOCI

- Lease receivables under Ind AS 116
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

b. Impairment of non-financial assets

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

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

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

The Company's corporate assets (e.g head office building

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for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

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

2.7 Inventories

Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

2.8 Foreign currency transactions

Initial recognition

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

Measurement at the reporting date

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

2.9 Revenue recognition

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

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

Contract liability is recognised when there is billings in excess of revenues.

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

The Company disaggregates revenue from contracts with customers by geography.

Use of significant judgements in revenue recognition:

- a) The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in

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the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

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

d) The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

e) Revenue for fixed-price contract is recognised using percentage-of-completion method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.

f) Contract fulfilment costs are generally expensed as incurred except for certain expenses which meet the criteria for capitalisation. Such costs are amortised over the contractual period. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

The specific recognition criteria described below must also be met before revenue is recognized.

I. Sale of products

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which

it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The goods and service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

II. Contract balances

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

III. Right of return

Company provides a customer with a right to return in case of any defects or on grounds of quality. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

The Company has applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

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(Amount in ₹ million, unless otherwise stated)

2.10 Recognition of interest income or expense

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

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

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

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

2.11 Taxes

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current tax is recognized in Statement of Profit and Loss except to the extent it relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income ('OCI') or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

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

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

Deferred tax is recognized in Statement of Profit and Loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.12 Employee benefits

Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the Statement of Profit and Loss in the period in which the employee renders the related services.

a) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company makes specified monthly contribution to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plan, the obligation for any benefits remains with the Company. The Company's liability towards gratuity is in the nature of defined benefit plan.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective

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employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of gratuity is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Company's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the Statement of Profit and Loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

b) Other employee benefits

Benefits under the Company's compensated absences policy up until 31 August 2020 constituted other long-term employee benefits, recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The obligation recognized in respect of these benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Statement of Profit and Loss as employee benefit expenses.

2.13 Provisions, contingent assets and contingent liabilities Provisions (other than employee benefits)

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

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

Onerous contracts

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognises any impairment loss on assets associated.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates.

Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

2.14 Segment reporting

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

Notes to the Standalone Financial Statements

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The business of the Company falls within a single line of business i.e. business of home healthcare and wellness products. All other activities of the Company revolve around its main business. Hence no separate reportable primary segment.

2.15 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. 2.16 Statement of cash flows

Statement of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Company are segregated.

2.17 Corporate Social Responsibility (CSR) expenditure

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

2.18 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potential dilutive equity shares

are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.19 Recent Indian Accounting Standards (Ind AS)

On 23 March 2022, the Ministry of Corporate Affairs (MCA) through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1st April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Ind AS 16 Property, Plant and Equipment – For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.

Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/ associate/ JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.

Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 3a - Property, plant and equipment and capital work in progress

Particulars	Gross carrying amount			Accumulated depreciation			Net block			
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	As at 1 April 2021	Charge for the year	Disposals	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Leasehold improvement	-	7.25	-	7.25	-	0.23	-	0.23	-	7.02
Furniture and fixtures	2.27	5.10	-	7.37	0.31	0.37	-	0.68	1.96	6.69
Office equipment	2.20	1.68	-	3.88	0.58	0.61	-	1.19	1.62	2.69
Computers	1.80	4.40	-	6.20	1.00	1.11	-	2.11	0.80	4.09
Plant & machinery	-	2.41	-	2.41	-	0.10	-	0.10	-	2.31
Vehicle	-	11.76	-	11.76	-	1.88	-	1.88	-	9.88
Total	6.27	32.60	-	38.87	1.89	4.30	-	6.19	4.38	32.68

Particulars	Gross carrying amount			Accumulated depreciation			Net block			
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	As at 1 April 2020	Charge for the year	Disposals	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Furniture and fixtures	2.09	0.18	-	2.27	0.11	0.20	-	0.31	1.98	1.96
Office equipment	1.50	0.70	-	2.20	0.22	0.36	-	0.58	1.28	1.62
Computers	1.73	0.07	-	1.80	0.44	0.56	-	1.00	1.29	0.80
Total	5.32	0.95	-	6.27	0.77	1.12	-	1.89	4.55	4.38

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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Capital work in progress

Particulars	As at 1 April 2020	Additions	Capitalization	As at 31 March 2021	As at 1 April 2021	Additions	Capitalization	As at 31 March 2022
Leasehold improvement	-	-	-	-	-	6.30	-	6.30
Total	-	-	-	-	-	6.30	6.30	-

Note 3b - Other intangible assets

Particulars	Gross carrying amount			Accumulated depreciation			Net block			
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	As at 1 April 2021	Charge for the year	Disposals	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Software	-	0.49	-	0.49	-	0.01	-	0.01	-	0.48
Mobile application	-	24.25	-	24.25	-	0.81	-	0.81	-	23.44
Total	-	24.74	-	24.74	-	0.82	-	0.82	-	23.92

Note 3c - Intangible asset under development

Particulars	As at 1 April 2020	Additions	Capitalization	As at 31 March 2021	As at 1 April 2021	Additions	Capitalization	As at 31 March 2022
Mobile application project	-	3.02	-	3.02	3.02	3.02	25.46	24.25
Total	-	3.02	-	3.02	3.02	3.02	25.46	24.25

Intangible assets under development ageing schedule

As at 31 March 2022	Amount in CWIP for a period of			Total
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Mobile application project	4.23	-	-	4.23
As at 31 March 2021	Amount in CWIP for a period of			Total
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Mobile application project	3.02	-	-	3.02

a. The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property Plant and Equipment at deemed cost as at the date of transition

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Note 4 - Right-of-use assets

The Company has entered into agreements for leasing corporate office and warehouses on lease. The leases typically run for a period of 1-9 years.

a. Information about leases for which the Company is a lessee is presented below :

Right-of-use assets - Building	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	29.29	6.09
Additions	21.10	29.22
Deletion	-	(3.06)
Depreciation for the year	(9.20)	(2.96)
Balance as at end of the year	41.19	29.29

b. The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Statement of Profit and Loss.

c. Set out below are the carrying amounts of lease liabilities and the movements during the year :

Lease liabilities included in the balance sheet	As at 31 March 2022	As at 31 March 2021
Current	10.48	3.30
Non-current	32.81	25.57
Total	43.29	28.87

	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	28.87	6.30
Additions	20.87	28.90
Deletions	-	(3.10)
Accreditation of interest	3.08	1.42
Payment of lease liabilities	(9.53)	(4.65)
Balance as at end of the year	43.29	28.87

d. As at year end date, the Company is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

e. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis – contractual undiscounted cash flows	As at 31 March 2022	As at 31 March 2021
Less than one year	13.74	5.93
After one year but not longer than three years	27.21	10.02
More than three years	17.54	22.98
Total	58.49	38.93

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

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

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Expenses relating to short-term leases and/or leases of low-value items	6.31	0.85
Variable lease payments	-	1.31
Interest on lease liabilities	3.08	1.42
Depreciation expense	9.20	2.96
Total	18.59	6.54

i. The following are the amounts recognized in statement of cash flows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Total cash outflow for leases including short term leases/leases of low-value item and variable lease payments	15.84	6.81

Note 5 - Investments

	As at 31 March 2022	As at 31 March 2021
Non-current Investments		
Investments in Equity Instruments		
Unquoted investments (fully paid-up)		
Subsidiary companies (at cost)		
- Nureca INC #	0.46	0.46
71,000 (31 March 2021: 71,000) equity shares of USD 0.10/- each fully paid-up		
- Nureca Technologies Private Limited	12.50	7.60
1250,000 (31 March 2021: 7,60,000) equity shares of ₹10/- each fully paid-up		
- Nureca Healthcare Private Limited	0.10	0.10
10,000 (31 March 2021: 10,000) equity shares of ₹10/- each fully paid-up		
Total	13.06	8.16

	As at 31 March 2022	As at 31 March 2021
Current Investments		
In Other Companies (quoted investment at fair value)		
- Mutual Fund		
74,698.12 (31 March 2021 : Nil) Units of ₹437.71 in ICICI Pru Savings Fund -Direct	32.70	-
8,08,160.46 (31 March 2021 : Nil) Units of ₹51.05 in ICICI Pru Short Term Fund -Direct Plan- Growth	41.25	-
3,03,848 (31 March 2021 : Nil) Units of ₹38.45 in ICICI Prudential Medium Term Bond Fund - Direct Plan - Growth	11.68	-
1,75,104.81 (31 March 2021 : Nil) Units of ₹29.29 in ICICI Pru Equity- Arbitrage Fund - Direct	5.13	-
1,12,342.05 (31 March 2021 : Nil) Units of ₹360.66 in ICICI Pru Floating interest Fund-Direct	40.52	-
8,01,918.36 (31 March 2021 : Nil) Units of ₹27.23 in SBI Short Term Debt Fund-Direct	21.84	-
19,800.31 (31 March 2021 : Nil) Units of ₹1027.96 in Axis Floater Fund-Direct	20.35	-
1,07,057.98 (31 March 2021 : Nil) Units of ₹31.67 in Kotak Equity- Arbitrage Fund - Direct	3.39	-
11,026.59 (31 March 2021 : Nil) Units of ₹ 3132.88 in Kotak Corporate Bond Fund - Direct	34.54	-

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Current Investments	As at 31 March 2022	As at 31 March 2021
43,851.28 (31 March 2021 : Nil) Units of ₹1227.33 in Kotak Floating Rate Fund-Direct	53.82	-
6,995.33 (31 March 2021 : Nil) Units of ₹2901.62 in Kotak Low Duration Fund-Direct	20.30	-
41,423.47 (31 March 2021 : Nil) Units of ₹49.79 in HDFC Low Duration Fund-Direct - Growth Option	2.06	-
23,10,606.11 (31 March 2021 : Nil) Units of ₹19.16 in HDFC Banking And PSU Debt Fund-Direct	44.28	-
	331.86	-
Aggregate book value of quoted investments	331.86	-
Aggregate market value of quoted investments	331.86	-
Aggregate value of unquoted investments	13.06	8.16
Aggregate value of impairment in value of non-current investments	-	-

Note 6 - Other financial assets

Non-current	As at 31 March 2022	As at 31 March 2021
Security deposits	2.64	0.85
Bank deposits with original maturity of more than twelve months*	19.50	-
	22.14	0.85

Current	As at 31 March 2022	As at 31 March 2021
Interest accrued not due on fixed deposits	28.10	16.18
Security deposits	0.05	5.18
Receivable from online marketplace portals**	39.23	34.71
	67.38	56.07

**Represent receivable in relation to sale made through online marketplace by business partners.

Note 7 - Inventories

(At lower of cost and net realizable value)

Stock-in-trade*	As at 31 March 2022	As at 31 March 2021
	631.66	367.76
	631.66	367.76

Notes:

*Includes goods-in-transit

Note 8 - Trade receivables

	As at 31 March 2022	As at 31 March 2021
From related parties (refer note 33)	-	0.03
From others	28.68	2.80
Less: expected credit loss allowance	-	(0.56)
	28.68	2.27

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Break-up of trade receivables:	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good- secured	-	-
Trade receivables considered good- unsecured	28.68	2.27
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	0.56
	28.68	2.83
Less: expected credit loss allowance		
Trade receivables considered good- secured	-	-
Trade receivables considered good- unsecured	-	(0.56)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Trade receivables net	28.68	2.27

Trade receivables ageing schedule

As at 31 March 2022	Outstanding for following periods from due date of payment							Total gross receivable	Expected credit loss	Net receivable
	Unbilled	Not due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed trade receivable - considered good	-	26.64	1.99	0.00	0.05	-	-	28.68	-	28.68
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	26.64	1.99	0.00	0.05	-	-	28.68	-	28.68

As at 31 March 2021	Outstanding for following periods from due date of payment							Total gross receivable	Expected credit loss	Net receivable
	Unbilled	Not due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed trade receivable - considered good	-	2.04	-	0.14	0.09	-	-	2.27	-	2.27
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	0.27	0.29	-	-	0.56	0.56	-
Total	-	2.04	-	0.41	0.38	-	-	2.83	0.56	2.27

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
Movement in expected credit loss allowance of trade receivable		
Balance at the beginning of the year	0.56	0.56
Balance written off during the year	(0.56)	-
Additions during the year	-	-
Balance at the end of the year	-	0.56

Note 9 - Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with bank:		
- In current accounts	1.58	3.99
- Fixed deposits with original maturity upto three months	80.00	166.00
	81.58	169.99

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with bank:		
- In current accounts	1.58	3.99
- Fixed deposits with original maturity upto three months	80.00	166.00
	81.58	169.99

Note 10 - Other bank balances

	As at 31 March 2022	As at 31 March 2021
Bank deposits maturity due within twelve months	174.80	-
Bank deposits with original maturity of more than three months but less than twelve months*	585.41	1,094.50
Balance in unclaimed dividend accounts	0.07	-
	760.28	1,094.50

*Includes restricted deposits of ₹ 248.21 (31 March 2021: ₹ 409.00) pledged as security for letter of credit and bank guarantee.

Note 11 - Other current assets

	As at 31 March 2022	As at 31 March 2021
Balances with government authorities	132.08	96.54
Prepaid expenses	1.50	13.08
CSR Asset	0.30	-
Advances to employees	-	0.02
Advances to suppliers	14.05	5.51
Expenses recoverable from related parties	0.64	-
Right to recover returned goods	7.11	1.85
	155.68	117.00

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 12 - Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorized		
11,000,000 (31 March 2021: 11,000,000) equity shares of ₹10 each	110.00	110.00
Issued, subscribed and paid-up		
10,000,175 (31 March 2021: 10,000,175) equity shares of ₹10 each fully paid up	100.00	100.00

a) Rights, preferences and restrictions attached to equity shares

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

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

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	1,00,00,175	100.00	10,000	0.10
Add: shares issued during the year	-	-	10,00,000	10.00
Less: shares cancelled during the year	-	-	(10,000)	(0.10)
Add: bonus shares issued during the year (refer note d)	-	-	60,00,000	60.00
Add: shares issued on private placement basis (refer note e)	-	-	5,00,000	5.00
Add: fresh issue through initial public offering (refer note f)	-	-	25,00,175	25.00
Balance at the end of the year	1,00,00,175	100.00	1,00,00,175	100.00

c) Details of shareholders holding more than 5 percent equity shares in the Company:

	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Payal Goyal	34,99,979	35.00	34,99,979	35.00
Saurabh Goyal	34,99,979	35.00	34,99,979	35.00
Nexpact Limited	7,50,454	7.50	8,77,812	8.78
	77,50,412	77.50	78,77,770	78.78

d) Aggregate number of shares allotted or fully paid up from the date of incorporation i.e. 2 November 2016 till the balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

Particulars	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares
Shares allotted as per approved scheme of arrangement	-	10,00,000.00	-	-	-
Bonus shares issued	-	60,00,000.00	-	-	-

Note:- As per approval of Honourable National Company Law Tribunal ('NCLT') for the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, with effect from appointed date of 1 April 2019, the Company had cancelled 10,000 shares and issued 1,000,000 shares for consideration other than cash on 10 June 2020.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

e) Private Placement

During the year ended 31 March 2021 the Company had made allotment of 500,000 equity shares of ₹50 million on 21 October 2020 on private placement basis at an issue price of ₹100 per equity share (Including premium of ₹90 per equity share).

f) Initial public offer

During the previous year, the Company has made Initial Public Offering of 2,500,175 equity shares of face value of ₹10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of ₹400 per equity share (including a share premium of ₹390 per equity share) and 3,500 equity shares to the employees at a price of ₹380 per equity share (including a share premium of ₹370 per equity shares) aggregating to ₹1000.00 million. These equity shares were allotted on 23 February 2021 and the equity share of the Company got listed on the National stock exchange (NSE) and BSE Limited (BSE) on 25 February 2021.

g) Promoters Shareholdings

S. No.	Promoter's name	As at 31 March 2022		As at 31 March 2021		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Payal Goyal	3499979	35%	3499979	35%	0%
2	Saurabh Goyal	3499979	35%	3499979	35%	0%
3	Aryan Goyal	7	0%	7	0%	0%
4	Smita Goyal	7	0%	7	0%	0%
5	Nectar Biopharma Private Limited	21	0%	21	0%	0%
	Total	6999993	70%	6999993	70%	0%

Note 13 - Other equity

	As at 31 March 2022	As at 31 March 2021
a Equity share capital pending allotment pursuant to arrangement		
Balance at the beginning of the year	-	10.00
Movement during the year	-	(10.00)
Balance at the end of the year	-	-
b Equity share capital pending cancellation pursuant to arrangement		
Balance at the beginning of the year	-	(0.10)
Movement during the year	-	0.10
Balance at the end of the year	-	-
c Capital reserve		
Balance at the beginning of the year	(12.96)	(12.96)
Movement during the year	-	-
Balance at the end of the year	(12.96)	(12.96)
d Security premium		
Balance at the beginning of the year	987.79	-
Add: Premium on issue of equity shares on private placement basis	-	45.00
Add: Premium on issue of equity shares through initial public offering	-	975.00
Less: Utilization towards share issue expenses	-	(32.21)
Balance at the end of the year	987.79	987.79

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
e Retained earnings		
Balance at the beginning of the year	558.09	152.66
Add: Profit for the year	453.09	465.34
Add: Other comprehensive (loss)/ income for the year (remeasurement of defined benefit plans, net of tax)	1.42	0.09
Less: Bonus Shares issued during the year	-	(60.00)
Less: Final dividend paid for financial year 2020-2021	(20.00)	-
Less: Interim dividend paid for financial year 2021-2022	(30.00)	-
Balance at the end of the year	962.60	558.09
Total	1,937.43	1,532.92

Nature of reserves

a. Equity share capital pending allotment pursuant to arrangement

Equity share capital pending allotment pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been allotted on 10 June 2020.

b. Equity share capital pending cancellation pursuant to arrangement

Equity share capital pending cancellation pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been cancelled on 10 June 2020.

c. Capital reserve

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

d. Security premium

Securities premium account is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

e. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

Note 14 - Borrowings

	Notes	As at 31 March 2022	As at 31 March 2021
A. Non-current borrowings			
Unsecured:			
Deposits from directors, KMPs & their relatives (refer note 33)	(a)	-	7.79
Total non-current borrowings (including current maturities)		-	7.79
Notes:			
(a) Deposits from directors & their relatives carry interest rate of 8% (31 March 2021: 8%) per annum and are repaid during the year.			
(b) Current and non-current classification is based on contractual maturities.			
B. Current borrowings			
Unsecured			
Inter corporate deposits			
- from related party (refer note 33)	(c)	-	1.46
		-	1.46

Notes:

(c) Inter corporate deposits from related parties include deposit of ₹ Nil (31 March 2021: 1.46) from Trumom Private Limited carrying interest rate of 6% (31 March 2021: 6%) per annum.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

C. Reconciliation of movements of liabilities to cash flows arising from financing activities	As at 31 March 2022	As at 31 March 2021
Borrowings at the beginning of the year (current and non-current borrowings)	9.25	79.43
Proceeds from non-current borrowings	-	3.90
Repayments of non-current borrowings	(9.25)	(74.08)
Borrowings at the end of the year (current and non-current borrowings)	(0.00)	9.25

Note 15 - Lease Liabilities

	As at 31 March 2022	As at 31 March 2021
Non Current		
Lease liability (refer note 4)	43.29	28.87
Less :Current maturity of lease liabilities	10.48	3.30
	32.81	25.57
Current		
Current maturity of lease liabilities	10.48	3.30
	10.48	3.30

Note 16 - Provisions

	As at 31 March 2022	As at 31 March 2021
A. Non-current		
Provision for employee benefits:		
Provision for compensated absences	-	1.20
Provision for gratuity (refer note 32)	4.14	3.31
	4.14	4.51
B. Current		
Provision for employee benefits:		
Provision for compensated absences	1.69	0.68
Provision for gratuity (refer note 32)	0.00	0.02
	1.69	0.70
	5.83	5.21

Note 17 - Trade payables

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro and small enterprises	3.61	5.09
Total outstanding dues of creditors other than micro and small enterprises #	43.38	82.53
	46.99	87.62

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. Refer note 34 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the financial statements based on information available with the Company.

