

Dated-28.06.2023

**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**

**Subject: Notice of 7th Annual General Meeting (“AGM”) and Annual Report 2022-23**

Dear Sir,

Please note that the 7th AGM of Nureca Limited (“the Company”) will be held on **Thursday, July 20, 2023 at 10.30 A.M. IST through Video Conferencing/Other Audio Visual Means.**

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report containing the Notice of AGM for Financial Year 2022-23 which is being sent only through electronic mode to the Members, who have registered their e-mail addresses with the Company/ Depositories.

Annual Report containing the Notice of AGM is also uploaded on the Company’s website [www.nureca.com](http://www.nureca.com).

This is for your kind information and records please.

Thanking You,

Yours Sincerely,  
For **Nureca Limited**

(Chetna Anand)  
Company Secretary & Compliance Officer

**NURECA LIMITED**

Correspondence Office : SCO 6-7-8, 1st Floor, Madhya Marg, Sector 9D, 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

A close-up photograph of a hand holding a glowing lightbulb graphic. The hand is positioned as if holding the bulb, with the fingers visible. The lightbulb is a stylized orange shape with a white glow around it. The background is a solid purple color.

NUREÇA

**Think.  
Feel.  
Create.**

Catalysing a  
digital revolution in  
**Healthcare.**

ANNUAL REPORT  
**2022-23**

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Millennials/GenZ are the restless who have grown up in an era of rapid change, and largely catalysed it. This instils in them very different priorities and expectations than their predecessors. Their uniqueness in thought, need and way of living has reshaped our economy in almost every way possible.

But most predominantly in health awareness.

Because millennials value health the most. They eat healthier. They consider exercise as more sacred to religion. And technology has put personal health monitoring into their palms, facilitating greater access to significant wellness information.

Their contagious zeal and drive has cascaded to the geriatric population forcing them to breaking their traditional mindset.

They are today's wellness generation that created and will continue to drive the home healthcare segment northward.

At Nureca, we are an innovative group of millennials too. Aligned to our mindset, we 'think' with our senses, 'feel' with our minds, and 'create' with purpose to populate the home healthcare landscape with meaningful products platformed on our 'digital first approach' to accelerate their adoption and drive the home healthcare market a few notches higher.

# Think.

Thinking with our senses is like a search engine. The result are endless.

At Nureca, we have embedded this mindset in our thought process. It heightens our awareness of place and purpose by reconnecting us with the bigger picture.

It allows us to view the healthcare landscape from a significantly elevated position to identify endless unattended issues. We use the variety of everything we sense, to identify prospects we wish to pursue.

This then becomes our potential.

# Feel.

Feeling with the mind infuses focus. To perceive of pressing needs of today and tomorrow.

At Nureca, our laser sharp focus is our defining edge. It allows us to delve beyond the immediate pain points into the holistic issue.

We focus on visualising contemporary solutions to solve persisting hindrances in healthy living. We leverage technologies that support us in developing pioneering solutions that raise the sectoral benchmark.

We earn customer trust.

# Create.

At Nureca, we have embarked on a transformative journey, expanding our horizons into the realm of manufacturing.

Flexibility to innovate. New products & variants. Experiment with products. For improving product quality & their application for our customers. Imbibe sustainability. For ourselves and the Earth.

We have established a cutting-edge manufacturing facility, proudly producing high-quality home healthcare products under the "MADE IN INDIA" banner. Situated in Punjab, India, our state-of-the-art facility spans an expansive 20,000 square feet, meticulously adhering to the stringent guidelines of ISO 9001 and 13485 certifications.

Managed by a strong team of enthusiastic professionals, our unit presently manufactures eight products which include BP Monitors, Nebulizers, Thermometers, Knee Pillows, Heat Belts, Coccyx Pillows, Cervical Pillows and Backrest Pillows.



About Nureca

**NURECA HAS ENHANCED CUSTOMER EXPERIENCE AND TRANSFORMED THE HOME HEALTHCARE SPACE THROUGH ITS ABILITY TO DEVELOP INNOVATIVE TECHNOLOGY-PLATFORMED HOME HEALTHCARE AND WELLNESS PRODUCTS.**

We are specialists in home healthcare and wellness products.

At Nureca, we are focused on improving the quality and vitality of people's lives. We combine meaningful innovation, proven technologies and ergonomic design to help people take control of their well-being.

Using intelligent technology and digital solutions, we create products that help chronic patients monitor their ailments and other diseases and improve their quality of life.

Our industry-leading digital medical devices and wellness products have helped over 1.21 crore families achieve their health & wellness goals. Our products serve individuals, caregivers and medical practitioners across the globe.

Aligned with the 'Digital First' policy, we primarily market our products through e-commerce partners and our website www.drtrust.in. We have recently complimented our digital outreach with a physical presence through a large and growing distribution channel. Our healthcare app Dr Trust 360 has more than 1 million users in India and UAE.

Operating an asset-light business while enabling longitudinal care, we own enormous Intellectual property, including 102 patents, which makes us unique in our business space.

Headquartered in Mumbai, the business is spearheaded by Mr. Aryan Goyal and Mr Saurabh Goyal. Its day-to-day operations are managed by a team of young professionals working singularly to enhance the quality of life of ailing Indians.

Our company is listed on the BSE Limited and the National Stock Exchange of India Limited.

We have won numerous awards including the prestigious Best healthcare brand award by Economic Times.

Pharmexcil (Government of India) has recognised us as a very dynamic and evolving medical devices company providing very high-quality medical devices with Dr Trust now being a household name in India.

Our products have been positively reviewed by Times of India, NDTV, the Economic Times, Hindustan Times, The Telegraph, News 18, Business Insider, among other prestigious publications.

**76**  
USFDA Approved products

**102**  
Design patents received

**1** Million  
Dr Trust 360 App users

**1.12** Crore  
Happy families use our products

# OUR JOURNEY THIS FAR...

## 2017

### ESTABLISHED DR TRUST®

- Commenced operations
- Launched marquee Dr. Trust® brand through the digital channel

## 2018

### PRODUCT EXPANSION

- Widened product basket with the launch of brands in electric massager and mother & child care categories — Dr. Physio® and Trumom®

## 2019

### BRAND AND FOOTPRINT BUILDING

- Total number of products developed increases to 150

## 2020

### EXPANDING PRESENCE THROUGH DIFFERENT CHANNELS

- Initiated business with 1mg, Pharmeasy, Paytm, and Croma retail stores
- Received the Economic Times Premium Prestigious Brands 2020 Award
- Indian Cricket captain, Rohit Sharma joins Dr Trust as our brand ambassador

## 2021

### NURECA IPO

- Listed on NSE and BSE
- Awarded Economic Times Best Healthcare Brands 2021

## 2022

- BusinessWorld presents 40 under 40 in Healthcare award to our CEO, Aryan Goyal
- 200 Products developed

## 2023

- Number of customers served crosses 1 crore mark
- Number of app users for our IOT healthcare app crosses 10 lakh

# STANDING TALL AMONG THE CLUTTER

### Product Quality

Our products are manufactured to be safe, accurate, long-lasting and compliant with national and international regulations. Our chronic monitoring devices are USFDA approved. Our products are among the most accurate in their categories – a reality acknowledged by the medical fraternity.

### Wide product range

We are one of the few companies with products for every user category. And we continue to innovate and introduce new solutions in existing categories and create new categories. Our passion for innovation is reflected in one statistic – we have launched nearly 100 products in the last 24 months.

### Price-value proposition

Novel features in all our products and competitive pricing give customers a compelling price value proposition that earns us respect and increases referrals.

### Unique business model

Our frugality is our unique differentiation in operating and customer acquisition costs. This helps us to align our business with headwinds and tailwinds with speed.