Refer note 34

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Trade payables ageing schedule

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	3.61	-	-	-	-	3.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	20.20	19.80	3.34	0.04	-	-	43.38
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	20.20	23.42	3.34	0.04	-	-	46.99

As at 31 March 2021	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	3.22	1.87	-	-	-	5.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	30.67	-	48.50	3.36	-	-	82.53
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	30.67	3.22	50.37	3.36	-	-	87.62

Note 18 - Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Interest accrued but not due on borrowings (refer note 33)	-	0.08
Unpaid Dividend	0.07	-
	0.07	0.08

Note 19 - Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Contract liability	9.38	4.40
Statutory liabilities #	7.10	19.91
Refund liability	13.68	18.58
Payable to employees	11.04	7.58
	41.20	50.47

Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the applicable of the judgement and period from which the same applies. The Company has estimated the impact of the same from post 28 February 2019 and recognized in the financial statement. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognized any provision for the period prior to date of judgement. Further management also believes that the impact of the same on the Company will not be material.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 20 - Current tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Provision for tax (net of advance tax of ₹330.34 (31 March 2021: ₹150.79))	20.54	44.39
	20.54	44.39

Note 21 - Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products	2,555.49	2,133.31
	2,555.49	2,133.31

Notes:

a. Reconciliation of revenue recognized with the contract price is as follows:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Contract price	2,715.12	2,266.85
Less: Adjustments for:		
- Discounts and rebates	145.95	114.96
- Refund liability	13.68	18.58
Revenue recognized	2,555.49	2,133.31

b. Contract Balances

	For the year ended 31 March 2022	For the year ended 31 March 2021
Receivables, which are included in 'trade receivables'	28.68	36.98
Contract liability, which are included in 'other current liabilities'	(9.38)	(4.40)
Refund liability, which are included in 'other current liabilities'	(13.68)	(18.58)
	5.62	14.00

Note: Considering the nature of business of the Company, the above contract liability are generally materialized as revenue within the same operating cycle.

c. Revenue from sale of products disaggregated by primary geographical market

	For the year ended 31 March 2022	For the year ended 31 March 2021
India	2,555.49	2,133.31
Outside India	-	-
Total revenue from contracts with customers	2,555.49	2,133.31

Note 22 - Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
- on bank deposits	52.33	17.55
Exchange gain on foreign exchange fluctuation (net)	15.52	9.62
Income on unwinding of security deposit	0.07	0.02
Rental Income	0.25	0.16
Gain on Mutual Fund	6.51	-
Liability no longer required written back	1.06	-
Miscellaneous income	1.46	0.82
	77.20	28.17

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 23 - Purchase of stock-in-trade

	For the year ended 31 March 2022	For the year ended 31 March 2021
Purchase of stock-in-trade	1,595.34	1,199.00
	1,595.34	1,199.00

Note 24 - Changes in inventories of stock in trade

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance		
- Stock-in-trade	367.76	164.26
- Right to recover returned goods	1.85	0.05
Closing balance		
- Stock-in-trade	(631.66)	(367.76)
- Right to recover returned goods	(7.11)	(1.85)
	(269.16)	(205.30)

Note 25 - Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages	93.74	44.11
Contribution to provident and other funds (refer note 32)	2.92	0.98
Staff welfare expenses	1.65	0.74
	98.31	45.83

Note 26 - Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	0.21	6.55
- on lease liabilities	3.09	1.42
Interest expense on income tax	1.00	6.75
Other borrowing cost	3.01	1.25
	7.31	15.97

Note 27 - Depreciation and amortization expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	4.30	1.13
Amortization	0.82	-
Depreciation on right-of-use assets	9.20	2.96
	14.32	4.09

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 28 - Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Advertisement	117.38	95.84
Insurance	2.20	0.72
Communication expenses	1.67	0.38
Legal and professional fee (refer note (a) below)	47.56	6.89
Rent	6.31	2.16
Travel and conveyance	11.51	0.76
Shifting and handling expenses	26.99	16.42
Security services	2.65	1.15
Bad Debts expense	0.62	-
Commission and incentive	175.62	119.88
Packing expenses	13.51	14.18
Repairs and maintenance	3.03	1.65
Rates and taxes	3.85	2.04
Power and fuel	1.57	0.05
Freight charges	101.68	61.36
Donation	14.80	-
CSR expenditure (refer note (b) below)	4.75	0.76
Business support service (refer note 33G)	15.13	139.61
Loss on derecognition of financial assets	7.16	10.93
Miscellaneous expenses	15.28	2.18
	573.27	476.96

(a) Payment to auditors (excluding goods and services tax)

	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor:		
- Statutory audit	1.38	1.10
- Tax audit	0.35	-
- Limited review of quarterly results	0.90	-
- Reimbursement of expenses	0.12	0.07
Amount debited to Standalone Statement of Profit and Loss	2.75	1.17
- Others services in connection with initial public offering	-	5.26
- Others services	0.21	-
Total	2.96	6.43

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

(b) Details of CSR expenditure:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Where the company covered under section 135 of the Companies Act, the following shall be disclosed with regard to CSR activities:-		
1) Gross amount required to be spent by the Company during the year	4.73	0.58
2) Amount spent during the year on (in cash):		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	5.05	0.76
3) Excess/ (Shortfall) at the end of the year	0.32	0.18
4) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately		
5) Reason for shortfall:		
6) Nature of CSR Activities:		
i) Preventive healthcare	5.05	0.76

Note 29 - Tax expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Amount recognized in Consolidated Statement of Profit and Loss:		
Current tax:		
- Current year	155.70	164.69
Deferred tax:		
- Attributable to origination and reversal of temporary differences	4.51	(5.10)
Total tax expense recognized	160.21	159.58
b. Reconciliation of effective tax rate		
Profit before tax	613.30	624.93
Tax at India's statutory tax rate of 25.17%	154.37	157.30
Tax effect of non-deductible expenses	5.17	2.29
Other	0.67	-
Income tax expense recognized in the statement of profit and loss	160.21	159.59
c. Income tax expense recognized in other comprehensive income		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(0.48)	(0.03)
Net change in fair value of equity instruments through other comprehensive income	-	-
Total income tax recognized in other comprehensive income	(0.48)	(0.03)
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(0.48)	(0.03)
	(0.48)	(0.03)

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

d. Deferred tax balances reflected in the Balance Sheet:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax asset	3.80	5.66
Deferred tax liability	(2.79)	(0.14)
Deferred tax asset (net)	1.01	5.52

e. Movement in deferred tax balances

	As at 1 April 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2022
Deferred tax asset				
Provision for employee benefits	1.31	0.31	(0.48)	1.62
Expected credit loss allowance on trade receivables	0.14	(0.14)	-	-
Refund liability	4.21	(2.56)	-	1.65
Lease liabilities	-	0.53	-	0.53
Deferred tax asset (A)	5.66	(1.86)	(0.48)	3.80
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.03)	(1.12)	-	(1.15)
Mutual Fund Gain	-	(1.64)	-	(1.64)
Lease liabilities	(0.11)	0.11	-	-
Deferred tax liability (B)	(0.14)	(2.65)	-	(2.79)
Deferred tax asset (net) (A+B)	5.52	(4.51)	(0.48)	1.01

	As at 1 April 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2021
Deferred tax asset				
Provision for employee benefits	0.28	1.06	(0.03)	1.31
Expected credit loss allowance on trade receivables	0.14	(0.00)	-	0.14
Refund liability	0.01	4.20	-	4.21
Lease liabilities	0.06	(0.06)	-	-
Deferred tax asset (A)	0.49	5.20	(0.03)	5.66
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.07)	0.04	-	(0.03)
Lease liabilities	-	(0.11)	-	(0.11)
Deferred tax liability (B)	(0.07)	(0.07)	-	(0.14)
Deferred tax asset (net) (A+B)	0.42	5.13	(0.03)	5.52

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 30 - Earnings per share

	For the year ended 31 March 2022	For the year ended 31 March 2021
i. Profit for basic/diluted earning per share of face value of ₹10 each		
Profit for the year	453.09	465.34
ii. Calculation of Weighted average number of equity shares for (basic and diluted)		
(a) Number of shares at the beginning of the year *	1,00,00,175	70,00,000
(b) Add: effect of issue of equity share on private placement basis	-	2,21,918
(c) Add: effect of issue of equity share in initial public offering	-	2,53,442
Weighted average number of equity shares outstanding during the year	1,00,00,175	74,75,360
Basic and diluted earnings per share (face value of ₹10 each)	45.31	62.25

* The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for issue of bonus shares during the previous year in accordance with Ind AS 33 - Earnings per Share. The bonus issue resulted in allotment of 6,000,000 new equity shares. Total number of equity shares after bonus allotment is 7,000,000 equity shares.

Note 31 - Segment information

The Board of directors of Nureca Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker.

The Company is engaged in home healthcare and wellness products in the domestic market only which is considered to be a single business segment / geographical segment.

Considering the nature of Company's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating Segments' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

a. Information about products and services

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from branded healthcare products	2,555.49	2,133.31
Total	2,555.49	2,133.31

b. Information about geographical areas

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
i. Revenue from customers		
India	2,555.49	2,133.31
Outside India	-	-
	2,555.49	2,133.31

	As at 31 March 2022	As at 31 March 2021
ii. Trade receivables		
India	28.68	2.27
Outside India	-	-
	28.68	2.27

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

iii) Non-current assets

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

c. Information about major customers (from external customers)

For year ended 31 March 2022, 1 customer of the Company constituted more than 10% of the total revenue of Company amounting to ₹578.06, 31 March 2021: 2 customers of the Company constituted more than 10% of the total revenue of Company amounting to ₹964.70.

Note 32 - Employee benefits

a. Defined contribution plans

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Contribution to provident and other funds (refer note 25)	2.92	0.98

b. Defined benefit plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

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

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

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

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

	As at 31 March 2022	As at 31 March 2021
i. Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	3.33	0.70
Interest cost	0.23	0.21
Current service cost	2.39	1.34
Past service cost	-	1.27
Benefits paid	(0.06)	(0.07)
Actuarial loss recognized in other comprehensive income		
- from changes in financial assumptions	(0.16)	-
- from changes in demographic assumptions	-	-
- from experience adjustments	(1.59)	(0.12)
Balance at the end of the year	4.14	3.33

	For the year ended 31 March 2022	For the year ended 31 March 2021
ii. Amount recognized in statement of profit and loss		
Interest cost	0.23	0.21
Current service cost	2.39	1.34
Past service cost	-	1.27
	2.62	2.82

	For the year ended 31 March 2022	For the year ended 31 March 2021
iii. Remeasurements recognized in other comprehensive income		
Actuarial loss for the year on defined benefit obligation	(1.90)	(0.12)
	(1.90)	(0.12)

iv. Actuarial assumptions

(i) Economic assumptions

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

	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.3%	7.0%
Future salary growth rate (per annum)	15%	15%
Expected average remaining working lives (years)	26.46	28.46

	As at 31 March 2022	As at 31 March 2021
(ii) Demographic assumptions		
Retirement age (years)	58	58
Mortality rate	100% of IALM 2012- 14	100% of IALM 2012- 14
Attrition rate (per annum)	10%	10%

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Increase		
Discount rate (1% movement)	(0.48)	(0.38)
Future salary growth rate (1% movement)	0.42	0.32
Decrease		
Discount rate (1% movement)	0.58	0.46
Future salary growth rate (1% movement)	(0.38)	(0.29)

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

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

	As at 31 March 2022	As at 31 March 2021
Within 1 year (next annual reporting period)	-	0.01
Between 1 to 5 years	0.56	0.61
Beyond 5 years	12.19	9.02
Total expected payments	12.75	9.64

vii. Weighted average duration of the defined benefit plan:

	As at 31 March 2022	As at 31 March 2021
Weighted average duration of the defined benefit plan (in years)	15.00	16.03

Note 33 - Related parties

A. List of related parties and nature of related party relationship, where control exists:

Description of Relationship	Name of the Party
Subsidiaries	Nureca INC
	Nureca Healthcare Private Limited
	Nureca Technologies Private Limited

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

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Saurabh Goyal - Managing Director
	Mr. Aryan Goyal - Chief Executive Officer
	Ms. Sakshi Mittal - Chief Financial Officer (w.e.f. 21 October 2020 till 15 June 2021)*
	Mr. Gurbikram Singh - Company Secretary (upto 10th Nov 21)
	Mr. Nishant Garg - Chief Financial Officer (w.e.f.16 June 2021)
	Ms. Chetna Ananad- Company Secretary (w.e.f.11 Nov 2021)
	Mr. Santosh Kumar Srivastava - Director Compliance (w.e.f. 16 June 2021 and upto 29 Sep 2021)
	Mr. Sushil Kumar Bhardwaj - Director Compliance (w.e.f. 12 Feb 2022 and upto 28 Feb 2022)

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(Amount in ₹ million, unless otherwise stated)

Relatives of KMPs	Mrs. Payal Goyal
	Mrs. Raman Goyal (refer note 33F)
	Mrs. Smita Goyal
Entities in which KMP and/or their relatives have significant influence	Trumom Private Limited
	Mirasan Private Limited
	Nectar Life Sciences Limited (refer note 33F)
	Nectar Biopharma Private Limited (refer note 33G)
Non Executive Directors	Mr. Vijay Kumar Sharma (w.e.f. 21 October 2020)
	Mrs. Smita Goyal (upto 26 March 2021)
	Ms. Ruchita Agarwal (w.e.f. 29 October 2020)
	Ms. Charu Singh (w.e.f. 21 October 2020)
	Mr. Rajinder Sharma (upto 30 June 2021)
	Mr. Nitin Ravindra (w.e.f. 29 March 2021)
	Mr. Vikram Chaudhary (w.e.f. 29 March 2021)

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

Nature of transaction	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
1 Revenue from operations (net of returns)	Nectar Life Sciences Limited	-	(5.67)
	Nureca Technologies Private Limited	0.06	1.13
2 Purchase of stock-in-trade	Nectar Life Sciences Limited	-	237.71
	Nureca Technologies Private Limited	-	1.18
3 Reimbursement of expense paid by the Company	Mirasan Private Limited	-	0.02
	Nureca Healthcare Private Limited	-	0.02
	Nureca Technologies Private Limited	2.63	5.57
	Nectar Biopharma Private Limited	7.06	-
	Nureca INC	0.61	-
4 Expenses Incurred by Entity on Behalf of Company	Nectar Biopharma Private Limited	0.91	-
5 Borrowings taken	Mr. Saurabh Goyal	-	3.90
	Trumom Private Limited	-	1.46
6 Borrowings repaid	Mrs. Payal Goyal	3.90	23.78
	Mr. Saurabh Goyal	3.90	17.21
	Mrs. Raman Goyal	-	43.18
	Mrs. Smita Goyal	-	2.68
	Trumom Private Limited	1.46	-
7 Interest accrued during the year	Mrs. Payal Goyal	0.09	0.63
	Mr. Saurabh Goyal	0.09	0.18
	Mrs. Raman Goyal	-	1.83
	Mrs. Smita Goyal	-	0.03
	Trumom Private Limited	0.00	0.08
8 Managerial remuneration *	Mr. Saurabh Goyal	15.26	8.22

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(Amount in ₹ million, unless otherwise stated)

C. The following table provides the total amount of transactions that have been entered into with related parties for the relevant years (continued)

Nature of transaction	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
9 Salary to KMPs and their relatives *	Mrs. Payal Goyal	11.40	5.92
	Ms. Smita Goyal	-	0.44
	Mr. Aryan Goyal	11.43	10.23
	Mr. Gurvikram Singh	0.26	0.19
	Ms. Sakshi Mittal	0.16	0.43
	Mr. Nishant Garg	2.06	-
	Ms. Chetna Anand	0.50	-
	Mr. Santosh Kumar Srivastava	0.12	-
	Mr. Sushil Kumar Bhardwaj	0.03	-
	10 Sitting Fee	Mr. Vijay Kumar Sharma	0.50
Mrs. Smita Goyal		0.02	0.02
Ms. Ruchita Agarwal		0.06	0.03
Ms. Charu Singh		0.07	0.03
Mr. Rajinder Sharma		0.02	0.02
Mr. Nitin Bidikar		0.04	-
11 Commission and incentive	Nectar Biopharma Private Limited	2.62	29.53
	Nectar Biopharma Private Limited	11.47	139.61
12 Business support services	Nectar Biopharma Private Limited	1.32	-
13 Job Work Charges	Nureca Technologies Private Limited	0.01	-
14 Rent Income	Nureca Healthcare Private Limited	0.24	-
	Nureca Technologies Private Limited	0.19	-
15 Rent Expenses	Mrs. Raman Goyal	10.81	-
16 Purchase of Fixed Asset	Nectar Life Sciences Limited	2.50	-
	Nectar Biopharma Private Limited	-	(0.10)
17 Shares cancelled during the year	Nectar Biopharma Private Limited	-	35.00
18 Shares allotted during the year	Mr. Saurabh Goyal	-	35.00
	Mrs. Payal Goyal	-	0.10
19 Investments (in equity share @ 10/- per share)	Nureca Healthcare Private Limited	4.90	7.60
	Nureca Technologies Private Limited	-	-
* Break-up of compensation of key managerial personnel of the Company			
	Short-term employee benefits	41.21	25.43
	Post-employment benefits	1.91	1.49
	Total compensation paid to key management personnel	43.12	26.92

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

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D. Balances outstanding at year end

Nature of transaction	Name of related party	As at 31 March 2022	As at 31 March 2021
1 Expenses recoverable	Nureca INC	0.64	-
	Nectar Biopharma Private Limited	0.08	-
2 Payable to employees	Mr. Saurabh Goyal	0.68	0.42
	Mr. Aryan Goyal	0.00	4.83
	Ms. Payal Goyal	0.58	-
	Mr. Gurvikram Singh	-	0.03
	Ms. Sakshi Mittal	-	0.05
	Mr. Nishant Garg	0.18	-
3 Borrowings	Ms. Chetna Anand	0.07	-
	Ms. Payal Goyal	-	3.90
	Mr. Saurabh Goyal	-	3.90
4 Interest accrued but not due	Trumom Private Limited	-	1.46
	Trumom Private Limited	-	0.08
5 Trade payables	Nectar Biopharma Private Limited	1.55	13.16 **
6 Trade receivables	Nureca INC	-	0.03
	Nureca Technologies Private Limited	-	0.10
7 Investments	Nureca INC	0.46	0.46
	Nureca Healthcare Private Limited	0.10	0.10
	Nureca Technologies Private Limited	12.50	7.60

** During the year ended 31 March 2022, purchase of stock-in-trade from Nectar Life Sciences Limited of ₹ Nil (31 March 2021: ₹234.77) were made through the Company's agent Nectar Biopharma Private Limited and revenue from operation (net of return) from Nectar Life Sciences Limited of ₹ Nil (31 March 2021: ₹(5.67)) were made through the Company's Agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at 31 March 2022 includes ₹ Nil (31 March 2021: ₹ Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

E. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business.

Outstanding balances at the year-end are unsecured and interest free except borrowings and settlement occurs in cash.

F. Dissociation with Mr. Sanjiv Goyal, Mrs. Raman Goyal and Nectar Life Sciences Limited

Pursuant to a family settlement, Mr. Saurabh Goyal (Promoter and Managing Director), Mr. Aryan Goyal (Chief Executive Officer) and their families disassociated from their parents Mr. Sanjiv Goyal and Mrs. Raman Goyal. The family settlement was effected by way of family partition deed dated 10 September 2020 entered into Mr. Saurabh Goyal, Aryan Goyal from their parents Sanjiv Goyal and Mrs. Raman Goyal in relation to the separation of assets and businesses. Sanjiv Goyal is the promoter and director in a pharmaceutical company known as Nectar Life Sciences Limited.

Pursuant to the family settlement, Mr. Saurabh Goyal and Mr. Aryan Goyal, by way of their letters dated 1 October 2020 and 30 September 2020 respectively addressed to the Board of Directors of Nectar Lifesciences Limited, SEBI, BSE and National Stock Exchange, have intimated that their shareholdings in Nectar Lifesciences Limited have been transferred to Mr. Sanjiv Goyal and his HUF by way of gift and expressed that they intended to be ceased from being classified as members of the promoter group of Nectar Lifesciences Limited. The Company has been legally advised that transactions of the Company with Mr. Sanjiv Goyal or Mrs. Raman Goyal or entities controlled by them are required to be considered for the purposes of disclosures under Ind AS 24 and also under provision of the Companies Act, 2013 and SEBI LODR, as applicable.