### Our comprehensive solution

Our unique tech platform, Dr. Trust 360°, promises to transform the Indian home healthcare market. We can proudly say that Nureca will play a pivotal role in this revolution.

### Diversification and Expansion

Products like hearing aids, smart watch, EpsomAX body wash & foot cream, allow us to diversify our offerings and expand our product portfolio. Gradually it will reduce reliance on similar types of products or markets, making the business more resilient to changes in consumer preferences or economic conditions.



# OUR PRODUCT CATEGORIES

Established in 2016, Nureca has created a product basket of diversified SKUs, bucketed into five categories: chronic devices, orthopaedic, mother & child, nutrition & supplement and lifestyle.



### Chronic Devices

*Monitoring health every day.*

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



### Orthopaedic

*Restoring and rejuvenating muscles.*

Our Orthopaedic product range helps restore large muscle groups of the neck, shoulder, back and feet. These products target specific muscles with deep-action heat and pulse therapies.



### Lifestyle

*Balancing health and wellness*

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



### Mother & baby care

*Oodles of love in every product*

Our comprehensive product range comprises pediatric thermometers, baby cots, baby scales, breast pumps, bottle warmers, car seats, and steam sterilizers to help parents cradle their little ones safely and securely.



### Nutrition

*Balanced nutrition for superior fitness*

Our team of experts has developed novel dietary nutritional supplements, available in capsules, tablets, granules, and liquids, that deliver optimum nutritional benefits.



### Connected devices

*Health in your hands.*

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



## OUR BRANDS

**Dr Trust®**

**trumom®**

**DR PHYSIO®**

### Wellness & Healthcare

Dr. Trust is a leading brand of highly accurate medical devices and health monitoring solutions. All Dr. Trust products adhere to global standards like USFDA & CE. All products champion our human-centric design philosophy – Think, feel & create. Dr. Trust products aim to make health and lifestyle management easier worldwide. Our latest innovation in the digitized ecosystem drives our shift from stand-alone products to solutions combining smart devices, software and systems.

### Mother & Childcare

Trumom loves babies and is committed to keeping them safe, comfortable, and happy. Our product design philosophy keeps us in sync with the needs of parents and babies alike. Trumom's infant and mother care products are safe, reliable and exceed global quality standards. We understand the deep primal bond between mothers and newborns, and our products endeavor to nurture and strengthen this bond.

### Ortho & Pain management

Dr. Physio products help relieve chronic pain, enhance the range of movement and increase mobility, enabling our customers to lead healthy & active lives. Our innovative range of products covers all aspects of restorative well-being, non-intrusive pain management and holistic, full-body relaxation.

## OUR BRAND AMBASSADOR

“I love the innovative product line Dr. Trust has to offer, from advanced pulse oximeters, infrared thermometers, and BP monitor to nebulizers. These are quite handy and essential gadgets to have, more so in today’s daily life, with an increased focus on health and wellness.

I look forward to seeing many more innovations from Dr. Trust as they continue their efforts to simplify our lives.”

**ROHIT SHARMA**  
Captain, Indian Cricket Team



## DOCTORS RECOMMEND DR TRUST

Doctors have vocally reposed their faith in Dr Trust

Dr. Trust is the most reliable and accurate Forehead Thermometer that I have come across; easy to use, and the reading is quite accurate. I have been using Dr. Trust thermometers over the last 2 years in my Clinic. After using this product, I thought I must share my experience with other users to get the benefit.

The product is quite handy and easy to use, with an awesome display interface. Have very few buttons to get the maximum out of it. I liked the object and body modules, where one can use this product for all the wide applications, including measuring baby bathing water temperature, baby milk temperature and several others apart from measuring the body temperature.

It also displays a red color alarm once the body temperature is high. While other thermometers in the market take 2 minutes to wait time, with just 2 seconds, this product is easy to use and displays the output with sharp accuracy.