G. Appointment of Nectar Biopharma Private Limited as an agent

On 9 May 2020, the Company entered into an agreement with Nectar Biopharma Private Limited to facilitate the operations of the Company in accordance with the applicable laws in India, with effect from 23 May 2020 (i.e. the effective date of the scheme of

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arrangement) until such time that the Company is able to fulfil all legal formalities including but not limited to transfer of relevant licenses and obtaining requisite approvals from appropriate authorities. Under this agreement, Nectar Biopharma Private Limited would act as agent of the Company and be responsible for procurement of goods, provision of business support services and further sale of goods on behalf of the Company for which Nectar Biopharma Private Limited is entitled to commission fees based on a percentage of sales and purchases made on behalf of the Company and service fee based on cost of services rendered which are considered to be at arms length.

Accordingly, the Company has recognized revenue from sales of products and purchase of stock in trade on gross basis and inventory held by Nectar Biopharma Private Limited at reporting date as its own inventory since the Company is the principal for the transaction. In doing so, the Company has evaluated that it controls the goods before it is transferred to the customer and considered that it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine that it controls the goods and therefore is acting as a principal.

H. Search and Seizure

Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department from 13 December 2020 to 15 December 2020 at residences of the Company's Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and Smita Goyal in the case of Nectar Life Sciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal. During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery and ornaments. Also refer to note 33F above which explain in detail the dissociation arrangement entered between with Sanjiv Goyal, Raman Goyal and Nectar Life Sciences Limited.

Further, Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department on 13 December 2020 at the residence of one of the Company's Director Rajinder Sharma in the case of Nectar Life Sciences Limited and Avensis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded a mobile set.

As on the date of approval of these financial statements, none of the Company's promoters, members of promoter group or directors have received further communication and / or notice from the income tax authorities in relation to the abovementioned search and seizure proceedings. The management believes that the transactions of the Company are fully compliant with the relevant provisions of the Income Tax Act, 1961 and hence, no provision is required for any tax liability.

Note 34 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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

Particulars	As at 31 March 2022	As at 31 March 2021
(i) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the each year		
- Principal	3.61	5.06
- Interest	0.09	0.03
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during the each year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the each year) but without adding the interest specified under the MSMED act 2006.	0.15	0.06
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.15	0.06
(v) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.15	0.06

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Note 35 - Financial instrument : fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Company, other than those with carrying amounts that are reasonable approximations of fair values:

	Note	Level of hierarchy	As at 31 March 2022		As at 31 March 2021	
			Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L
Financial assets						
Investments						
-Investments in subsidiaries	a		13.06	-	8.16	-
-Investments in mutual fund	a	1	-	331.86	-	-
Trade receivables	c		28.68	-	2.27	-
Cash and cash equivalents	c		81.58	-	169.99	-
Other bank balances	c		760.28	-	1,094.50	-
Other financial assets	c		89.52	-	56.92	-
			973.12	331.86	1,331.84	-
Financial liabilities						
Borrowings	b		-	-	9.25	-
Lease Liability	b		43.29	-	28.87	-
Trade payables	c		46.99	-	87.62	-
Other financial liabilities	c		0.07	-	0.08	-
			90.35	-	125.82	-

Notes:

- The company has elected to measure the investment to subsidiaries at cost. For quoted investment market value is taken as fair value.
- Fair valuation of the loans and borrowings is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Subsequent measurements of all assets and liabilities is at amortised cost, using effective interest rate (EIR) method. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the years presented.

Note 36 - Financial risk management

Risk management framework

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

(i) Market risk

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

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Company does not expose to the risk of changes in market interest rates as Company's long and short term debt obligations are of fixed interest rate.

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(b) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency).

The Company undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

Exposure to currency risk :

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

	Currency	As at 31 March 2022		As at 31 March 2021	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade payables	USD	0.16	11.73	0.35	25.50

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

Sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2022				
USD 5% movement	0.59	(0.59)	0.44	(0.44)
As at 31 March 2021				
USD 5% movement	1.28	(1.28)	0.95	(0.95)

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(a) Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

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Based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

The ageing of trade receivables at the reporting date was:

	As at 31 March 2022	As at 31 March 2021
Not due	26.64	2.04
Less than 90 days	-	-
90-180 days	1.99	-
More than 180 days	0.05	0.23
Total	28.68	2.27

(b) Cash and cash equivalents and deposits with banks

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

(c) Security deposits

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

(iii) Liquidity risk

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

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

As at 31 March 2022	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Other financial liabilities (excluding lease liabilities)	0.07	-	0.07	-	-	0.07
Trade payables	46.99	-	46.95	0.04	-	46.99
Lease liabilities	43.29	-	13.74	27.21	17.54	58.49
Total	90.35	-	60.76	27.25	17.54	105.55

As at 31 March 2021	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	9.25	-	-	10.92	-	10.92
Other financial liabilities (excluding lease liabilities)	0.08	-	0.08	-	-	0.08
Trade payables	87.62	-	84.26	3.36	-	87.62
Lease liabilities	28.87	-	5.93	10.02	22.98	38.93
Total	125.82	-	90.27	24.30	22.98	137.55

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(Amount in ₹ million, unless otherwise stated)

(iv) Excessive risk concentration

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

(v) Risk related to Covid-19

The Company has considered possible effect that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, inventories, receivables, other current assets and on its assessment relating to going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the Company, including the Company's performance from July 2020 onwards which has been better than expectations considering the increase in demand in the home healthcare and wellness products. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered with no consequential impacts on its assessment related to going concern. The impact of Covid - 19 on the Company's financial statement may differ from that estimated as at the date of approval of these financial statements.

Note 37- Capital risk management

(i) Risk Management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade payables and borrowings, less cash and cash equivalents.

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables (Refer note 17)	46.99	87.62
Borrowings (Refer note 14)	43.29	38.12
Less: cash and cash equivalents (Refer note 9)	81.58	169.99
Net debt	8.70	(44.25)
Equity share capital (Refer note 12)	100.00	100.00
Other equity (Refer note 13)	1,937.43	1,532.92
Total capital	2,037.43	1,632.92
Capital and net debt	2046.13	1588.67
Gearing ratio	0.43%	-2.79%

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

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 37- Capital risk management (Continue)

(ii) Dividend not recognised at the end of the year

Subsequent to the year ended 31 March 2021, the Board of directors had recommended payment of final dividend of ₹2 per share for FY 2020-2021 (20 percent of the face value of the equity share of ₹10 each) which had been approved by the shareholders in the annual general meeting held on 29 September 2021.

The Company had paid the interim dividend of ₹3 per share (30 percent of the face value of the equity share of ₹10 each) during the financial year ended 31 March 2022

The final dividend paid by the Company during the year in respect of the dividend declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act, 2013.

Note 38 - Share issue expenses

During the financial year 2020-2021 the Company had made Initial Public Offering of 2,500,175 equity shares of face value of ₹10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of ₹400 per equity share (including a share premium of ₹390 per equity share) and 3,500 equity shares to the employees at a price of ₹380 per equity share (including a share premium of ₹370 per equity shares) aggregating to ₹1000.00 million.

The proceeds from IPO were ₹967.79 million. (Gross of issue related expenses ₹1000.00 million).

The equity shares of the company were listed on National Stock Exchange of India Limited (NSE) via ID NURECA and BSE Limited (BSE) via ID 543264 on 25 February 2021.

Details of utilization of net IPO proceeds are as follows:

Particulars	Planned proceeds as per Prospectus	Actual proceeds	Utilization upto 31 March 2021	Unutilised amount as on 31 March 2021	Utilization upto 31 March 2022	Unutilized amount as on 31 March 2022
Funding incremental working capital requirements	750.00	750.00	190.53	559.47	750.00	-
General Corporate purpose	210.79	217.79	-	217.79	217.79	-
Total proceeds	960.79	967.79	190.53	777.26	967.79	-

The Company has incurred ₹32.21 millions (excluding GST) of IPO expenses in the previous year. These expenses have been adjusted towards the securities premium account.

The difference in planned proceeds as per prospectus and actual proceeds is due to saving in the planned IPO expenses amounting to ₹ 7.0 million.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 39- Ratios

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Change	Reason for variance >25%
Current ratio	Total current assets	Total current liabilities	17.00	9.61	76.9%	Current ratio has increased for year ended 31 March 2022, since business scale has increased and consequently current asset base has increased.
Debt-Equity ratio	Total debt	Total equity	0.02	0.02	-9.0%	
Debt service coverage ratio	Earning available for debt service	Debt service	18.20	4.52	302.8%	Debt service coverage ratio has increased for year ended 31 March 2022, due to lower finance cost.
Return on equity ratio	Net profit after tax	Average shareholder equity	25%	52%	-52.7%	Return on equity is lower for year ended 31 March 2022, since profit has been fairly consistent for both years whereas there has been increase in average shareholding equity in the company as compared to previous year's average shareholding equity.
Inventory turnover ratio	Cost of goods sold	Average inventory	2.65	3.74	-29.0%	Inventory turnover ratio has decreased because of increase in average inventory level in comparison to cost of goods sold.
Trade receivables turnover ratio	Net credit sale	Average accounts receivable	60.86	17.14	255.2%	Trade receivables turnover ratio has increased due to increase in sales and better collection efficiency.
Trade payables turnover ratio	Net credit purchase	Average trade payable	23.70	16.41	44.4%	Trade payables turnover ratio has increased due to increase in purchase during the year.
Net capital turnover ratio	Net sale	Average working capital	1.44	2.30	-37.6%	Net capital turnover ratio is lower for year ended 31 March 2022, because in average working capital in the year ended 31st March 2021 is lower.
Net profit ratio	Net profit after tax	Net sale	18%	22%	-18.7%	
Return on capital employed	Earning before interest and taxes	Net worth+ Borrowing +Lease liability	30%	38%	-22.2%	
Return on investment	Gain on Mutual Fund	Average investment	4%	NA	NA	There were no investment as on 31 March 2021 and 31 March 2020

Note 40- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the Standalone Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 41: The following figures for the year ended 31 March 2021 have been regrouped / reclassified to give effect of the amendments to Schedule III to the Companies Act, 2013

Particulars	Amount in millions	Presented as, in financial of the year ended 31 March 2021	Reclassified as, in financial of the year ended 31 March 2022
Security deposits (non current portion)	0.85	Loans (non current)	Other financial assets(non current)
Security deposits (current portion)	5.18	Loans (current)	Other financial assets(current)
Receivable from online marketplace business portals	34.71	Trade receivables	Other financial asset(current)
Lease liability (non current portion)	25.57	Borrowing (non current)	Lease liability(non current)
Lease liability (current portion)	3.30	Borrowing (current)	Lease liability (current)

Note 42: Subsequent events :

- The Board of Directors have on 28 May 2022 passed a resolution for appointment of Mr. Aryan Goyal as a Whole-time Director of the Company designated as Whole-time Director & CEO.
- On 20 May 2022, the Company has invested ₹17.5 million on right issue basis in its wholly owned subsidiary i.e. Nureca Technologies Private Limited.

The accompanying notes form an integral part of the standalone financial statements. As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

For and on behalf of Board of Directors of **Nureca Limited**

Gaurav Mahajan
Partner
Membership Number : 507857

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Place: Chandigarh
Date: 28 May 2022

Independent Auditor's Report

To the Members of Nureca Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Nureca Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Description of Key Audit Matter

Revenue recognition Fraud Risk

See note 2.9 and Note 21 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
<p>Revenue from the sale of goods is recognized when control in goods is transferred to the customer and is measured net of rebates, discounts and returns.</p> <p>Standards on Auditing presume that there is fraud risk with regard to revenue recognition. We focused on this area since there is a risk that revenue may be overstated because of fraud, resulting due to the pressure from Management and Board of Directors who may strive to achieve performance targets. Also, revenue is a key performance indicator for the Company, which makes it susceptible to misstatement because the timing of revenue recognition requires exercise of judgement.</p> <p>In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> We assessed the appropriateness of the revenue recognition accounting policies against the requirement of Ind AS 115 i.e. Revenue from contracts with customers. We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such controls for a sample of transactions (using random sampling);

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded for the year. For such samples, verified the underlying documents, including invoices, purchase orders, customer acceptances and shipping documents, and subsequent receipts in the bank statements to assess whether these are recognized in the appropriate period in which control is transferred.
- We carried out analytical procedures on revenue recognized during the year to identify unusual variances.
- We tested, on a sample basis (selected based on specified risk-based criteria), specific revenue transactions recorded before and after the financial year end date to determine whether the revenue had been recognized in the appropriate financial period
- We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items,
- We assessed the adequacy of the disclosures made in the financial statements against the requirement of Ind AS 115.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness

of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditor. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled “Other Matters” in this audit report.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹9.51 million as at 31 March 2022, total revenues (before consolidation adjustments) of ₹1.32 million and net cash outflows amounting to ₹0.63 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) The financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹0.78 million as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ Nil and net cash outflows amounting to ₹0.14 million for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the “Other Matters” paragraph, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 01 April 2022 and 9 May 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the “Other Matters” paragraph:

- a) There were no pending litigations as at 31 March 2022 which would impact the consolidated financial position of the Group.
- b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2022.
- d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 41 to the consolidated financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 41 to the consolidated financial statements no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The final dividend paid by the Holding Company during the year in respect of the dividend declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013. The subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 22507857AJVGIQ3391

Place: Chandigarh
Date: 28 May 2022

Annexure A to the Independent Auditor's Report on Consolidated Financial Statements

(Referred to in our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the auditor in its report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Nureca Limited	L24304MH2016PLC320868	Holding Company	(vii) (a)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 22507857AJVGIQ3391

Place: Chandigarh
Date: 28 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Nureca Limited for the period ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Nureca Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that

we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

Place: Chandigarh
Date: 28 May 2022

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022
Gaurav Mahajan
Partner
Membership No. 507857
UDIN: 22507857AJVGIQ3391

Consolidated Balance sheet

as at 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	3a	36.78	7.54
(b) Right-of-use assets	4	41.19	29.29
Intangible assets	3b	23.92	-
(c) Intangible assets under development	3c	4.23	3.02
(d) Financial assets			
- Investments	5	-	-
- Other financial assets	6	22.24	0.95
(e) Deferred tax assets (net)	29	1.01	5.52
Total non-current assets		129.37	46.32
(2) Current assets			
(a) Inventories	7	631.77	367.76
(b) Financial assets			
- Investments	5	331.86	-
- Trade receivables	8	28.94	2.24
- Cash and cash equivalents	9	82.49	172.42
- Bank balances other than cash and cash equivalents	10	761.03	1,094.50
- Other financial assets	6	67.38	56.07
(c) Other current assets	11	158.46	118.21
Total current assets		2,061.93	1,811.20
Total assets		2,191.30	1,857.52
Equity and liabilities			
(1) Equity			
(a) Equity share capital	12	100.00	100.00
(b) Other equity	13	1,931.98	1,530.98
Total equity		2,031.98	1,630.98
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
- Borrowings	14	-	7.79
- Lease liabilities	15	32.81	25.57
(b) Provisions	16	4.13	4.51
Total non-current liabilities		36.94	37.87
(3) Current liabilities			
(a) Financial liabilities			
- Borrowings	14	0.76	2.19
- Lease liabilities	15	10.48	3.30
- Trade payables	17		
- total outstanding dues of micro and small enterprises		3.61	5.09
- total outstanding dues of creditors other than micro and small enterprises		43.60	82.35
- Other financial liabilities	18	0.22	0.17
(b) Other current liabilities	19	41.44	50.48
(c) Provisions	16	1.69	0.70
(d) Current tax liabilities (net)	20	20.58	44.39
Total current liabilities		122.38	188.67
Total liabilities		159.32	226.54
Total equity and liabilities		2,191.30	1,857.52
Significant accounting policies	2		
Notes to the consolidated financial statements	3-43		

The accompanying notes form an integral part of the consolidated financial statements. As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Consolidated Statement of Profit and Loss

for year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
I Revenue from operations	21	2,555.48	2,134.54
II Other income	22	76.95	28.17
III Total income (I + II)		2,632.43	2,162.71
IV Expenses			
Purchase of stock-in-trade	23	1,595.51	1,200.12
Changes in inventories of stock-in-trade	24	(269.27)	(205.30)
Employee benefits expense	25	99.14	45.83
Finance costs	26	7.41	16.03
Depreciation and amortization expense	27	14.82	4.22
Other expenses	28	575.01	478.48
Total expenses (IV)		2,022.62	1,539.38
V Profit before tax (III-IV)		609.81	623.33
VI Tax expense:			
(i) Current tax	29	155.70	164.69
(ii) Deferred tax	29	4.51	(5.10)
Total tax expense		160.21	159.59
VII Profit for the year (V-VI)		449.60	463.74
VIII Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit obligation		1.90	0.12
Income tax relating to remeasurement of defined benefit obligation		(0.48)	(0.03)
Items that will be reclassified to profit or loss			
(i) Exchange differences on translating the financial statements of a foreign operation		(0.01)	0.02
Income tax relating to translating the financial statements of a foreign operation		-	-
Total other comprehensive income/(loss) for the year (net of tax)		1.41	0.11
IX Total comprehensive income for the year (VII+VIII)		451.01	463.85
Earnings per equity share			
Basic and diluted [nominal value of ₹10 per share]	30	44.96	62.04
Significant accounting policies	2		
Notes to the consolidated financial statements	3-43		

The accompanying notes form an integral part of the consolidated financial statements. As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

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Place: Chandigarh
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Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Consolidated Statement of Cash Flow

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
A Cash flows from operating activities		
Profit before tax for the year	609.81	623.33
Adjustments for:		
Depreciation expense	14.82	4.22
Income on unwinding of security deposits	(0.07)	(0.02)
Unrealized foreign exchange (gain)	(0.65)	(1.60)
Finance costs	7.41	16.03
Interest income	(52.33)	(17.55)
Gain on mutual funds	(6.51)	-
Operating cash flows before working capital changes	572.48	624.41
Working capital adjustments		
(Increase) in inventories	(264.01)	(203.50)
(Increase)/ decrease in trade receivables	(26.14)	126.73
(Decrease)/increase in trade payables	(39.59)	30.73
(Increase) in other current assets	(42.71)	(125.66)
(Decrease)/increase/ in other current liabilities	(9.04)	42.36
Increase in provisions	2.51	4.25
Cash generated from operating activities	193.50	499.33
Income tax paid (net)	(179.51)	(150.66)
Net cash generated from operating activities (A)	13.99	348.67
B Cash flows from investing activities		
Purchase of property, plant and equipment	(34.04)	(4.25)
Purchase of intangible assets under development	(1.21)	(3.02)
Purchase of Intangible Assets	(24.74)	-
Interest received	40.41	1.37
Purchase of mutual funds	(325.35)	-
Investment in other bank balances	314.04	(1,094.50)
Net cash (used in) investing activities (B)	(30.89)	(1,100.40)

Consolidated Statement of Cash Flow (Contd.)

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
C Cash flows from financing activities		
Proceeds from issue of equity shares on private placement basis	-	50.00
Proceeds from issue of equity shares through initial public offering	-	1,000.00
IPO expenses	-	(32.21)
Payment of lease liabilities (including interest)	(9.53)	(4.65)
Interest paid	(4.34)	(8.26)
Repayment of non-current borrowings	(7.79)	(82.94)
(Repayment)/ proceeds from current borrowings (net)	(1.43)	1.45
Dividend paid	(49.93)	-
Net cash (used in)/ generated from financing activities (C)	(73.02)	923.39
Net (decrease)/increase in cash and cash equivalents (A+B+C)	(89.92)	171.66
Effect of exchange rate fluctuations on cash & cash equivalents held in foreign currency	(0.01)	0.02
Cash and cash equivalents at the beginning of the year	172.42	0.74
Cash and cash equivalents at the end of the year	82.49	172.42
Notes:		
1. Components of cash and cash equivalents		
Balances with banks:		
- In current accounts	2.49	6.42
- Fixed deposits with original maturity upto three months	80.00	166.00
	82.49	172.42
2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2.3.16.		
3. Refer note 14(c) for reconciliation of movements of liabilities to cash flows arising from financing activities.		
3. During the year, the Company paid in cash ₹ Nil (previous year: ₹0.76) towards corporate social responsibility (CSR) expenditure (included in Corporate social responsibility expenditure - Refer note 28(b)).		
Significant accounting policies	2	
Notes to the consolidated financial statements	3-43	

The accompanying notes form an integral part of the consolidated financial statements. As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

Nishant Garg
Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Aryan Goyal
Whole-time Director & CEO
DIN : 00002869
Place: U.S.A
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

A Equity share capital

Particulars	Note	As at 31 March 2022		As at 31 March 2021	
		Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year		1,00,00,175	100.00	10,000	0.10
Add: Share capital issued pursuant to scheme of arrangement		-	-	10,00,000	10.00
Less: Share capital cancelled pursuant to scheme of arrangement		-	-	(10,000)	(0.10)
Add: Bonus share issued during the year	12(d)	-	-	60,00,000	60.00
Add: Shares issued on private placement basis	12(e)	-	-	5,00,000	5.00
Add: fresh issue through initial public offering	12(f)	-	-	25,00,175	25.00
Balance at the end of the year		1,00,00,175	100.00	1,00,00,175	100.00

B Other equity (Refer note 13)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Reserves and surplus			Other comprehensive income	Total
			Capital reserve	Securities premium	Retained earnings		
Balance as at 1 April 2020	10.00	(0.10)	(12.96)	152.30	0.00	0.00	149.24
Total comprehensive income for the year	-	-	-	463.74	-	-	463.74
Add : Profit for the year	-	-	-	0.09	0.02	-	0.11
Add : Other comprehensive income/loss (net of tax) for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	10.00	(0.10)	(12.96)	616.13	0.02	0.02	613.09
Add: Share capital cancelled pursuant to scheme of arrangement	(10.00)	-	-	-	-	-	(10.00)
Less: Share capital issued pursuant to scheme of arrangement	-	-	-	(60.00)	-	-	(60.00)
Less: Bonus share issued during the year	-	-	-	45.00	-	-	45.00
Add: Premium on issue of equity shares on private placement basis	-	-	-	975.00	-	-	975.00
Add: Premium on issue of equity shares through initial public offering	-	-	-	(32.21)	-	-	(32.21)
Less: Utilization towards share issue expenses (Refer note 40)	-	-	-	987.79	556.13	0.02	1,530.98
Balance as at 31 March 2021	-	-	(12.96)	987.79	556.13	0.02	1,530.98

Consolidated Statement of Changes in Equity (contd.)

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Equity share capital pending allotment pursuant to arrangement	Equity share capital pending cancellation pursuant to arrangement	Reserves and surplus			Other comprehensive income	Total
			Capital reserve	Securities premium	Retained earnings		
Balance as at 1 April 2021	-	-	(12.96)	987.79	556.13	0.02	1,530.98
Total comprehensive income for the year	-	-	-	449.60	-	-	449.60
Add : Profit for the year	-	-	-	1.41	(0.01)	-	1.40
Add : Other comprehensive income (net of tax) for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	(12.96)	987.79	1,007.14	0.01	1,981.98
Less: Final dividend paid for financial year 2020-2021	-	-	-	(20.00)	-	-	(20.00)
Less: Interim dividend paid for financial year 2021-2022	-	-	-	(30.00)	-	-	(30.00)
Balance as at 31 March 2022	-	-	(12.96)	987.79	957.13	0.01	1,931.98

Significant accounting policies

2

Notes to the consolidated financial statements

3-43

The accompanying notes form an integral part of the consolidated financial statements. As per our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number : 507857

Place: Chandigarh
Date: 28 May 2022

For and on behalf of Board of Directors of Nureca Limited

Saurabh Goyal
Managing Director
DIN : 00136037
Place: Chandigarh
Date: 28 May 2022

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Whole-time Director & CEO
DIN : 00002869
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Date: 28 May 2022

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Chief Financial Officer
Place: Chandigarh
Date: 28 May 2022

Chetna Anand
Company Secretary
Membership No.: 0031099
Place: Chandigarh
Date: 28 May 2022

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 1. Corporate information

Nureca Limited ("the Company") and its subsidiaries, (collectively, the Group), is a public limited company which is domiciled and incorporated in Republic of India under the provisions of the Companies Act, 2013 (CIN L24304MH2016PLC320868) on 02 November 2016 and has been converted into a public company with effect from 08 July 2020 with registered office situated at 101 Gala Number Udyog Bhavan, 1st Floor Sonawala Lane, Goregaon E, Mumbai – 400063. The Company got listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India on 25 February 2021.

The Group is engaged in the business of home healthcare and wellness products.

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

a. Statement of compliance

These consolidated Ind AS financial statements ("Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

Effective 01 April 2019, the Group had transitioned to Ind AS while the financial statements were being prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (previous GAAP) till 31 March 2020 and the transition was carried out in accordance with Ind AS 101 "First time adoption of Indian Accounting Standards". While carrying out transition, in addition to the mandatory exemptions, the Group had elected to certain exemption which are listed as below:

- The Group had opted to continue with the carrying value for all of its property, plant and equipment, intangible assets and investment property as recognized in the financial statements prepared under previous GAAP and use the same as deemed cost in the financial statement as at the transition date.
- The Group had opted to carry the assessment whether a contract or arrangement contains a lease on the basis of and circumstances existing at the date of transition except where the effect is not expected to be material. In accordance with Ind AS 17, this assessment should

be carried out (at the inception of the contract or arrangement).

The consolidated financial statements for the year ended 31 March 2022 were approved for issue by the Company's Board of Directors on 28 May 2022.

b. Functional and presentation currency

Items included in these Consolidated Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The consolidated Ind AS financial statements are presented in Indian rupee (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹10,000 have been rounded and are presented as ₹ 0.00 million in these Ind AS financial statements.

c. Basis of measurement

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

Items	Measurement basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair value
Defined benefits obligation	Present value of defined benefits obligations

d. Use of estimates and judgments

The estimates used in the preparation of the Consolidated Financial Statements of each year presented are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Group regularly assesses these estimates, actual results could differ from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Consolidated Financial Statements in the period in which they become known.

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group.

Significant judgements

- Allowances for uncollected trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

- Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which management have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes. Although there can be no assurance of the final outcome of legal proceedings in which the Company is involved, it is not expected that such contingencies will have material effect on its financial position of probability.

- Impairment of other financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

- Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes current tax payable, based on reasonable estimates. The amount of such current tax payable is based on various factors, such as

experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

- Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ('DCF') model.

Significant estimates

- Defined benefit plans

The costs of post-retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. At the end of the current reporting period, the management determined that the useful lives of property, plant and equipment at which they are currently being depreciated represent the correct estimate of the lives and need no change.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

- Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

- Determining the lease term of contracts with renewal and termination options –Company as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

- Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Consolidated Statement of Assets and Liabilities Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Current vs non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is treated as current when:

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

The Company classifies all other liabilities as non-current.

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

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

f. Measurement of fair values

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

Significant valuation issues, if any are reported to the Company's board of directors.

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

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred. Further information about the assumptions made in measuring fair values used in preparing these consolidated financial statements is included in the note 35.

2.2 Basis of consolidation

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

Profits or losses resulting from intra-group transactions are eliminated in full.

Foreign operations

Revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve (FCTR).

The Consolidated Ind AS financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The carrying amount of the Company's investment in subsidiaries is offset (eliminated) against the Company's portion of equity in subsidiaries.

The detail of consolidated entity as follows:

Name of subsidiary	Country of incorporation	Percentage of ownership	
		As at 31 March 2022	As at 31 March 2021
Nureca Inc.	USA	100%	100%
Nureca Healthcare Private Limited*	India	100%	100%
Nureca Technologies Private Limited \$	India	100%	100%

* Incorporated on 11 August 2020

\$ Incorporated on 13 July 2020

2.3 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

a. Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in Statement of Profit and Loss.

Classification and subsequent measurement

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

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year the Group changes its business model for managing financial assets.

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise to specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income (designated as FVOCI – equity investment). The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income ('OCI'). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

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

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest rate method ('EIR'). The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its Statement of Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

b. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(i) Financial liabilities at fair value through profit or loss

The Group has not designated any financial liabilities at FVTPL.

(ii) Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR method. Interest expense is recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

Derecognition of financial liabilities

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

c. Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

d. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Statement of Balance Sheet if there is a currently enforceable contractual legal right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

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2.3 Property, plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- Purchase price, net of any trade discounts and rebates;
- Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use; and
- Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Group and cost of the expenditure can be measured reliably.

Depreciation and useful lives

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013.

Particulars	Management estimated useful life	Useful life as per Schedule II
Computers	3 Years	3 Years
Office Equipment	5 Years	5 Years
Furniture and fixtures	10 Years	10 Years

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

Each part of an item of property, plant and equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

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

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

2.4 Other Intangible assets

Acquired Intangible

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

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

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

Subsequent expenditure

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

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation expense in Statement of Profit and Loss.

2.5 Leases

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

Leases in which the Group is a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of

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an identified asset for a time in exchange for a consideration.

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group

is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

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

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

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

2.6 Impairment

a. Impairment of financial assets

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

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

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

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

Measurement of expected credit losses

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

- Financial assets that are measured at amortized cost e.g., deposits, trade receivables and bank balance.
- Financial assets that are measured as at FVTOCI
- Lease receivables under Ind AS 116
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Presentation of allowance for expected credit losses in the balance sheet

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

Write-off

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

b. Impairment of non-financial assets

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

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

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

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

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

2.7 Inventories

Inventories (which comprise traded goods) are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on an item-by-item basis.

2.8 Foreign currency transactions

Initial recognition

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

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Measurement at the reporting date

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

2.9 Revenue recognition

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

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

Contract liability is recognised when there is billings in excess of revenues.

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

The Group disaggregates revenue from contracts with customers by geography.

Use of significant judgements in revenue recognition:

a) The Group's contracts with customers could include

promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- c) The Group uses judgement to determine an appropriate consolidated selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative consolidated selling price of each distinct product or service promised in the contract.
- d) The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.
- e) Revenue for fixed-price contract is recognised using percentage-of-completion method. The Group uses judgement to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation.
- f) Contract fulfilment costs are generally expensed as incurred except for certain expenses which meet the

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criteria for capitalisation. Such costs are amortised over the contractual period. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

The specific recognition criteria described below must also be met before revenue is recognized.

I. Sale of products

Revenue from sale of products is recognized at the point in time when control of the goods is transferred to the customer at the time of shipment to or receipt of goods by the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The goods and service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on behalf of the government. Accordingly, it is excluded from revenue.

II. Contract balances

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables: A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities

are recognized as revenue when the Group performs under the contract.

III. Right of return

Group provides a customer with a right to return in case of any defects or on grounds of quality. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognizes a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognized for the right to recover products from a customer.

The Group has applied the practical expedient under Ind AS 115 for incremental cost of obtaining a contract and has recognized such cost as an expense when incurred if the amortization period of the asset is one year or less.

2.10 Recognition of interest income or expense

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

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

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

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

2.11 Taxes

a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current tax is recognized in Statement of Profit and Loss except to the extent it

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relates to items recognized outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income ('OCI') or in equity). Current tax items are recognized in relation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes current tax payable where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred tax

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

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

Deferred tax is recognized in Statement of Profit and Loss except to the extent it relates to items recognized outside profit or loss, in which case is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority

2.12 Employee benefits

Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and other benefits falling due wholly within twelve months of rendering the service are classified as short-term

employee benefits and undiscounted amount of such benefits are expensed in the Statement of Profit and Loss in the period in which the employee renders the related services.

a) Post-employment benefits

- **Defined Contribution Plan:** A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contribution to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI') which is a defined contribution plan. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

- **Defined Benefit Plan:** A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under such plan, the obligation for any benefits remains with the Group. The Group's liability towards gratuity is in the nature of defined benefit plan.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of gratuity is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method.

The Group's net obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date.

Re-measurement, comprising actuarial gains and losses, is recognized in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to Statement of Profit and Loss.

Defined benefit costs comprising current service cost, past service cost, interest cost and gains or losses on settlements are recognized in the Statement of Profit and Loss as employee benefits expense. Gains or losses on settlement of any defined benefit plan are recognized

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when the settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Group recognizes related restructuring costs or termination benefits

b) Other employee benefits

Benefits under the Group's compensated absences policy up until 31 August 2020 constituted other long-term employee benefits, recognized as an expense in the Statement of Profit and Loss for the period in which the employee has rendered services. The obligation recognized in respect of these benefits is measured at present value of the obligation based on actuarial valuation using the Projected Unit credit method.

Long term employee benefit costs comprising current service cost, interest cost and gains or losses on curtailments and settlements, re-measurements including actuarial gains and losses are recognized in the Statement of Profit and Loss as employee benefit expenses

2.13 Provisions, contingent assets and contingent liabilities

Provisions (other than employee benefits)

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

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

Onerous contracts

A provision for onerous contract is recognised when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the group recognises any impairment loss on assets associated.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each financial reporting date and adjusted to reflect the current best estimates

Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable..

Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date

2.14 Segment reporting

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

The business of the Group falls within a single line of business i.e. business of home healthcare and wellness products. All other activities of the Group revolve around its main business. Hence no separate reportable primary segment.

2.15 Cash and cash equivalents

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

2.16 Statement of cash flows

Statement of cash flows is made using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferral accruals of past or future cash receipts or payments and item of income

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(Amount in ₹ million, unless otherwise stated)

or expense associated with investing or financing of cash flows. The cash flows from operating, financing and investing activities of the Group are segregated.

2.17 Corporate Social Responsibility ("CSR") expenditure

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

2.18 Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.19 Recent Indian Accounting Standards (Ind AS)

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning

on or after 1st April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Ind AS 16 Property, Plant and Equipment – For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.

Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/ associate/ JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based Consolidated Financial Statements.

Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

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Note 3a - Property, plant and equipment and capital work in progress

Particulars	Gross carrying amount			Accumulated depreciation			Net block		
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	Charge for the year	Disposals	As at 31 March 2022	As at 1 April 2021	As at 31 March 2022
Leasehold improvement	-	7.25	-	7.25	0.23	-	0.23	-	7.02
Furniture and fixtures	4.48	5.48	-	9.96	0.61	-	0.99	4.10	8.97
Office equipment	2.84	1.84	-	4.68	0.78	-	1.42	2.20	3.26
Computers	1.80	4.47	-	6.27	1.12	-	2.12	0.80	4.15
Plant & Machinery	0.45	3.23	-	3.68	0.18	-	0.19	0.44	3.49
Vehicle	-	11.77	-	11.77	1.88	-	1.88	-	9.89
Total	9.57	34.04	-	43.61	4.80	-	6.83	7.54	36.78

Particulars	Gross carrying amount			Accumulated depreciation			Net block		
	As at 1 April 2020	Additions	Disposals	As at 31 March 2021	Charge for the year	Disposals	As at 31 March 2021	As at 1 April 2020	As at 31 March 2021
Furniture and fixtures	2.09	2.39	-	4.48	0.27	-	0.38	1.98	4.10
Office equipment	1.50	1.34	-	2.84	0.42	-	0.64	1.28	2.20
Computers	1.73	0.07	-	1.80	0.56	-	1.00	1.29	0.80
Plant & Machinery	-	0.45	-	0.45	0.01	-	0.01	-	0.44
Total	5.32	4.25	-	9.57	1.26	-	2.03	4.55	7.54

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Capital work in progress

Particulars	As at 1 April 2020	As at 31 March 2021	As at 1 April 2021	As at 31 March 2022
Leasehold improvement	-	-	6.30	6.30
Total	-	-	6.30	6.30

Note 3b - Other intangible assets

Particulars	Gross carrying amount			Accumulated depreciation			Net block	
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	Charge for the year	Disposals	As at 31 March 2022	As at 1 April 2021
Software	-	0.49	-	0.49	0.01	-	0.01	-
Mobile application	-	24.25	-	24.25	0.81	-	0.81	-
Total	-	24.74	-	24.74	0.82	-	0.82	-

Note 3c - Intangible asset under development

Particulars	As at 1 April 2020	As at 1 April 2021	As at 31 March 2021	As at 31 March 2022
Mobile application project	-	3.02	3.02	4.23
Total	-	3.02	3.02	4.23

Intangible assets under development ageing schedule

As at 31 March 2022	Amount in CWIP for a period of			Total
Mobile application project	Less than 1 year	1-2 years	2-3 years	More than 3 years
	4.23	-	-	4.23
As at 31 March 2021	Amount in CWIP for a period of			Total
Mobile application project	Less than 1 year	1-2 years	2-3 years	More than 3 years
	3.02	-	-	3.02

a. The Company has elected Ind AS 101 exemption to continue with the carrying value for all of its Property Plant and Equipment at deemed cost as at the date of transition

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Note 4 - Right-of-use assets

The Group has entered into agreements for leasing corporate office and warehouses on lease. The leases typically run for a period of 1-9 years.

a. Information about leases for which the Group is a lessee is presented below :

Right-of-use assets - Building	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	29.29	6.09
Additions	21.10	29.22
Deletion	-	(3.06)
Depreciation for the year	(9.20)	(2.96)
Balance as at end of the year	41.19	29.29

b. The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Statement of Profit and Loss.

c. Set out below are the carrying amounts of lease liabilities and the movements during the year :

Lease liabilities included in the balance sheet	As at 31 March 2022	As at 31 March 2021
Current	10.48	3.30
Non- current	32.81	25.57
Total	43.29	28.87

	As at 31 March 2022	As at 31 March 2021
Balance as at beginning of the year	28.87	6.30
Additions	20.86	28.90
Deletions	-	(3.10)
Accreditation of interest	3.09	1.42
Payment of lease liabilities	(9.53)	(4.65)
Balance as at end of the year	43.29	28.87

d. As at year end date, the Group is not exposed to future cashflows for extension / termination options, residual value guarantees and leases not commenced to which lessee is committed.

e. The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Maturity analysis – contractual undiscounted cash flows	As at 31 March 2022	As at 31 March 2021
Less than one year	13.74	5.93
After one year but not longer than three years	27.21	10.02
More than three years	17.54	22.98
Total	58.49	38.93

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

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

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Trade receivables ageing schedule

As at 31 March 2022	Outstanding for following periods from due date of payment							Total	Expected credit loss	Net receivable
	Unbilled	Not due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed trade receivables-considered good	-	26.64	1.99	-	0.31	-	-	28.94	-	28.94
Undisputed trade receivables-having significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivables-having significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	26.64	1.99	-	0.31	-	-	28.94	-	28.94

As at 31 March 2021	Outstanding for following periods from due date of payment							Total	Expected credit loss	Net receivable
	Unbilled	Not due	< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
Undisputed trade receivables-considered good	-	2.02	-	0.14	0.08	0.00	-	2.24	-	2.24
Undisputed trade receivables-having significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivables-having significant increase in credit risk	-	-	-	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	0.27	0.29	-	-	0.56	0.56	-
Total	-	2.02	-	0.41	0.37	0.00	-	2.81	0.56	2.24

Movement in expected credit loss allowance of trade receivable	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	0.56	0.56
Balance written of during the year	(0.56)	-
Balance at the end of the year	-	0.56

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Note 9 - Cash and cash equivalents

	As at 31 March 2022	As at 31 March 2021
Balances with bank:		
- In current accounts	2.49	6.42
- Fixed deposits with original maturity upto three months	80.00	166.00
	82.49	172.42

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at 31 March 2022	As at 31 March 2021
Balances with bank:		
- In current accounts	2.49	6.42
- Fixed deposits with original maturity upto three months	80.00	166.00
	82.49	172.42

Note 10 - Other bank balances

	As at 31 March 2022	As at 31 March 2021
Bank deposits maturity due within twelve months	174.80	-
Bank deposits with original maturity of more than three months but less than twelve months*	586.16	1,094.50
Balance in unclaimed dividend accounts	0.07	-
	761.03	1,094.50

*Includes restricted deposits of ₹ 248.21 (31 March 2021: ₹ 409.00) pledged as security for letter of credit and bank guarantee.