**Dr. MD Faiyaz Alam**  
Tumkur, Karnataka

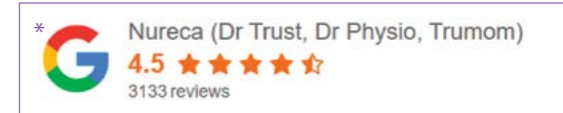
Being a health care provider, I personally use Dr. Trust’s professional series Fingertip Pulse Oximeter. It’s really accurate and recommended to use a pulse oximeter designed by Dr Trust. Amid the pandemic, the pulse Oximeter by Dr Trust is highly reliable for tracking Oxygen saturation, pulse rate, and respiratory rate. Highly recommendable for home/office/professional use.

**Dr. Tarang Patel**  
Rajkot, Rajasthan

I am using Dr. Trust’s gold line BP monitor. It is very accurate, precise, excellent quality & durable, a correct device & gives fast results. Dr Trust products are highly reliable. I recommend Dr Trust products to all my patients & practitioners.

**Dr. Medha Kashyap**  
Noida





\*This trade mark belongs to Google LLC

## ALSO ENDORSED BY CUSTOMERS

Members of the happy families that rely on Dr Trust share their views.

It is an excellent product with good quality, very satisfactory and provides the best customer service in my view.

**Anil Kumar**  
Faridabad

I really liked the product. Scale 509 is doing an excellent job of measuring the weights accurately. Syncing up the measurements to the app is a handy feature for those who want to track. The app is also quite useful, providing good insights into body factors. The sync to apple health works well for fitness fanatics. You must buy the product. Also the best customer service after sales ever.

**Santosh**  
Hyderabad

I brought Dr.Trust's 505 body weighing scale a few months back. It has a lot of features. It's a premium product at an adorable cost. I got the product in a good package without any damage. The product is working absolutely fine. I am really happy with their customer support.

**Suresh Kumar**  
Jharkhand

### In the Spotlight



Most of Nureca's products enjoy 4+ Star ratings out of 5-star ratings across e-commerce platforms.

## AND BY OUR CHANNEL PARTNERS

Our trade partners also share their views about Dr Trust products.

Dr Trust products are very good. Since 2 years, we are selling Dr Trust, there has been no default or ant return of products by the customer.

**Tiwari G**  
Super Value Pharmacy | Outlet | Lucknow

For a long time we have been associated with Dr Trust for selling their product in the retail and local market. Regularly, retailers are buying Dr Trust products from us. We are also very happy with Dr Trust Product and our customers and retailers are also very happy with their product.

**Kushal Chaterjee**  
Healtouch Enterprise | Dealer | South Calcutta

I sell Dr Trust BP monitors, Nebulizers, Glucometer, Thermometer and more. Last week, a doctor visited my shop, she looked at a lot of BP monitors and she really liked the Dr Trust BP Monitor that comes with an adapter and bought 2 same BP monitors from me. I showed her other Dr Trust products too that were appreciated by her.

**Hitesh Thakker**  
Medi First Health Care | Retailer | Kolkata

My experience with Dr Trust is very good. I am very happy They are highly demanded from therapists and retailers

**Krishan Rana**  
MD Arogya Health, Ludhiana | Dealer



# DrTrust 360

Our holistic AI-based health monitoring system

The need of the hour for Gen Z, the millennials and our geriatric population is continuous health monitoring. The former is by choice, the latter because they have no other choice (stable health is their only ask). And then there are those in between where chronic ailments have deepened their roots owing to their sedentary and stressed lifestyles. They also need continuous health monitoring.

Rising incomes and growing digitisation have steered reimagining healthcare from traditional ways into making it more personalised and empowering.

At Nureca we are striving to change mindsets with our 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. With this, we are enabling a safe digital ecosystem for our users that will converge to manage our customers’ needs at the click of a button.

With the launch of our connected devices eco system, we will leverage data science capabilities to empower more people living with chronic and lifestyle diseases to live better and healthier lives. Our software will analyze clinical data and apply iterative insights to our user’s lifestyle to deliver a more personalized care experience.

This will reinforce our theme of shifting India’s healthcare sector from curative to preventive and further from preventive to pre-diagnostics.

We will be one step closer to our goal of making a positive impact on the lifestyle and health of our esteemed users and eventually enhance the longevity of their lives.

**10**Lac  
DrTrust 360 Mobile App users

## Smart Products Portfolio-

**DrTrust 360** \*Our devices are clinically accurate USFDA & CE Approved



## Health metrics captured from devices:

Weighing scale	BP Monitor	Glucometer	ECG monitor	Smartwatches	Smartwatches
<ul style="list-style-type: none"> <li>Bone Mass</li> <li>BMI &amp; BMR</li> <li>Subcutaneous Fat</li> <li>Body Fat %</li> <li>Muscle Mass &amp; Rate</li> <li>Protein Mass</li> <li>Visceral Fat</li> <li>Body Water %</li> <li>Metabolic Age</li> <li>Age</li> <li>Height</li> </ul>	<ul style="list-style-type: none"> <li>Systolic BP</li> <li>Diastolic BP</li> <li>Pulse Rate</li> <li>Age</li> <li>Height</li> <li>Body weight</li> </ul>	<ul style="list-style-type: none"> <li>Fasting</li> <li>After Meal</li> <li>Before Meal</li> <li>Random</li> <li>Age</li> <li>Height</li> <li>Body weight</li> </ul>	<ul style="list-style-type: none"> <li>Electrocardiogram</li> <li>Heart rhythm</li> <li>Heartbeat rate</li> <li>Age</li> <li>Height</li> <li>Body weight</li> </ul>	<ul style="list-style-type: none"> <li>• Health Monitoring</li> <li>• Body Temperature</li> <li>• SpO2</li> <li>• Heart Rate</li> <li>• Blood Pressure</li> <li>• HRV &amp; Stress Level</li> <li>• Tracking fitness with multisport mode</li> </ul>	<ul style="list-style-type: none"> <li>• SPO2</li> <li>• Heart Rate</li> </ul>