Note 11 - Other current assets

	As at 31 March 2022	As at 31 March 2021
Balances with government authorities	133.78	97.31
Prepaid expenses	1.50	13.08
CSR Asset	0.30	-
Advances to employees	-	0.02
Advances to suppliers	15.77	5.95
Right to recover returned goods	7.11	1.85
	158.46	118.21

Note 12 - Equity share capital

	As at 31 March 2022	As at 31 March 2021
Authorized		
11,000,000 (31 March 2021: 11,000,000) equity shares of ₹10 each #	110.00	110.00
Issued, subscribed and paid-up		
	100.00	100.00

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a) Rights, preferences and restrictions attached to equity shares

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

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

	As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	1,00,00,175	100.00	10,000	0.10
Add: shares issued during the year	-	-	10,00,000	10.00
Less: shares cancelled during the year	-	-	(10,000)	(0.10)
Add: bonus shares issued during the year (refer note d)	-	-	60,00,000	60.00
Add: shares issued on private placement basis (refer note e)	-	-	5,00,000	5.00
Add: fresh issue through initial public offering (refer note f)	-	-	25,00,175	25.00
Balance at the end of the year	1,00,00,175	100.00	1,00,00,175	100.00

c) Details of shareholders holding more than 5 percent equity shares in the Group:

	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Payal Goyal	34,99,979	35.00	34,99,979	35.00
Saurabh Goyal	34,99,979	35.00	34,99,979	35.00
Nexpact Limited	7,50,454	7.50	8,77,812	8.78
	77,50,412	77.50	78,77,770	78.78

d) Aggregate number of shares allotted or fully paid up from the date of incorporation i.e. 2 November 2016 till the balance sheet date pursuant to contract without payment received in cash and/or by way of fully paid bonus shares

Particulars	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares	Numbers of shares
Shares allotted as per approved scheme of arrangement	-	10,00,000	-	-	-
Bonus shares issued	-	60,00,000	-	-	-

Note:- As per approval of Honourable National Company Law Tribunal ('NCLT') for the scheme of arrangement ('Scheme') among Nectar Biopharma Private Limited (demerged company) and Nureca Private Limited (resulting company) and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act 2013, with effect from appointed date of 1 April 2019, the Company had cancelled 10,000 shares and issued 1,000,000 shares for consideration other than cash on 10 June 2020.

e) Private Placement

During the year ended 31 March 2021 the Group had made allotment of 500,000 equity shares of ₹50 million on 21 October 2020 on private placement basis at an issue price of ₹100 per equity share (Including premium of ₹90 per equity share).

f) Initial public offer

During the FY 2020-2021 the Group has made Initial Public Offering of 2,500,175 equity shares of face value of ₹10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of ₹400 per equity share (including a share premium of ₹390 per equity share) and 3,500 equity shares to the employees at a price of ₹380 per equity share (including a share premium of ₹370 per equity shares) aggregating to ₹1,000.00 million. These equity shares were allotted on 23 February 2021 and the equity share of the Group got listed on the National stock exchange (NSE) and BSE Limited (BSE) on 25 February 2021.

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g) Promoters Shareholdings

S. No.	Promoter's name	As at 31 March 2022		As at 31 March 2021		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Payal Goyal	3499979	35%	3499979	35%	0%
2	Saurabh Goyal	3499979	35%	3499979	35%	0%
3	Aryan Goyal	7	0%	7	0%	0%
4	Smita Goyal	7	0%	7	0%	0%
5	Nectar Biopharma Private Limited	21	0%	21	0%	0%
	Total	6999993	70%	6999993	70%	-

Note 13 - Other equity

	As at 31 March 2022	As at 31 March 2021
a Equity share capital pending allotment pursuant to arrangement		
Balance at the beginning of the year	-	10.00
Movement during the year	-	(10.00)
Balance at the end of the year	-	-
b Equity share capital pending cancellation pursuant to arrangement		
Balance at the beginning of the year	-	(0.10)
Movement during the year	-	0.10
Balance at the end of the year	-	-
c Capital reserve		
Balance at the beginning of the year	(12.96)	(12.96)
Movement during the year	-	-
Balance at the end of the year	(12.96)	(12.96)
d Security premium		
Balance at the beginning of the year	987.79	-
Add: Premium on issue of equity shares on private placement basis	-	45.00
Add: Premium on issue of equity shares through initial public offering	-	975.00
Less: Utilization towards share issue expenses (Refer Note 39)	-	(32.21)
Balance at the end of the year	987.79	987.79
e Retained earnings		
Balance at the beginning of the year	556.13	152.30
Add: Profit for the year	449.60	463.74
Add: Other comprehensive (loss)/ income for the year (remeasurement of defined benefit plans, net of tax)	1.41	0.09
Less: Final dividend paid for financial year 2020-2021	(20.00)	-
Less: Interim dividend paid for financial year 2021-2022	(30.00)	-
Less: equity instruments derecognized during the year (refer note g below)	-	-
Less: Bonus Shares issued during the year	-	(60.00)
Balance at the end of the year	957.14	556.13

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	As at 31 March 2022	As at 31 March 2021
e Foreign currency translation reserve		
Balance at the beginning of the year	0.02	-
Less: Movement during the year	(0.01)	0.02
Balance at the end of the year	0.01	0.02
Total	1,931.98	1,530.98

Nature of reserves

a. Equity share capital pending allotment pursuant to arrangement

Equity share capital pending allotment pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been allotted on 10 June 2020.

b. Equity share capital pending cancellation pursuant to arrangement

Equity share capital pending cancellation pursuant to arrangement is on account of the business combination under common control as per the Court approved scheme which have been cancelled on 10 June 2020.

c. Capital reserve

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

d. Security premium

Securities premium account is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

e. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

f. Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the Group disposes or partially disposes off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity.

Note 14 - Borrowings

A. Non-current borrowings	Notes	As at 31 March 2022	As at 31 March 2021
Unsecured:			
Deposits from directors, KMPs & their relatives (refer note 33)	(a)	-	7.79
		-	7.79

Notes:

- (a) Deposits from directors & their relatives carry interest rate of Nil%(31 March 2021: 8%) per annum and are repaid during the year.
(b) Current and non-current classification is based on contractual maturities.

B. Current borrowings	Notes	As at 31 March 2022	As at 31 March 2021
Unsecured			
Inter corporate deposits			
- from related party (refer note 33)	(c)	0.76	2.19
		0.76	2.19

Notes:

- (c) Inter corporate deposits from related parties include deposit of ₹ Nil (31 March 2021: 1.46) from Trumom Private Limited carrying interest rate of Nil (31 March 2021: 6%) per annum and are repaid and deposit of ₹0.76 (31 March 2021: ₹0.73) from Nectar Biopharma Private Limited carrying interest rate of 8% (31 March 2021: 8%) per annum and are repayable by 31 March 2023.

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C. Reconciliation of movements of liabilities to cash flows arising from financing activities	As at 31 March 2022	As at 31 March 2021
Borrowings at the beginning of the year (current and non-current borrowings)	10.01	80.19
Proceeds from non-current borrowings	-	3.90
Repayments of non-current borrowings	(9.25)	(74.08)
Borrowings at the end of the year (current and non-current borrowings)	0.76	10.01

Note 15 - Lease Liabilities

	As at 31 March 2022	As at 31 March 2021
Non Current		
Lease liability (Refer note 4)	43.29	28.87
Less :Current maturity of lease liabilities (Refer note 4)	10.48	3.30
	32.81	25.57
Current		
Current maturity of lease liabilities	10.48	3.30
	10.48	3.30

Note 16 - Provisions

	As at 31 March 2022	As at 31 March 2021
A. Non-current		
Provision for employee benefits:		
Provision for compensated absences	-	1.20
Provision for gratuity (refer note 32)	4.13	3.31
	4.13	4.51
B. Current		
Provision for employee benefits:		
Provision for compensated absences	1.69	0.68
Provision for gratuity (refer note 32)	-	0.02
	1.69	0.70
	5.82	5.21

Note 17 - Trade payables

	As at 31 March 2022	As at 31 March 2021
Total outstanding dues of micro and small enterprises	3.61	5.09
Total outstanding dues of creditors other than micro and small enterprises #	43.60	82.35
	47.21	87.44

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group. Refer note 34 for the disclosure in respect of amounts payable to such enterprises as at year end that has been made in the financial statements based on information available with the Group.

Refer note 33

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Trade payables ageing schedule

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	3.61	-	-	-	-	3.61
Total outstanding dues of creditors other than micro enterprises and small enterprises	20.20	19.91	3.45	0.04	-	-	43.60
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	20.20	23.52	3.45	0.04	-	-	47.21

As at 31 March 2021	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	3.22	1.87	-	-	-	5.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	78.99	3.36	-	-	82.35
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	-	3.22	80.86	3.36	-	-	87.44

Note 18 - Other financial liabilities

	As at 31 March 2022	As at 31 March 2021
Unpaid Dividend	0.07	-
Interest accrued but not due on borrowings (refer note 33)	0.15	0.17
	0.22	0.17

Note 19 - Other current liabilities

	As at 31 March 2022	As at 31 March 2021
Contract liability	9.38	4.40
Statutory liabilities #	7.14	19.92
Refund liability	13.68	18.58
Payable to employees	11.24	7.58
	41.44	50.48

Pursuant to recent judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However there is uncertainty with respect to the applicable of the judgement and period from which the same applies. The Group has estimated the impact of the same from post 28 February 2019 and recognized in the financial statement. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Group has not recognized any provision for the period prior to date of judgement. Further management also believes that the impact of the same on the Group will not be material.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 20 - Current tax liabilities (net)

	As at 31 March 2022	As at 31 March 2021
Provision for tax (net of advance tax of ₹330.33 (31 March 2021: ₹150.79))	20.58	44.39
	20.58	44.39

Note 21 - Revenue from operations

	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products	2,555.48	2,134.54
	2,555.48	2,134.54

Notes:

a. Reconciliation of revenue recognized with the contract price is as follows:

	2022	2021
Contract price	2,715.11	2,268.08
Less: Adjustments for:		
- Discounts and rebates	145.95	114.96
- Refund liability	13.68	18.58
Revenue recognized	2,555.48	2,134.54

b. Contract Balances

	2022	2021
Receivables, which are included in 'trade receivables'	28.94	36.95
Contract liability, which are included in 'other current liabilities'	(9.38)	(4.40)
Refund liability, which are included in 'other current liabilities'	(13.68)	(18.58)
	5.88	13.97

Note: Considering the nature of business of the Group the above contract liability are generally materialized as revenue within the same operating cycle.

c. Revenue from sale of products disaggregated by primary geographical market

	2022	2021
India	2,555.48	2,134.54
Outside India	-	-
Total revenue from contracts with customers	2,555.48	2,134.54

Note 22 - Other income

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income		
- on bank deposits	52.33	17.55
Exchange gain on foreign exchange fluctuation (net)	15.52	9.62
Income on unwinding of security deposit	0.07	0.02
Rental Income	-	0.16
Gain on Mutual Fund	6.51	-
Liability no longer required written back	1.06	-
Miscellaneous income	1.46	0.82
	76.95	28.17

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 23 - Purchase of stock-in-trade

	For the year ended 31 March 2022	For the year ended 31 March 2021
Purchase of stock-in-trade	1,595.51	1,200.12
	1,595.51	1,200.12

Note 24 - Changes in inventories of stock in trade

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance		
- Stock-in-trade	367.76	164.26
- Right to recover returned goods	1.85	0.05
Closing balance		
- Stock-in-trade	(631.77)	(367.76)
- Right to recover returned goods	(7.11)	(1.85)
	(269.27)	(205.30)

Note 25 - Employee benefits expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages	94.52	44.11
Contribution to provident and other funds (refer note 32)	2.96	0.98
Staff welfare expenses	1.66	0.74
	99.14	45.83

Note 26 - Finance costs

	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	0.27	6.61
- on lease liabilities	3.09	1.42
Interest expense on income tax	1.00	6.75
Other borrowing cost	3.05	1.25
	7.41	16.03

Note 27 - Depreciation and amortization expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	4.80	1.26
Amortization	0.82	-
Depreciation on right-of-use assets	9.20	2.96
	14.82	4.22

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 28 - Other expenses

	For the year ended 31 March 2022	For the year ended 31 March 2021
Advertisement	117.38	95.88
Insurance	2.20	0.72
Communication expenses	1.93	0.44
Legal and professional fee (refer note (a) below)	48.03	7.42
Rent	6.41	2.16
Travel and conveyance	11.54	0.76
Shifting and handling expenses	27.00	16.42
Security services	2.64	1.15
Bad Debts expense	0.62	-
Commission and incentive	175.61	119.88
Packing expenses	13.51	14.19
Repairs and maintenance	3.35	1.96
Rates and taxes	4.59	2.29
Power and fuel	1.57	0.05
Freight charges	101.67	61.38
Donation	14.80	-
CSR expenditure (refer note (b) below)	4.75	0.76
Business support service (refer note 33G)	15.13	139.61
Loss on derecognition of financial assets	7.16	10.93
Miscellaneous expenses	15.12	2.48
	575.01	478.48

(a) Payment to auditors (excluding goods and services tax)

	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor:		
- Statutory audit	1.38	1.15
- Tax audit	0.35	-
- Limited review of quarterly results	0.90	-
- Reimbursement of expenses	0.12	0.07
Amount debited to Standalone Statement of Profit and Loss	2.75	1.22
- Others services in connection with initial public offering	-	5.26
- Others services	0.21	-
Total Payment	2.96	6.48

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

(b) Details of CSR expenditure:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Where the company covered under section 135 of the Companies Act, the following shall be disclosed with regard to CSR activities:-		
a) Gross amount required to be spent by the Company during the year	4.73	0.58
b) Amount spent during the year on (in cash):		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	5.05	0.76
c) Excess/ (Shortfall) at the end of the year	0.32	0.18
d) Total of previous years shortfall		
e) Details of related party transactions		
f) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately		
g) Reason for shortfall:		
h) Nature of CSR Activities:		
i) Preventive healthcare	5.05	0.76

Note 29 - Tax expense

	For the year ended 31 March 2022	For the year ended 31 March 2021
a. Amount recognized in Consolidated Statement of Profit and Loss:		
Current tax:		
- Current year	155.70	164.69
Deferred tax:		
- Attributable to origination and reversal of temporary differences	4.51	(5.10)
Total tax expense recognized	160.21	159.59
b. Reconciliation of effective tax rate		
Profit before tax	609.81	623.33
Tax at India's statutory tax rate of 25.17%	153.49	156.89
Tax effect of non-deductible expenses	9.02	2.29
Share of loss from subsidiaries	(2.30)	0.41
Income tax expense recognized in the statement of profit and loss	160.21	159.59
c. Income tax expense recognized in other comprehensive income		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	(0.48)	(0.03)
Net change in fair value of equity instruments through other comprehensive income	-	-
Total income tax recognized in other comprehensive income	(0.48)	(0.03)
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(0.48)	(0.03)
	(0.48)	(0.03)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

d. Deferred tax balances reflected in the Balance Sheet:

	For the year ended 31 March 2022	For the year ended 31 March 2021
Deferred tax asset	3.80	5.66
Deferred tax liability	(2.79)	(0.14)
Deferred tax asset (net)	1.01	5.52

e. Movement in deferred tax balances

	As at 1 April 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2022
Deferred tax asset				
Provision for employee benefits	1.31	0.79	(0.48)	1.62
Expected credit loss allowance on trade receivables	0.14	(0.14)	-	-
Refund liability	4.21	(2.56)	-	1.65
Lease liabilities	-	0.53	-	0.53
Deferred tax asset (A)	5.66	(1.38)	(0.48)	3.80
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.03)	(1.12)	-	(1.15)
Lease liabilities	(0.11)	0.11	-	-
Mutual Fund Gain	0.00	(1.64)	-	(1.64)
Deferred tax liability (B)	(0.14)	(2.65)	-	(2.79)
Deferred tax asset (net) (A+B)	5.52	(4.03)	(0.48)	1.01
	As at 1 April 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2021
Deferred tax asset				
Provision for employee benefits	0.28	1.06	(0.03)	1.31
Expected credit loss allowance on trade receivables	0.14	0.00	-	0.14
Refund liability	0.01	4.20	-	4.21
Lease liabilities	0.06	(0.06)	-	-
Deferred tax asset (A)	0.49	5.20	(0.03)	5.66
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.07)	0.04	-	(0.03)
Lease liabilities	-	(0.11)	-	(0.11)
Deferred tax liability (B)	(0.07)	(0.07)	-	(0.14)
Deferred tax asset (net) (A+B)	0.42	5.13	(0.03)	5.52

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 30 - Earnings per share

	For the year ended 31 March 2022	For the year ended 31 March 2021
i. Profit for basic/diluted earning per share of face value of ₹10 each		
Profit for the year	449.60	463.74
ii. Weighted average number of equity shares for (basic and diluted)		
(a) Number of shares at the beginning of the year *	1,00,00,175	70,00,000
(b) Add: effect of issue of equity share on private placement basis	-	2,21,918
(c) Add: effect of issue of equity share in initial public offering	-	2,53,442
Weighted average number of equity shares outstanding during the year	1,00,00,175	74,75,360
Basic and diluted earnings per share (face value of ₹10 each)	44.96	62.04

* The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for issue of bonus shares during the previous year in accordance with Ind AS 33 - Earnings per Share. The bonus issue resulted in allotment of 6,000,000 new equity shares. Total number of equity shares after bonus allotment is 7,000,000 equity shares.

Note 31 - Segment information

The Board of directors of Nureca Limited takes decision in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be Chief Operating Decision Maker. The Group is engaged in business of home healthcare and wellness products in the domestic market only which is considered to be a single business segment / geographical segment.

Considering the nature of Group's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Ind AS 108 'Operating Segments' and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

a. Information about products and services

	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from branded healthcare products	2,555.48	2,134.54
Total	2,555.48	2,134.54

b. Information about geographical areas

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
i. Revenue from customers		
India	2,555.48	2,134.54
Outside India	-	-
	2,555.48	2,134.54
	As at 31 March 2022	As at 31 March 2021
ii. Trade receivables		
India	28.94	2.24
Outside India	-	-
	28.94	2.24

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

iii) Non-current assets

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

c. Information about major customers (from external customers)

For year ended 31 March 2022, 1 customer of the Group constituted more than 10% of the total revenue of Group amounting to ₹578.06, 31 March 2021: 2 customers of the Group constituted more than 10% of the total revenue of Group amounting to ₹964.70.