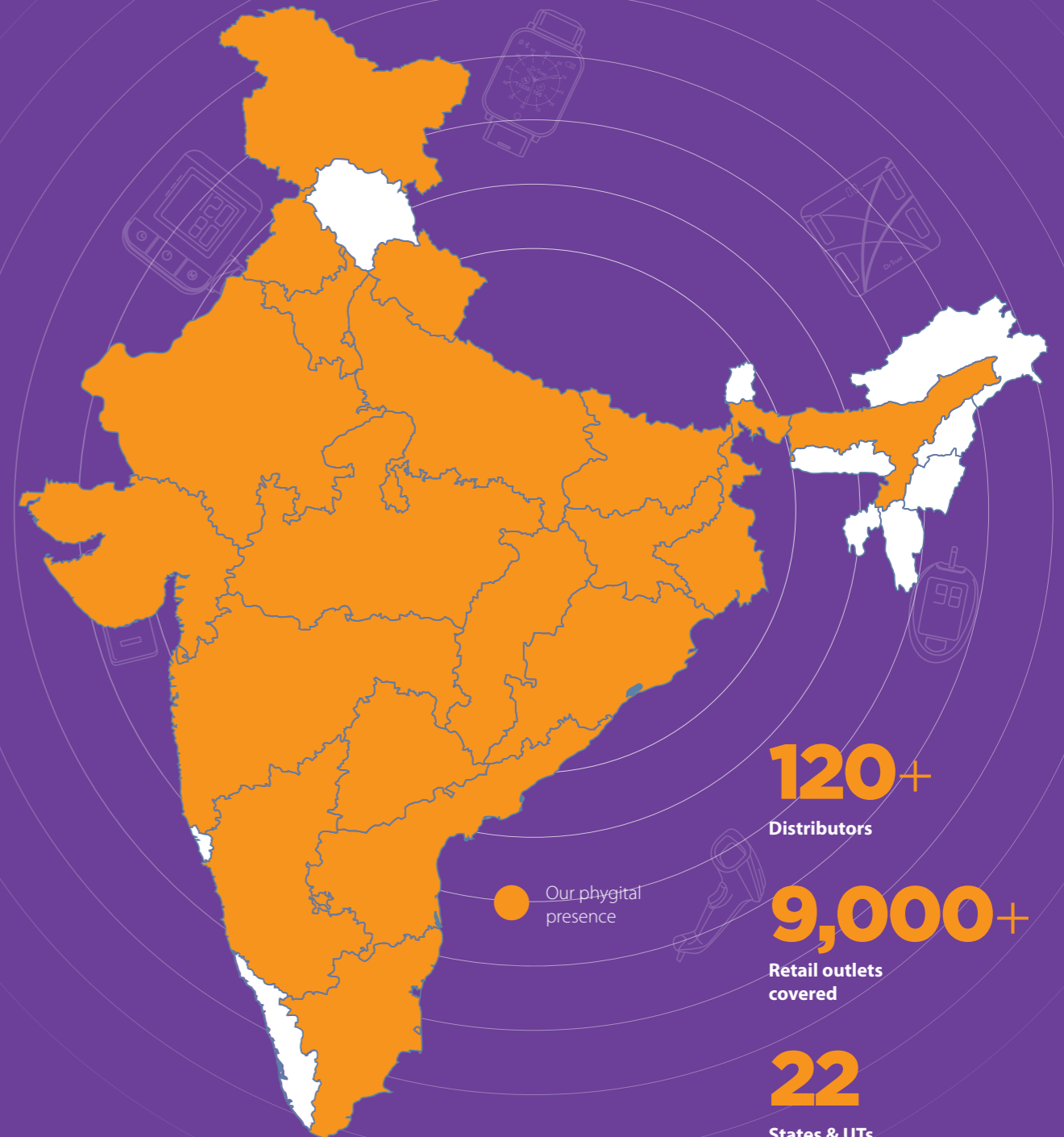
## BUILDING THE BRAND AT THE GRASSROOTS

Nureca Limited embraces an unconventional approach, fearlessly venturing into uncharted territories. Our marketing strategy exemplifies our distinctiveness.

While many enterprises hesitated to enter the online marketing space, Nureca boldly harnessed the power of digital channels and media assets to create product awareness and build our brand. Through strategic online campaigns, our flagship product Dr Trust gained significant visibility, propelling our growth.

Fortune Favors the Brave, and Nureca stood as a testament to this adage. The pandemic and subsequent lockdowns propelled Dr. Trust to new heights, earning recognition for its reliability among medical professionals, caregivers, and the average Indian. This surge in brand visibility led to a rapid increase in our customer base.

Anticipating the return to normalcy, Nureca proactively focused on developing a robust on-ground presence, recognizing its vital role in strengthening brand recall in India. We initiated our physical market presence in FY22. By end of FY23, we strategically collaborated with more than 180 stockists and 6000+ Retailers across all states of India laying a strong foundation for further enhancing our physical footprint and paving the way for robust sales volume.