Note 32 - Employee benefits

a. Defined contribution plans

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Contribution to provident and other funds (refer note 25)	2.96	0.98

b. Defined benefit plans

Gratuity

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

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

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

The above defined benefit plan exposes the Group to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

	As at 31 March 2022	As at 31 March 2021
i. Reconciliation of present value of defined benefit obligation		
Balance at the beginning of the year	3.33	0.70
Interest cost	0.23	0.22
Current service cost	2.38	1.33
Past service cost	-	1.27
Benefits paid	(0.06)	(0.07)
Actuarial loss recognized in other comprehensive income		
- from changes in financial assumptions	(0.16)	-
- from changes in demographic assumptions	-	-
- from experience adjustments	(1.59)	(0.12)
Balance at the end of the year	4.13	3.33

	For the year ended 31 March 2022	For the year ended 31 March 2021
ii. Amount recognized in statement of profit and loss		
Interest cost	0.23	0.22
Current service cost	2.38	1.33
Past service cost	-	1.27
	2.61	2.82

	As at 31 March 2022	As at 31 March 2021
iii. Remeasurements recognized in other comprehensive income		
Actuarial loss for the year on defined benefit obligation	1.90	(0.12)
	1.90	(0.12)

iv. Actuarial assumptions

(i) Economic assumptions

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

	As at 31 March 2022	As at 31 March 2021
Discount rate (per annum)	7.3%	7.0%
Future salary growth rate (per annum)	15%	15%
Expected average remaining working lives (years)	26.46	28.46

(ii) Demographic assumptions

	As at 31 March 2022	As at 31 March 2021
Retirement age (years)	58	58
Mortality rate	100% of IALM 2012- 14	100% of IALM 2012- 14
Attrition rate (per annum)	10%	10%

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

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

	For the year ended 31 March 2022	For the year ended 31 March 2021
Increase		
Discount rate (1% movement)	(0.48)	(0.38)
Future salary growth rate (1% movement)	0.42	0.32
Decrease		
Discount rate (1% movement)	0.58	0.46
Future salary growth rate (1% movement)	(0.38)	(0.29)

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

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

	As at 31 March 2022	As at 31 March 2021
Within 1 year (next annual reporting period)	0.00	0.01
Between 1 to 5 years	0.56	0.61
Beyond 5 years	12.19	9.02
Total expected payments	12.76	9.64

vii. Weighted average duration of the defined benefit plan:

	As at 31 March 2022	As at 31 March 2021
Weighted average duration of the defined benefit plan (in years)	15.00	16.03

Note 33 - Related parties

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

Description of Relationship	Name of the Party
Key management personnel ('KMP')	Mr. Saurabh Goyal - Managing Director
	Mr. Aryan Goyal - Chief Executive Officer
	Ms. Sakshi Mittal - Chief Financial Officer (w.e.f. 21 October 2020 till 15 June 2021)*
	Mr. Gurvikram Singh - Company Secretary (upto 10th Nov 21)
	Mr. Nishant Garg - Chief Financial Officer (w.e.f.16 June 2021)
	Ms. Chetna Anand- Company Secretary (w.e.f.11 Nov 2021)
	Mr. Santosh Kumar Srivastava - Director Compliance (w.e.f. 16 June 2021 and upto 29 Sep 2021)
Relatives of KMPs	Mr. Sushil Kumar Bhardwaj - Director Compliance (w.e.f. 12 Feb 2022 and upto 28 Feb 2022)
	Mrs. Payal Goyal
	Mrs. Raman Goyal (refer note 33F)
Entities in which KMP and/or their relatives have significant influence	Mrs. Smita Goyal
	Trumom Private Limited
	Mirasan Private Limited
	Nectar Life Sciences Limited (refer note 33F)
	Nectar Biopharma Private Limited (refer note 33G)

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Non Executive Directors	
	Mr. Vijay Kumar Sharma (w.e.f. 21 October 2020)
	Mrs. Smita Goyal (upto 26 March 2021)
	Ms. Ruchita Agarwal (w.e.f. 29 October 2020)
	Ms. Charu Singh (w.e.f. 21 October 2020)
	Mr. Rajinder Sharma (upto 30 June 2021)
	Mr. Nitin Ravindra (w.e.f. 29 March 2021)
	Mr. Vikram Chaudhary (w.e.f. 29 March 2021)

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

Nature of transaction	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
1 Revenue from operations (net of returns)	Nectar Life Sciences Limited	-	(5.67)**
2 Purchase of stock-in-trade	Nectar Life Sciences Limited	-	237.71
3 Reimbursement of expense paid by the Group	Mirasan Private Limited	-	0.02
	Nectar Biopharma Private Limited	7.06	-
4 Expenses Incurred by Entity on Behalf of Company	Nectar Biopharma Private Limited	0.91	-
5 Borrowings taken	Mr. Saurabh Goyal	-	3.90
	Trumom Private Limited	-	1.46
6 Borrowings repaid	Mrs. Payal Goyal	3.90	23.78
	Mr. Saurabh Goyal	3.90	17.21
	Mrs. Raman Goyal	-	43.18
	Mrs. Smita Goyal	-	2.68
	Trumom Private Limited	1.46	-
7 Interest accrued during the year	Mrs. Payal Goyal	0.09	0.63
	Mr. Saurabh Goyal	0.09	0.18
	Mrs. Raman Goyal	-	1.83
	Mrs. Smita Goyal	-	0.03
	Trumom Private Limited	0.00	0.08
8 Managerial remuneration *	Mr. Saurabh Goyal	15.26	8.22
9 Salary to KMPs and their relatives *	Mrs. Payal Goyal	11.40	5.92
	Ms. Smita Goyal	-	0.44
	Mr. Aryan Goyal	11.43	10.23
	Mr. Gurvikram Singh	0.26	0.19
	Ms. Sakshi Mittal	0.16	0.43
	Mr. Nishant Garg	2.06	-
	Ms. Chetna Anand	0.50	-
	Mr. Santosh Kumar Srivastava	0.12	-
	Mr. Sushil Kumar Bhardwaj	0.03	-

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for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Nature of transaction	Name of related party	For the year ended 31 March 2022	For the year ended 31 March 2021
10 Sitting Fee	Mr. Vijay Kumar Sharma	0.50	0.30
	Mrs. Smita Goyal	0.02	0.02
	Ms. Ruchita Agarwal	0.06	0.03
	Ms. Charu Singh	0.07	0.03
	Mr. Rajinder Sharma	0.02	0.02
	Mr. Nitin Bidikar	0.04	-
	Mr. Vikram Chaudhery	0.03	-
11 Commission and incentive	Nectar Biopharma Private Limited	2.62	29.53
12 Business support services	Nectar Biopharma Private Limited	11.47	139.61
13 Rent Expenses	Mrs. Raman Goyal	0.19	-
14 Purchase of Fixed Asset	Nectar Life Sciences Limited	10.81	-
	Nectar Biopharma Private Limited	2.50	-
15 Shares cancelled during the year	Nectar Biopharma Private Limited	-	(0.10)
16 Shares allotted during the year	Mr. Saurabh Goyal	-	35.00
	Mrs. Payal Goyal	-	35.00

* Break-up of compensation of key managerial personnel of the Company

Short-term employee benefits	41.21	25.43
Post-employment benefits	1.91	1.49
Total compensation paid to key management personnel	43.12	26.92

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

D. Balances outstanding at year end

Nature of transaction	Name of related party	As at 31 March 2022	As at 31 March 2021
1 Expenses recoverable	Nectar Biopharma Private Limited	0.08	-
2 Payable to employees	Mr. Saurabh Goyal	0.68	0.42
	Mr. Aryan Goyal	0.00	4.83
	Ms. Payal Goyal	0.58	-
	Mr. Gurvikram Singh	-	0.03
	Ms. Sakshi Mittal	-	0.05
	Mr. Nishant Garg	0.18	-
	Ms. Chetna Anand	0.07	-
3 Borrowings	Ms. Payal Goyal	-	3.90
	Mr. Saurabh Goyal	-	3.90
	Trumom Private Limited	-	1.46
4 Interest accrued but not due	Trumom Private Limited	-	0.08
5 Trade payables	Nectar Biopharma Private Limited	1.55	13.16 **

** During the year ended 31 March 2022, purchase of stock-in-trade from Nectar Life Sciences Limited of ₹ Nil (31 March 2021: ₹234.77) were made through the Company's agent Nectar Biopharma Private Limited and revenue from operation (net of return) from Nectar Life Sciences Limited of ₹ Nil (31 March 2021: ₹(5.67)) were made through the Company's Agent Nectar Biopharma Private Limited. Accordingly, the balance outstanding towards Nectar Biopharma Private Limited as at 31 March 2022 includes ₹ Nil (31 March 2021: ₹ Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

E. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business.

Outstanding balances at the year-end are unsecured and interest free except borrowings and settlement occurs in cash.

F. Dissociation with Mr. Sanjiv Goyal, Mrs. Raman Goyal and Nectar Life Sciences Limited

Pursuant to a family settlement, Mr. Saurabh Goyal (Promoter and Managing Director), Mr. Aryan Goyal (Chief Executive Officer) and their families disassociated from their parents Mr. Sanjiv Goyal and Mrs. Raman Goyal. The family settlement was effected by way of family partition deed dated 10 September 2020 entered into Mr. Saurabh Goyal, Aryan Goyal from their parents Sanjiv Goyal and Mrs. Raman Goyal in relation to the separation of assets and businesses. Sanjiv Goyal is the promoter and director in a pharmaceutical company known as Nectar Life Sciences Limited.

Pursuant to the family settlement, Mr. Saurabh Goyal and Mr. Aryan Goyal, by way of their letters dated 1 October 2020 and 30 September 2020 respectively addressed to the Board of Directors of Nectar Lifesciences Limited, SEBI, BSE and National Stock Exchange, have intimated that their shareholdings in Nectar Lifesciences Limited have been transferred to Mr. Sanjiv Goyal and his HUF by way of gift and expressed that they intended to be ceased from being classified as members of the promoter group of Nectar Lifesciences Limited. The Company has been legally advised that transactions of the Company with Mr. Sanjiv Goyal or Mrs. Raman Goyal or entities controlled by them are required to be considered for the purposes of disclosures under Ind AS 24 and also under provision of the Companies Act, 2013 and SEBI LODR, as applicable.

G. Appointment of Nectar Biopharma Private Limited as an agent

On 9 May 2020, the Company entered into an agreement with Nectar Biopharma Private Limited to facilitate the operations of the Company in accordance with the applicable laws in India, with effect from 23 May 2020 (i.e. the effective date of the scheme of arrangement) until such time that the Company is able to fulfil all legal formalities including but not limited to transfer of relevant licenses and obtaining requisite approvals from appropriate authorities. Under this agreement, Nectar Biopharma Private Limited would act as agent of the Company and be responsible for procurement of goods, provision of business support services and further sale of goods on behalf of the Company for which Nectar Biopharma Private Limited is entitled to commission fees based on a percentage of sales and purchases made on behalf of the Company and service fee based on cost of services rendered which are considered to be at arms length.

Accordingly, the Company has recognized revenue from sales of products and purchase of stock in trade on gross basis and inventory held by Nectar Biopharma Private Limited at reporting date as its own inventory since the Company is the principal for the transaction. In doing so, the Company has evaluated that it controls the goods before it is transferred to the customer and considered that it has the primary obligation to fulfil the contract, inventory risk, pricing discretion and other factors to determine that it controls the goods and therefore is acting as a principal.

H. Search and Seizure

Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department from 13 December 2020 to 15 December 2020 at residences of the Company's Promoter Saurabh Goyal, members of the Promoter Group Aryan Goyal, Payal Goyal and Smita Goyal in the case of "Nectar Life Sciences Limited alongside Sanjiv Goyal, Raman Goyal, Aryan Goyal, Saurabh Goyal, Payal Goyal and Smita Goyal". During the course of the search and seizure operations, the income tax authorities impounded certain items such as cash, jewellery and ornaments. Also refer to note 33F above which explain in detail the dissociation arrangement entered between with Sanjiv Goyal, Raman Goyal and Nectar Life Sciences Limited.

Further, Search and seizure operations under section 132 of the Income Tax Act, 1961 / Section 37 A of the Wealth Tax Act, 1957 were carried out by the income tax department on 13 December 2020 at the residence of one of the Company's Director Rajinder Sharma in the case of Nectar Life Sciences Limited and Avensis Exports Private Limited. During the course of the search and seizure operations, the income tax authorities impounded a mobile set.

As on the date of approval of these financial statements, none of the Company's promoters, members of promoter group or directors have received further communication and / or notice from the income tax authorities in relation to the abovementioned search and seizure proceedings. The management believes that the transactions of the Company are fully compliant with the relevant provisions of the Income Tax Act, 1961 and hence, no provision is required for any tax liability.

Note 34 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	As at	As at
	31 March 2022	31 March 2021
(i) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the each year		
- Principal	3.61	5.06
- Interest	0.09	0.03
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27of 2006), along with the amount of payment made to the supplier beyond the appointed day during the each year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the each year) but without adding the interest specified under the MSMED act 2006.	0.15	0.06
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.15	0.06
(v) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.15	0.06

Note 35 - Financial instrument : fair value measurements

'Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Group, other than those with carrying amounts that are reasonable approximations of fair values:

	Note	Level of hierarchy	As at 31 March 2022		As at 31 March 2021	
			Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L
Financial assets						
Investments						
-Investments in Mutual fund	a	1	-	331.86	-	-
Trade receivables	c		28.94	-	2.24	-
Cash and cash equivalents	c		82.49	-	172.42	-
Other bank balances	c		761.03	-	1,094.50	-
Other financial assets	c		89.62	-	57.02	-
			962.08	331.86	1326.18	-
Financial liabilities						
Borrowings	b		0.76	-	9.98	-
Lease Liability	b		43.29	-	28.87	-
Trade payables	c		47.21	-	87.44	-
Other financial liabilities	c		0.22	-	0.17	-
			91.48	-	126.46	-

Notes:

- Market value of quoted investment is taken as fair value.
- Fair valuation of the loans and borrowings is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Subsequent measurements of all assets and liabilities is at amortised cost, using effective interest rate (EIR) method. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the years presented.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 36 - Financial risk management

Risk management framework

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

(i) Market risk

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

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of change in market interest rates. The Group does not expose to the risk of changes in market interest rates as Group's long and short term debt obligations are of fixed interest rate.

(b) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities (when certain purchases and trade payables are denominated in a foreign currency).

The Group undertakes transactions denominated in foreign currencies and consequently, exposes to exchange rate fluctuations. The Group does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

Exposure to currency risk :

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

Currency	As at 31 March 2022		As at 31 March 2021		
	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	
Trade payables	USD	0.16	11.73	0.35	25.50

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

Sensitivity analysis:

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2022				
USD 5% movement	0.59	(0.59)	0.44	(0.44)
As at 31 March 2021				
USD 5% movement	1.28	(1.28)	0.95	(0.95)

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

(a) Trade receivables

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Based on internal assessment which is driven by the historical experience/current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognized in the Statement of Profit and Loss within other expenses.

The ageing of trade receivables at the reporting date was:

	As at 31 March 2022	As at 31 March 2021
Not due	26.64	2.02
Less than 90 days	-	-
90-180 days	1.99	-
More than 180 days	0.31	0.22
Total	28.94	2.24

(b) Cash and cash equivalents and deposits with banks

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

(c) Security deposits

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

(iii) Liquidity risk

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

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

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

As at 31 March 2022	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	0.76	-	0.82	-	-	0.82
Other financial liabilities (excluding lease liabilities)	0.22	-	0.22	-	-	0.22
Trade payables	47.21	-	47.17	0.04	-	47.21
Lease liabilities	43.29	-	13.74	27.21	17.54	58.49
Total	91.48	-	61.95	27.25	17.54	106.74

As at 31 March 2021	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	9.98	-	-	10.92	-	10.92
Other financial liabilities (excluding lease liabilities)	0.17	-	0.17	-	-	0.17
Trade payables	87.44	-	87.44	-	-	87.44
Lease liabilities	28.87	-	5.93	10.02	22.98	38.93
Total	126.46	-	93.54	20.94	22.98	137.46

(iv) Excessive risk concentration

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

(v) Risk related to COVID-19

The Group has considered possible effect that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, inventories, receivables, other current assets and on its assessment relating to going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the Group, including the Group's performance from July 2020 onwards which has been better than expectations considering the increase in demand in the home healthcare and wellness products. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered with no consequential impacts on its assessment related to going concern. The impact of Covid - 19 on the Group's financial statement may differ from that estimated as at the date of approval of these financial statements.

Note 37- Capital risk management

(a) Risk Management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade payables and borrowings, less cash and cash equivalents.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables (Refer note 17)	43.60	87.44
Borrowings (Refer note 14)	44.05	38.85
Less: cash and cash equivalents (Refer note 9)	82.49	172.42
Net debt	5.16	(46.13)
Equity share capital (Refer note 12)	100.00	100.00
Other equity (Refer note 13)	1,931.98	1,530.98
Total capital	2,031.98	1,630.98
Capital and net debt	2037.14	1584.85
Gearing ratio	0.25%	(2.91)%

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

(b) Dividend not recognised at the end of the year

Subsequent to the year ended 31 March 2021, the Board of Directors have recommended payment of final dividend of ₹2 per share FY 2020-21 (20 percent of the face value of the equity share of ₹10 each) which had been approved by the shareholders in the annual general meeting held on 29 September 2021.

The Company had paid the interim dividend of ₹3 per share (30 percent of the face value of the equity share of ₹10 each) during the financial year ended 31 March 2022

The final dividend paid by the Company during the year in respect of the dividend declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Companies Act, 2013.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 38 - Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - General instructions for the preparation of consolidated financial statements of Division II of Schedule III

As at 31 March 2022

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income
Parent								
Nureca Limited	2,037.43	100.27%	453.09	100.78%	1.42	100.71%	454.51	100.78%
Subsidiary								
Nureca Inc, U.S.A.	(0.76)	-0.04%	(0.74)	(0.16)%	(0.01)	-0.79%	(0.75)	-0.17%
Nureca Healthcare Private Limited, India (w.e.f. 11 August 2020)	0.01	0.00%	(0.05)	-0.01%	-	0.00%	(0.05)	-0.01%
Nureca Technologies Private Limited, India (w.e.f. 13 July 2020)	8.32	0.41%	(2.57)	-0.57%	-	0.00%	(2.57)	-0.57%
Elimination	(13.02)	-0.64%	(0.13)	-0.03%	0.00	0.08%	(0.13)	-0.03%
Total	2031.98		449.60		1.41		451.01	

As at 31 March 2021

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income
Parent								
Nureca Limited	1,633.07	100.13%	465.77	100.44%	0.12	110.85%	465.89	100.44%
Subsidiary								
Nureca Inc, U.S.A.	(0.00)	0.00%	(0.11)	-0.02%	0.01	9.24%	(0.10)	-0.02%
Nureca Healthcare Private Limited, India (w.e.f. 11 August 2020)	0.06	0.00%	(0.04)	-0.01%	-	0.00%	(0.04)	0.00%
Nureca Technologies Private Limited, India (w.e.f. 13 July 2020)	5.98	0.29%	(1.62)	-0.35%	-	0.00%	(1.62)	0.00%
Elimination	(8.12)	-0.50%	(0.26)	-0.06%	(0.02)	-20.09%	(0.28)	-0.06%
Total	1,630.98		463.74		0.11		463.85	

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Note 39 - Share issue expenses

During the FY 2020-21, the company has made Initial Public Offering of 2,500,175 equity shares of face value of ₹10 each for cash consisting 2,496, 675 equity shares to public other than employees at a price of ₹400 per equity share (including a share premium of ₹390 per equity share) and 3,500 equity shares to the employees at a price of ₹380 per equity share (including a share premium of ₹370 per equity shares) aggregating to ₹1000.00 million.

The proceeds from IPO were ₹967.79 million. (Gross of issue related expenses ₹1000.00 million).

The equity shares of the company were listed on National Stock Exchange of India Limited (NSE) via ID NURECA and BSE Limited (BSE) via ID 543264 on 25 February 2021.

Details of utilization of net IPO proceeds are as follows:

Objectives as per Prospectus	Planned proceeds as per Prospectus	Actual proceeds	Utilization upto 31 March 2021	Unutilized amount as on 31 March 2021	Utilization upto 31 March 2022	Unutilized amount as on 31 March 2022
Funding incremental working capital requirements	750.00	750.00	190.53	559.47	750.00	-
General Corporate purpose	210.79	217.79	-	217.79	217.79	-
Total proceeds	960.79	967.79	190.53	777.26	967.79	-

The Company has incurred ₹32.21 millions (excluding GST) of IPO expenses in the previous year. These expenses have been adjusted towards the securities premium account.

The difference in planned proceeds as per prospectus and actual proceeds is due to saving in the planned IPO expenses amounting to ₹ 7.0 million.

Note 40- Ratios

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Change	Reason for variance >25%
Current Ratio	Total Current Assets	Total Current Liabilities	16.85	9.60	75.5%	Current ratio has increased for year ended 31 March 2022, since Business scale has increased and Consequently Current Asset base has increased.
Debt-Equity Ratio	Total debt	Total Equity	0.02	0.02	-9.0%	
Debt Service Coverage Ratio	Earning available for debt service	Debt service	18.02	4.50	300.2%	Debt service coverage ratio has increased for year ended 31 March 2022, due to lower finance cost.
Return on Equity Ratio	Net profit after tax	Average shareholder equity	25%	52%	-52.9%	Return on Equity is lower for year ended 31 March 2022, since profit has been fairly consistent for both years whereas there has been increase in average shareholding equity in the company as compared to previous year's average shareholding equity.
Inventory turnover ratio	Cost of goods sold	Average inventory	2.65	3.74	-29.0%	Inventory turnover ratio has decreased because of increase in average inventory level in comparison to cost of goods sold.
Trade Receivables turnover ratio	Net credit sale	Average accounts receivable	60.41	17.14	252.5%	Trade Receivables turnover ratio has increased due to increase in sales and better collection efficiency.
Trade payables turnover ratio	Net credit purchase	Average trade payable	24.63	16.45	49.8%	Trade payables turnover ratio has increased due to increase in purchase during the year.

Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(Amount in ₹ million, unless otherwise stated)

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Change	Reason for variance >25%
Net capital turnover ratio	Net sale	Average working capital	1.43	2.09	-31.27%	Net Capital turnover ratio is lower for the year ended 31 March 2022, because average working capital in the year ended 31 March 2021 is lower.
Net profit ratio	Net Profit after tax	Net sale	18%	22%	-19.0%	
Return on Capital employed	Earning before interest and taxes	Net Worth+ Borrowing+ Lease Liability	30%	38%	-22.4%	
Return on investment	Gain on Mutual fund	Average investment	4%	NA	NA	There were no investment as on 31 March 2021 and 31 March 2020

Note 41- 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 42: The following figures for the year ended 31 March 2021 have been regrouped / reclassified to give effect of the amendments to Schedule III to the Companies Act, 2013

Particulars	Amount in millions	Presented as, in financial of the year ended 31 March 2021	Reclassified as, in financial of the year ended 31 March 2022
Security deposits (non current portion)	0.95	Loans (non current)	Other financial assets(non current)
Security deposits (current portion)	5.18	Loans (current)	Other financial assets(current)
Receivable from online marketplace business portals	34.71	Trade receivables	Other financial asset(current)
Lease liability (non current portion)	25.57	Borrowing (non current)	Lease liability(non current)
Lease liability (current portion)	3.30	Borrowing (current)	Lease liability (current)

Note 42: Subsequent events :

- i) The Board of Directors have on 28 May 2022 passed a resolution for appointment of Mr. Aryan Goyal as a Whole-time Director of the Company designated as Whole-time Director & CEO.
- ii) On 20 May 2022, the Company has invested ₹17.5 million on right issue basis in its wholly owned subsidiary i.e. Nureca Technologies Private Limited.

The accompanying notes form an integral part of the consolidated financial statements. As per our report of even date attached.

<p>For B S R & Co. LLP Chartered Accountants Firm registration number: 101248W/W-100022</p> <p>Gaurav Mahajan Partner Membership Number : 507857</p> <p>Place: Chandigarh Date: 28 May 2022</p>	<p>For and on behalf of Board of Directors of Nureca Limited</p> <p>Saurabh Goyal Managing Director DIN : 00136037 Place: Chandigarh Date: 28 May 2022</p> <p>Nishant Garg Chief Financial Officer Place: Chandigarh Date: 28 May 2022</p>	<p>Aryan Goyal Whole-time Director & CEO DIN : 00002869 Place: U.S.A Date: 28 May 2022</p> <p>Chetna Anand Company Secretary Membership No.: 0031099 Place: Chandigarh Date: 28 May 2022</p>
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(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

Name of the Subsidiary	Part "A" Subsidiaries					
	Nureca Technologies Private Limited		Nureca Healthcare Private Limited		Nureca INC	
	As at March 31		As at March 31		As at March 31	
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2022	2021	2022	2021	2022	2021
	₹ (in Millions)	₹ (in Millions)	₹ (in Millions)	₹ (in Millions)	USD Dollar and Exchange rate is ₹ 75.79 for 1 USD	
Share Capital	12.5	7.6	0.1	0.1	0.46	0.46
Reserve & Surplus	-4.18	-1.61	-0.10	-0.04	-1.22	-0.46
Total Assets	9.48	7.07	0.03	0.08	0.78	0.84
Total Liabilities	1.17	1.08	0.02	0.02	1.53	0.85
Details of Investments	-	-	-	-	-	-
Turnover	1.32	1.18	-	-	-	0.04
Profit / (Loss) before Taxation	-2.53	-1.62	-0.06	-0.04	-0.74	-0.12
Provision for Taxation						
(1) Current Tax	-	-	-	-	-	-
(2) Deferred Tax	0.04	-0.01	0	-	-	-
Profit / (Loss) after Taxation	-2.57	-1.61	-0.06	-0.04	-0.74	-0.12
% of Shareholding	100%	100%	100%	100%	100%	100%

Notes :

- 1. Name of Subsidiaries which are yet to commence operations: None
- 2. Name of Subsidiaries which have been liquidated or sold during the year : None

Part "B" : Associates and Joint Ventures

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

Name of Associates / Joint Ventures	
1. Latest audited Balance Sheet date	
2. Shares of Associates / Joint Ventures held by the Company on the year end	
- Number	
- Amount of investment in Associates / Joint Ventures	
- Extent of Holding %	NONE
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit / Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

- 1. Names of Associates or joint Ventures which are yet to commence operations – None
- 2. Names of Associates or Joint Ventures which have been liquidated or sold during the year – None

Place : Chandigarh
Dated : 28.05.2022

For and on behalf of the Board of Directors

(Saurabh Goyal)
Chairman & Managing Director
DIN : 00136037

NOTICE

NURECA LIMITED

CIN : L24304MH2016PLC320868

Registered Office : Office No.101, 1st Floor, Udyog Bhavan Sonawala Lane, Goregaon East, Mumbai, Maharashtra - 400063; **Phone :** 0172-5292900

Website : www.nureca.com, **E-mail :** cs@nureca.com

(Note: The business of this Meeting may be transacted through electronic voting system)

Notice is hereby given that the Sixth Annual General Meeting of **NURECA LIMITED** will be held on **Saturday, September 10, 2022 at 10:30 A.M.** through Video Conferencing ("VC")/Other Audio-Visual means ("OAVM") and the venue for the meeting shall be deemed to be the Registered Office of the Company situated at Office No.101, 1st Floor, Udyog Bhavan, Sonawala Lane, Goregaon East Mumbai, Maharashtra – 400063., to transact the following business.

Ordinary Business

- To receive, consider and adopt the Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Report of Auditors thereon.**

To consider and, if thought fit, to pass the following as an **Ordinary Resolution :**

"RESOLVED THAT the Standalone Financial Statements of the Company for the financial year ended March 31, 2022, the Reports of the Board of Directors and Auditors thereon and the Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 and the Report of Auditors thereon, circulated to the Members and laid down before this meeting be and are hereby received, considered and adopted."

- To confirm payment of Interim Dividend of ₹3/- per equity share for Financial Year 2021-22.**

To consider and, if thought fit, to pass the following as an **Ordinary Resolution :**

"RESOLVED THAT the Interim Dividend of ₹ 3 per equity share of ₹10 each already paid during the year, be and is hereby confirmed as the Interim Dividend for the Financial Year 2021-22."

- To appoint a Director in place of Mr. Saurabh Goyal (DIN 00136037), who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and, if thought fit, to pass the following as an **Ordinary Resolution :**

"RESOLVED THAT Mr. Saurabh Goyal (DIN 00136037), who retires by rotation and, being eligible for re-appointment, be and is hereby appointed as Director of the Company."

Special Business

- Approval for revision in the terms of remuneration of Mr. Saurabh Goyal (DIN 00136037), Chairman & Managing Director of the Company.**

To consider and, if thought fit, to pass the following as a **Special Resolution :**

"RESOLVED THAT pursuant to the provisions of Sections 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, the approval of the Members be and is hereby accorded for revision in the terms of remuneration of Mr. Saurabh Goyal (DIN 00136037), Chairman & Managing Director of the Company, w.e.f. February 12, 2022 till the remaining period of his tenure, as set out herein below :

- Salary: ₹1,50,00,000/- (Rupees One Crore and Fifty Lacs only) per annum and be broken into various components as per HR policy of the Company.
- He shall be entitled to increment in salary of not more than 20% in the month of April every year over the previous financial years' salary.
- Perquisites : He shall be entitled to perquisites like the benefit of rent free accommodation for self and family or house rent allowance in lieu thereof, medical reimbursement, club fees, personal accident insurance, life insurance, telephone, actual leave travel expenses including hotel and food charges to himself and his family and/or such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules, 1962, being restricted to ₹25 lakh per annum.
- He shall be entitled to on actual basis:
 - company maintained car with driver for official purpose.
 - official travel expenses including business class air tickets, five-star hotel stay and food charges.
 - for official conduct of the Company, communication, travel & other such expenses, on an actual basis, will be incurred by the Company from time to time.

- all other facilities, as may be required, to ensure that he will be able to discharge his duties smoothly.

RESOLVED FURTHER THAT other terms and conditions of his service are, as applicable to other employees, as per HR manual of the Company.

RESOLVED FURTHER THAT in the event of adequate profits in any year, the Nomination and Remuneration Committee of the Board or any other Committee as may be authorised by the Board, may pay five percent bonus in addition to aforesaid remuneration to Mr. Saurabh Goyal and that bonus shall be paid in compliance with Schedule V of the Companies Act, 2013 including any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Saurabh Goyal, the Company has no profits or its profits are inadequate, the Company may pay to him, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT in addition to the perquisites referred above, he will be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- Leave encashment at the end of tenure.
- Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, singly or put together, are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Any other perquisites, which is specifically provided in the Companies Act, to be excluded for the purpose of computation of the ceiling on remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

- Appointment of Mr. Aryan Goyal (DIN 00002869) as Director liable to retire by rotation.**

To consider and, if thought fit, to pass the following as an **Ordinary Resolution :**

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Article of Association of the Company, Mr. Aryan Goyal (DIN 00002869), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 28, 2022, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member

pursuant to Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

- Appointment of Mr. Aryan Goyal (DIN 00002869) as Whole-time Director designated as Whole-time Director & Chief Executive Officer.**

To consider and, if thought fit, to pass the following as a **Special Resolution :**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company, approval of the Members be and is hereby accorded for the appointment of Mr. Aryan Goyal (DIN 00002869), as Whole-time Director of the Company designated as Whole-time Director & CEO, for a period of five (5) years with effect from May 28, 2022, on the terms & conditions as mentioned below :

- Salary: ₹ 1,80,00,000/- (Rupees One Crore and Eighty Lacs only) per annum and be broken into various components as per HR policy of the Company.
- He shall be entitled to increment in salary of not more than 20% in the month of April every year over the previous financial years' salary.
- Perquisites : He shall be entitled to perquisites like the benefit of rent free accommodation for self and family or house rent allowance in lieu thereof, medical reimbursement, club fees, personal accident insurance, life insurance, telephone, actual leave travel expenses including hotel and food charges to himself and his family and/or such other perquisites in accordance with the Company's rules, the monetary value of such perquisites to be determined in accordance with the Income Tax Rules, 1962, being restricted to ₹25 lacs per annum.

Provided that the category and components of such perquisites which are capped at ₹25 lacs per annum shall be subjected to the HR policy of the Company, which shall be subject to modification to adopt best industry practices and in line with Industry benchmark.

- He shall be entitled to on actual basis:
 - company maintained car with driver for official purpose.
 - official travel expenses including business class air tickets, five-star hotel stay and food charges;
 - for official conduct of the Company, communication, travel & other such expenses, on an actual basis, will be incurred by the Company from time to time.
 - all other allowances / facilities as per the HR Policy of

the Company, which shall be subject to modification to adopt best industry practices and in line with Industry benchmark.

RESOLVED FURTHER THAT other terms and conditions of his service are, as applicable to other employees, as per HR manual of the Company.

RESOLVED FURTHER THAT in the event of adequate profits in any year, the Nomination and Remuneration Committee of the Board, may pay bonus in addition to aforesaid remuneration, to Mr. Aryan Goyal and that bonus shall be paid in compliance with Schedule V of the Companies Act, 2013 including any statutory modification or re-enactment thereof.

RESOLVED FURTHER THAT where in any financial year during the tenure of Mr. Aryan Goyal, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Aryan Goyal, the above remuneration as the minimum remuneration for a period not exceeding three years from the date of appointment by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT in addition to the perquisites referred above, he will be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- Leave encashment at the end of tenure.
- Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, singly or put together, are not taxable under the Income Tax Act, 1961.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Any other perquisites, which is specifically provided in the Companies Act, to be excluded for the purpose of computation of the ceiling on remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

7. Appointment of Mr. Rajinder Sharma (DIN 00317133) as Director liable to retire by rotation.

To consider and, if thought fit, to pass the following as an **Ordinary Resolution** :

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Rajinder Sharma (DIN 00317133), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 28, 2022, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the

Company has received a Notice in writing from a Member pursuant to Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. Appointment of Mr. Rajinder Sharma (DIN 00317133) as Whole-time Director of the Company.

To consider and, if thought fit, to pass the following as a **Special Resolution** :

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, approval of the Members be and is hereby accorded for the appointment of Mr. Rajinder Sharma (DIN 00317133), as Whole-time Director of the Company, for a period of three (3) years with effect from May 28, 2022, on the terms & conditions as mentioned below :

1. **Salary:** ₹25,000/- (Rupees Twenty Five Thousand only) per month and inclusive of other allowances as per HR Policy of the Company.
2. **Perquisites:** Mr. Rajinder Sharma will be reimbursed, from time to time, travel, communication and other expenses, as may be incurred by him for discharging his official duties.
3. **Other terms and conditions:**
 - a) Mr. Rajinder Sharma shall be entitled to any other benefits or payables from the Company like Gratuity and Leave Encashment.
 - b) Mr Rajinder Sharma shall not be entitled to sitting fee for the Board / Committee meetings attended by him and stock options, in case any such options provided by the Company.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Rajinder Sharma, the Company has no profits or its profits are inadequate, the Company may pay to him, the above remuneration as the minimum remuneration by way of salary, perquisites and other allowances and benefits as specified above subject to receipt of the requisite approvals, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be deemed proper and expedient to give effect to this Resolution."

Date: 03.08.2022
Place: Chandigarh

By order of the Board of Directors
of **Nureca Limited**

(Saurabh Goyal)
Chairman & Managing Director

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning the business under Item No. 4 to 8 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on May 28, 2022 considered that the special business under Item No. 4 to 8, being considered unavoidable, be transacted at the 6th Annual General Meeting (AGM) of the Company.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 2/2022 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021, 14th December 2021 and 5th May, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ OAVM") facility on or before 31st December, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 6th AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue.
3. 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 6th AGM. However, the Body Corporates / Institutional / Corporate Members are entitled to appoint authorized representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting.
4. Pursuant to the provisions of Section 113 of the Companies Act, 2013, Body Corporates / Institutional / Corporate Members intending for their authorized representatives to attend the Annual General Meeting are requested to send to the Company, at cs@nureca.com with a copy marked to ajaykcs@gmail.com and helpdesk.evoting@cdslindia.com from their registered Email ID a scanned copy of certified copy of the Board Resolution / Authority Letter authorizing their representative to attend and vote on their behalf at the meeting.
5. In line with the aforesaid MCA Circulars, the Notice of AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that Notice has been uploaded on the website of the Company at www.nureca.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com

respectively and the AGM Notice is also available on the website of CDSL i.e. www.evotingindia.com.

6. The Company's Registrar and Share Transfer Agent for its Share Registry Work (Physical and Electronic) is Alankit Assignments Limited, 205-208 Anarkali Complex Jhandewalan Extension, New Delhi -110055, Tel No.: 011-42541234, 011-23552001, Email : rta@alankit.com , Website : www.alankit.com.
7. The Register of Members and Share Transfer Books of the Company will be closed from **Sunday, September 4, 2022 to Saturday, September 10, 2022 (both days inclusive)** for the purpose of Annual General Meeting for Financial year ended March 31, 2022.
8. In view of the "Green Initiatives in Corporate Governance" introduced by the Ministry of Corporate Affairs and in terms of the provisions of the Companies Act, 2013, Members holding shares in dematerialized form, who have not registered their email addresses with Depository Participant(s), are requested to register / update their email addresses with their Depository participant(s).
9. Members can join the AGM through the VC / OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned below. 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 Members (Members 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.
10. Attendance of the Members participating in the 6th AGM through VC/ OAVM facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
11. Pursuant to the provisions of Section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with relevant circulars and amendments thereto ("IEPF Rules"), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to IEPF, constituted by the Central Government. Accordingly, the dividend amount for the Financial Year 2020-21 remaining unclaimed shall become due for transfer on November 5, 2028 to the Investor Education and Protection Fund (IEPF) established by the Central Government in terms of the Companies Act, 2013. The Company has uploaded the information of unclaimed / unpaid dividend lying with the Company on the website of the Company www.nureca.com.
12. General instructions for accessing and participating in the 6th

AGM through VC/ OAVM facility and voting through electronic means including remote e-Voting:-

- a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) and Regulation 44 of Listing Regulations and the MCA Circulars, the Company is providing remote e-Voting facility to its members in respect of the business to be transacted at the 6th AGM and facility for those Members participating in the 6th AGM to cast vote through e-Voting system during the 6th AGM. For this purpose, CDSL will be providing facility for voting through remote e-Voting, for participation in the 6th AGM through VC/ OAVM facility and e-Voting during the 6th AGM.
- b) Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. **Saturday, September 3, 2022**, shall be entitled to avail the facility for remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on cut-off date, shall treat this Notice as intimation only.
- c) Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of 6th AGM by email and holds shares as on the cut-off date i.e. **September 3, 2022**, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned below.
- d) The remote e-voting will commence on **September 7, 2022 at 9:00 A.M. and will end on September 9, 2022 at 5:00 P.M.** During this period, the Members of the Company holding shares as on the cut-off date i.e. September 3, 2022, may cast their vote electronically. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- e) Once the vote on a resolution is casted by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
- f) The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. **September 3, 2022**.
- g) The Company has appointed Mr. Ajay K. Arora, proprietor of A. Arora & Co., Practicing Company Secretary, to act as the Scrutinizer for remote e-voting as well as the e-voting

on the date of the AGM, in a fair and transparent manner.

12. The procedure and instructions for remote e-voting are as follows :

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 and under Regulation 44 of the SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its Members, in respect of all Resolutions. Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and E-mail ID in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-voting for Individual Members holding securities in Demat mode is given below :

i) Individual Members holding securities in Demat mode with CDSL

- a) 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 URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
- b) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting his/her vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.
- c) If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
- d) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from e-voting link available on www.cdslindia.com home page or click on <https://evoting.cdslindia.com/Evoting/EvotingLogin>. The system will authenticate the user by sending OTP on the registered Mobile & E-mail ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also able to directly access the system of all e-Voting Service Providers.

ii) Individual Members holding securities in Demat mode with NSDL

- a) If you are already registered for NSDL IDeAS facility, please visit the e-services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. Once the home page of E-services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to E-voting” under e-voting services and you will be able to see e-voting page. Click on the company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- b) If the user is 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>.
- c) 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 held with NSDL), Password/OTP and a verification code as shown on the screen. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on the company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

iii) Individual Members (holding securities in Demat mode) who wish to 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. After successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL website after successful authentication, wherein you can see e-voting feature. Click on the company name or e-voting service provider name and you will be redirected to e-voting service provider website 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 Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 18001020990 and 1800224430
Individual members 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 022-23058738 or 022-23058542-43

Login method for e-voting for Members other than individual Members holding shares in Demat Form and Members holding shares in physical form :

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. Now enter your User ID –

S. No.	Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i.	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*****
ii.	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*****
iii.	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 123456 then user ID is 123456001***

5. Next enter the image verification as displayed and click on Login.
6. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

If you are a first-time user, follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat Mode	
PAN	<ul style="list-style-type: none"> Enter your 10 digit alphanumeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/RTA/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA.
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the Depository or Company, please enter the member id / folio number in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the Company which is 220616009.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

Facility for Non-Individual Members and Custodians, Remote e-voting

- Non-Individual members (i.e. other than individuals, HUF, NRI etc.) and custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote(s).
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at ajaykcs@gmail.com and to the Company at the e-mail address viz; cs@nureca.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Process for those Members whose e-mail ids are not registered with the Depositories

- For Physical shareholders - Please provide necessary details like 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 the Company at email id cs@nureca.com.
- For Demat shareholders - Please update your e-mail id and mobile no. with your respective Depository Participant (DP).
- For Individual Demat shareholders – Please update your e-mail id and mobile no. with your respective DP which is mandatory while e-voting & joining virtual meetings through Depository.

Instructions for Members for e-voting on the day of AGM are as under :

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- 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.
- 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 AGM through VC / OAVM are as under :

- Member will be provided with a facility to attend the AGM through VC/OAVM. Members may access the same at www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN 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. Further Members can also use the OTP based login for logging into the e-Voting system of CDSL.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3 and 4

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and the Company's Articles of Association, not less than two-thirds of total number of Directors of the Company shall be liable to retire by rotation. One-third of these Directors must retire from office at each Annual General Meeting (AGM), but each retiring Director is eligible for

- For ease of conduct, Members desirous of obtaining any information are requested to address their questions in writing at least (7) days before AGM to the Company Secretary of the Company (cs@nureca.com) mentioning their name, DPID/Client ID, email id and mobile number.
- Members who will participate in the AGM through VC / OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up during the meeting or shall be replied suitably, after the meeting by the Company.
- The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and count the same, and count the votes cast during the AGM, and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Scrutinizer's decision on the validity of the votes shall be final.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nureca.com and on the website of CDSL www.evotingindia.com, immediately after declaration of the result and shall also be communicated to the Stock Exchanges where the shares of the Company are listed i.e. BSE and NSE and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com.
- Additional information, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking appointment / re-appointment, is annexed as **Annexure A**.
- 'Register of Directors & Key Managerial Personnel and Register of Contracts or Arrangements in which Directors are interested and all other documents referred to in the accompanying Notice and Explanatory Statement can be obtained for inspection by writing to the Company at its e-mail id cs@nureca.com till the date of AGM.
- Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

re-election at such meeting. Independent Directors are not subject to retirement by rotation.

Accordingly, Mr. Saurabh Goyal, Chairman & Managing Director is required to retire by rotation at this AGM and being eligible, has offered himself for re-appointment.

Considering Mr. Saurabh Goyal's skills, competencies, expertise and experience, the Board of Directors is of the opinion that it would be in the interest of the Company to re-appoint him as a Director of the Company.

The Board of Directors recommends the resolution proposing the re-appointment of Mr. Saurabh Goyal as set out in Item No. 3 for approval of the Members by way of an Ordinary Resolution.

Members of the Company, at the Extra-Ordinary General Meeting (EGM) held on September 4, 2020, had approved the appointment including remuneration of Mr. Saurabh Goyal, Chairman & Managing Director of the Company.

Pursuant to the approval of the Members, Mr. Saurabh Goyal is entitled to the perquisites like medical reimbursement, club fees, personal accident insurance, actual leave travel expenses, etc. for an amount up to ₹25 lakhs.

The Board of Directors, on the recommendation of its Nomination & Remuneration Committee, at their meeting held on February 12, 2022, approved the revision in the terms of remuneration of Mr. Saurabh Goyal by providing additional perquisite to him in the form of Rent Free Accommodation (RFA) with effect from February 12, 2022.

Members may kindly note that the perquisites, including Rent Free Accommodation, payable to Mr. Saurabh Goyal, Chairman & Managing Director shall be within the existing overall limit of ₹25 lakhs, which was already approved by the Members at the EGM held on September 4, 2020.

Members may further note that in case Mr. Saurabh Goyal chooses to avail the benefit of RFA, then he will not be able to avail exemption of House rent Allowance (HRA) as per Income Tax Act.

Further, in terms of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members by way of Special Resolution is required where the overall remuneration payable to individual executive director being promoter or part of promoter group exceeds 5 crore or 2.5% of the net profits of the company, whichever is higher; or the aggregate annual remuneration payable to all the executive directors being promoter or part of promoter group exceeds 5% of the net profits of the company.

Therefore, the Board of Directors recommends the resolution in respect of revision in the terms of remuneration of Mr. Saurabh Goyal, Chairman & Managing Director of the Company as set out in Item No. 4 for approval of the Members by way of a Special Resolution in terms of the Companies Act, 2013, Schedule V and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosure under applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings has been annexed

hereto and marked as **Annexure A.**

Statement as required under Schedule V of the Companies Act, 2013 has been annexed hereto and marked as **Annexure B.**

Except Mr. Saurabh Goyal (being himself) and Mr. Aryan Goyal, Chief Executive Officer, (being his relative), none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 and 4.

Item No. 5 and 6

Mr. Aryan Goyal was appointed by the Board, on the recommendation of the Nomination and Remuneration Committee, as an Additional Director with effect from May 28, 2022. He holds office upto the date of the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 ("the Act").

Mr. Aryan Goyal is the Chief Executive Officer of Nureca Limited since September 3, 2020. He holds a bachelor's degree in Science (Chemical Engineering) from Prude University, USA and has over 15 years of experience in the healthcare & life sciences industry.

The Company has received a Notice in writing from a Member in the prescribed manner, under Section 160 of the Act, as amended, proposing the candidature of Mr. Aryan Goyal for the office of Director of the Company, liable to retire by rotation.

Mr. Aryan Goyal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent in writing to act as a Director of the Company.

Further, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, at their meeting held on May 28, 2022, appointed Mr. Aryan Goyal as Whole-time Director of the Company designated as Whole-time Director & Chief Executive Officer for a period of 5(five) years with effect from May 28, 2022 subject to approval of the shareholders in the General Meeting.

The relevant resolution(s) read with Explanatory Statement should be considered as written Memorandum setting out the terms of appointment of Mr. Aryan Goyal as required under Section 190 of the Companies Act, 2013.

Further, in terms of Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members by way of Special Resolution is required where the overall remuneration payable to individual executive director being promoter or part of promoter group exceeds 5 crore or 2.5% of the net profits of the company, whichever is higher; or the aggregate annual remuneration payable to all the executive directors being promoter or part of promoter group exceeds 5% of the net profits of the company.

Therefore, the Board of Directors recommends the resolution in respect of appointment of Mr. Aryan Goyal as Whole-time Director

& CEO of the Company as set out in Item No. 6 for approval of the Members by way of a Special Resolution in terms of the Companies Act, 2013, Schedule V and 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Disclosure under applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings has been annexed hereto and marked as **Annexure A.**

Statement as required under Schedule V of the Companies Act, 2013 has been annexed hereto and marked as **Annexure B.**

It is the considered view of the Board that Mr. Aryan Goyal's appointment as Whole-time Director would be of immense value to the Company. Accordingly, the Board recommends passing of the Resolutions at Item No. 5 of the Notice as an Ordinary Resolution and Item No. 6 of the Notice as a Special Resolution.

Except Mr. Aryan Goyal (being himself) and Mr. Saurabh Goyal, Chairman & Managing Director (being his relative), none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5 and 6.

Item No. 7 and 8

Mr. Rajinder Sharma was appointed by the Board, on the recommendation of the Nomination and Remuneration Committee, as an Additional Director with effect from May 28, 2022. He holds office upto the date of the ensuing Annual General Meeting pursuant to Section 161 of the Companies Act, 2013 ("the Act").

Mr. Rajinder Sharma has an overall experience of more than 25 years in the field of compliance management and administration. He was on the Board of the Nureca Limited (as Non-Executive Director) from November 2018 till July 2021.

The Company has received a Notice in writing from a Member in the prescribed manner, under Section 160 of the Act, as amended, proposing the candidature of Mr. Rajinder Sharma for the office of Director of the Company, liable to retire by rotation.

Mr. Rajinder Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent in writing to act as a Director of the Company.

Further, the Board of Directors, on recommendation of the Nomination and Remuneration Committee, at their meeting held on May 28, 2022, appointed Mr. Rajinder Sharma as Whole-time Director of the Company for a period of 3 (three) years with effect from May 28, 2022 subject to approval of the shareholders in the General Meeting.

The Notice read with Explanatory Statement should be considered as written Memorandum setting out the terms of appointment of Mr. Rajinder Sharma as required under Section 190 of the Companies Act, 2013.

Disclosure under applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings has been annexed hereto and marked as **Annexure A.**

Statement as required under Schedule V of the Companies Act, 2013 has been annexed hereto and marked as **Annexure B.**

It is the considered view of the Board that Mr. Rajinder Sharma's appointment as Whole-time Director would be of immense value to the Company. Accordingly, the Board recommends passing of the Resolutions at Item No. 7 of the Notice as an Ordinary Resolution and Item No. 8 of the Notice as a Special Resolution.

Except Mr. Rajinder Sharma, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item No. 7 and 8.

By order of the Board of Directors
of **Nureca Limited**

Date: 03.08.2022
Place: Chandigarh

(Saurabh Goyal)
Chairman & Managing Director

Annexure-A

Additional Information required to be given as per SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is given below :

Name of Director	Mr. Saurabh Goyal	Mr. Aryan Goyal	Mr. Rajinder Sharma
Director Identification Number (DIN)	00136037	00002869	00317133
Date of Birth (Age)	36 yrs	39 yrs	57 yrs
Qualification(s)	BBA, Master of Science in International Management from King's College, London.	Bachelor's degree in Science (Chemical Engineering) from Purdue University, USA	Undergraduate
Original date of appointment	February 11, 2017	May 28, 2022 (appointed as Chief Executive Officer w.e.f. September 3, 2020)	May 28, 2022
Experience (including expertise in specific functional area)	Mr. Saurabh Goyal is the Chairman & Managing Director of the Company since September 03, 2020. He is a seasoned professional and manages external and internal customer touch-points along with driving up operational efficiencies. He is responsible for the overall success of the business. He has over a decade of experience in the healthcare & life sciences industry. His extraordinary organizational and leadership skills have helped Nureca achieve its leadership position as a global digital healthcare devices company.	Mr. Aryan Goyal is the Chief Executive Officer of the Company since September 3, 2020. Mr. Aryan's foray into healthcare & life sciences began in 2005, right after he completed his Bachelor's Degree in Chemical Engineering from Purdue University, USA. He spent nearly a decade driving growth for one of the India's leading pharmaceutical company. By 2017, he was ready to fuel his entrepreneurial passion and as a result, started Nureca in less than five years. His grit has shaped the Company to become a leader in digital healthcare devices.	Mr. Rajinder Sharma has an overall experience of more than 25 years in the field of compliance management and administration.
Terms & Conditions of appointment including detail of remuneration sought to be paid	As set out at Resolution No. 4 of the Notice	As set out at Resolutions No. 5 & 6 of the Notice	As set out at Resolutions No. 7 & 8 of the Notice
Details of remuneration last drawn (FY 2021-22)	₹1.53 crores	₹1.14 crores (as Chief Executive Officer)	N.A.
Board Membership of other Companies (excluding Nureca Limited) as on March 31, 2022	1. Nectar Biopharma Private Limited 2. Trumom Private Limited 3. Nureca Technologies Private Limited 4. Nureca Healthcare Private Limited	1. Nectar Biopharma Private Limited 2. Trumom Private Limited 3. Nureca Technologies Private Limited 4. Nureca Healthcare Private Limited 5. Mirasan Private Limited	Nil
Chairman / Member of the Committee of the Board of Directors of the Companies in which he is a Director as on March 31, 2022	Nureca Limited 1. Stakeholder Relationship Committee - Member 2. Risk Management Committee - Member 3. Corporate Social Responsibility Committee – Chairperson Nectar Biopharma Private Limited 1. Corporate Social Responsibility Committee – Chairperson	Nureca Limited 1. Management Committee - Chairperson Nectar Biopharma Private Limited 1. Corporate Social Responsibility Committee – Member	Nil

Name of Director	Mr. Saurabh Goyal	Mr. Aryan Goyal	Mr. Rajinder Sharma
No. of Board Meetings attended during FY 2021-22	4	NA	NA
No. of shares held in the Company as on March 31, 2022	3,499,979 equity shares	7 equity shares	Nil
Relationship with other Directors / KMPs	Brother of Chief Executive Officer of the Company	Brother of Chairman & Managing Director of the Company	He is not related to any Director or Key Managerial Personnel of the Company

By order of the Board of Directors
of **Nureca Limited**

Date: 03.08.2022

Place: Chandigarh

(Saurabh Goyal)

Chairman & Managing Director

Annexure B

Statement as required under Schedule V of the Companies Act, 2013

(with reference to Resolution at Item No. 4, 6 and 8)

I. General Information

(1) Nature of Industry

The Company is engaged in the business of home healthcare and wellness products.

(2) Date or expected date of commencement of Business operation

Not applicable as the Company is an existing company and have already commenced the Business operations.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable.

(4) Financial performance based on given indicators - as per audited financial results for the year ended 31st March, 2022

Particulars	(₹ Crores)		
	FY 2021-22	FY 2020-21	FY 2019-20
Net Turnover & Other Income	263.27	216.15	99.49
Net profit as per Statement of Profit & Loss (After Tax)	45.31	46.53	6.41
Profit as computed under Section 198 of the Act	60.79	62.34	8.62
Net Worth	203.74	163.29	14.97

(5) Foreign investments or collaborations, if any

Nil

II. Information about the appointee

(1) Background details

a) Mr. Saurabh Goyal

Mr. Saurabh Goyal, joined the Company as Director on February 11, 2017 and became the Managing Director of the Company w.e.f. September 3, 2022.

Mr. Saurabh Goyal is a seasoned professional and manages external & internal customer touch-points along with driving up operational efficiencies. He is responsible for the overall success of the business. He has over a decade of experience in the healthcare & life sciences industry. Mr. Saurabh Goyal has over a decade of experience in the healthcare & life sciences industry.

b) Mr. Aryan Goyal

Mr. Aryan Goyal is the Chief Executive Officer of the Company since September 3, 2020. He holds a bachelor's degree in Science in Chemical Engineering from Purdue University, USA and has over 15 years of experience in the healthcare & life sciences industry.

c) Mr. Rajinder Sharma

Mr. Rajinder Sharma was on the Board of the Company (as Non-Executive Director) from November 2018 till July 2021. He has an overall experience of more than 25 years in the field of compliance management and administration.

(2) Past remuneration during the financial year ended 31st March, 2022

Name of the Director	Amount
Mr. Saurabh Goyal	₹1.53 crores
Mr. Aryan Goyal (as Chief Executive Officer)	₹ 1.14 crores
Mr. Rajinder Sharma	N.A.

(3) Recognition or awards

Mr. Aryan Goyal, was awarded "Top 40 under 40" of the Indian healthcare ecosystem by BW Business world.

(4) Job Profile and his suitability

a) Mr. Saurabh Goyal

Mr. Saurabh Goyal, Chairman & Managing Director is overall in-charge of running the affairs of the company under the supervision and control of the Board of Directors. Taking into consideration his rich experience in healthcare & life sciences industry, the Board of Directors has bestowed the above responsibilities to Mr. Saurabh Goyal.

b) Mr. Aryan Goyal

Mr. Aryan Goyal, Whole-time Director & Chief Executive Officer is responsible for corporate affairs, risk management, etc. Taking into consideration his qualification and expertise, the Board of Directors has bestowed the above responsibilities to Mr. Aryan Goyal.

c) Mr. Rajinder Sharma

Mr. Rajinder Sharma, Whole-time Director will be responsible for looking after Compliances of the Company. Taking into consideration his experience, he is best suited for the responsibilities currently assigned to him by the Board of Directors.

(5) Remuneration proposed

As set out in proposed resolutions No. 4, 6 and 8 of the Notice.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Taking into consideration the size of the Company, the profile of the Directors (Mr. Saurabh Goyal, Mr. Aryan Goyal and Mr. Rajinder Sharma), the responsibilities assigned to them and the industry benchmarks, the remuneration

proposed to be paid to them is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Apart from receiving managerial remuneration, Mr. Saurabh Goyal and Mr. Aryan Goyal holds 34,99,979 and 7 Equity Shares respectively in the Company.

Mr. Saurabh Goyal and Mr. Aryan Goyal are related to each other.

Besides remuneration paid / proposed to be paid to Mr. Rajinder Sharma, he does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.

III. Other Information

(1) Reasons of loss or inadequate profits

Not applicable. The Company has posted a net profit after tax (including other comprehensive income) of ₹45 crore for the year ended March 31, 2022. However, it cannot be guaranteed that the company will not incur losses in ensuing financial years. Therefore, it cannot be guaranteed that the Company will have sufficient profits as per section 197 to pay proposed remuneration to the Directors. Accordingly, the Board of Directors are in view to obtain approval of shareholders as per the provisions of Schedule V of the Act.

(2) Steps taken or proposed to be taken for improvement:

The Board of Directors and Company will, in their best endeavour, try to improve the performance of the Company in terms of adequate profits to pay remunerations to its managerial personnel.

(3) Expected increase in productivity and profits in measurable terms:

Not Applicable as the Company has adequate profits.

IV. Disclosures

Additional information in respect of Mr. Saurabh Goyal, Mr. Aryan Goyal and Mr. Rajinder Sharma pursuant to the Secretarial Standards on General Meetings (SS-2) is provided at Annexure A to this Notice.

By order of the Board of Directors
of **Nureca Limited**

Date: 03.08.2022 **(Saurabh Goyal)**
Place: Chandigarh **Chairman & Managing Director**

Corporate Information



Board of Directors

Mr. Saurabh Goyal	<i>Chairman & Managing Director</i>
Mr. Vijay Kumar Sharma	<i>Independent Director</i>
Mr. Nitin R. Bidikar	<i>Independent Director</i>
Dr. Vikram Chaudhery	<i>Independent Director</i>
Dr. Shrikant Uttam Tamhane	<i>Independent Director</i>
Ms. Charu Singh	<i>Independent Director</i>
Ms. Ruchita Agarwal	<i>Independent Director</i>
Mr. Aryan Goyal*	<i>Whole-time Director & Chief Executive Officer</i>
Mr. Rajinder Sharma*	<i>Whole-time Director</i>

* appointed as Whole-time Directors' w.e.f. May 28, 2022

Audit Committee

Ms. Charu Singh	<i>Independent Director, Chairperson</i>
Ms. Ruchita Agarwal	<i>Independent Director, Member</i>
Dr. Vikram Chaudhery	<i>Independent Director, Member</i>

Risk Management Committee

Mr. Nitin R. Bidikar	<i>Independent Director, Chairperson</i>
Ms. Charu Singh	<i>Independent Director, Member</i>
Mr. Saurabh Goyal	<i>Managing Director, Member</i>

Corporate Social Responsibility Committee

Mr. Saurabh Goyal	<i>Managing Director, Chairperson</i>
Dr. Vikram Chaudhery	<i>Independent Director, Member</i>
Ms. Charu Singh	<i>Independent Director, Member</i>

Nomination and Remuneration Committee

Ms. Charu Singh	<i>Independent Director, Chairperson</i>
Ms. Ruchita Agarwal	<i>Independent Director, Member</i>
Dr. Shrikant Uttam Tamhane	<i>Independent Director, Member</i>

Stakeholders Relationship Committee

Ms. Charu Singh	<i>Independent Director, Chairperson</i>
Ms. Ruchita Agarwal	<i>Independent Director, Member</i>
Mr. Saurabh Goyal	<i>Managing Director, Member</i>

Management Committee

Mr. Aryan Goyal	<i>Whole-time Director & CEO, Chairperson</i>
Mr. Nishant Garg	<i>Chief Financial Officer, Member</i>
Mr. Gurvikram Singh	<i>Assistant Manager, Member</i>

Chief Financial Officer

Mr. Nishant Garg

Company Secretary & Compliance Officer

Ms. Chetna Anand

Statutory Auditors

B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Internal Auditors

Grant Thornton Bharat LLP
Chartered Accountants
Firm Registration No. AAA-7677

Secretarial Auditors

A. Arora & Co.
Practicing Company Secretaries
C.P. No. 993

Registrar & Share Transfer Agent

Alankit Assignments Limited
205-208, Anarkali Complex, Jhandewalan Extension
New Delhi -110 055
(appointed with effect from April 20, 2022)

Registered Office

Office No. 101, Udyog Bhavan,
1st Floor, Sonawala Lane, Goregaon East,
Mumbai, Maharashtra – 400063

Corporate Office

SCO 6-7-8, Sector 9-D,
Chandigarh - 160009
Ph. 0172-5292900

NUREÇA

101 Office Number, Udyog Bhavan
1st Floor Sonawala Lane, Goregaon East
Mumbai, Maharashtra-400063, India

www.nureca.com