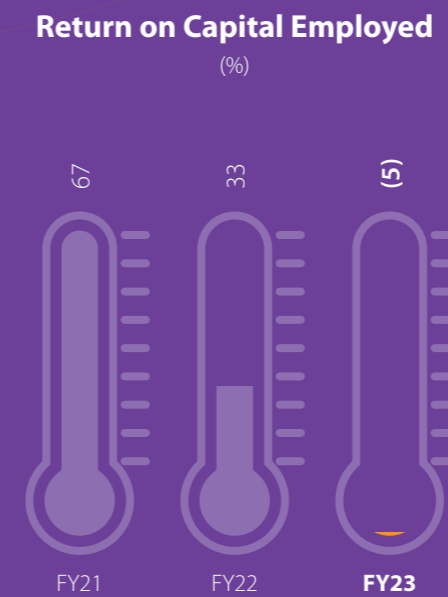
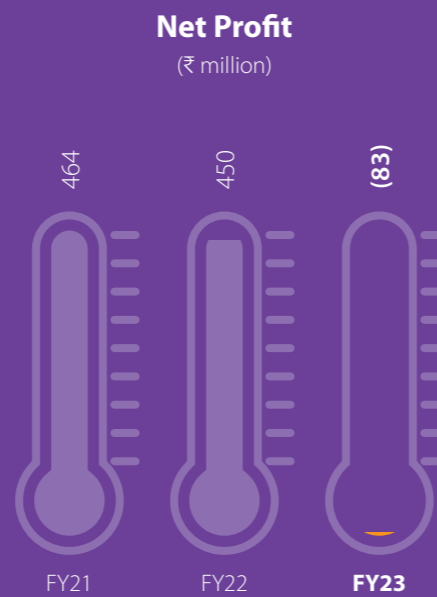
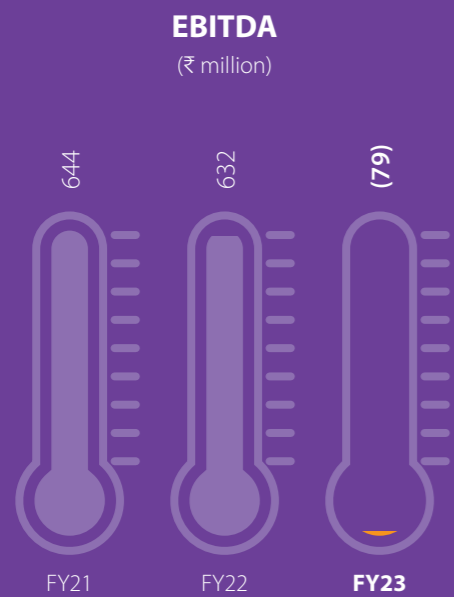
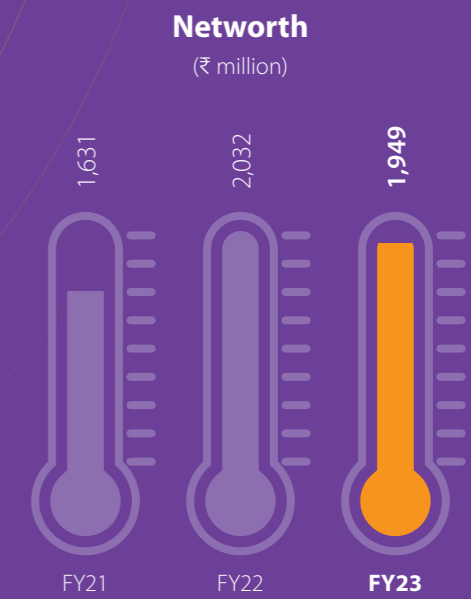
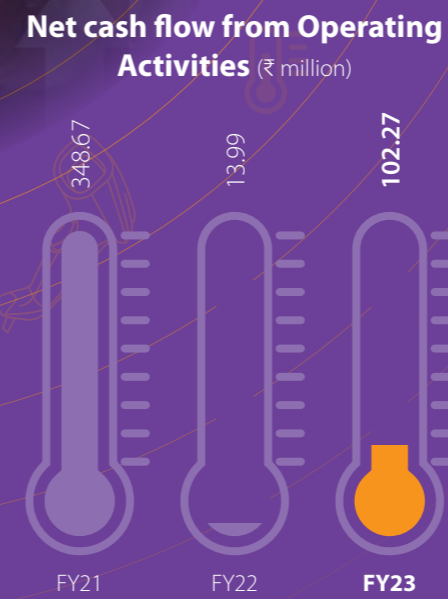
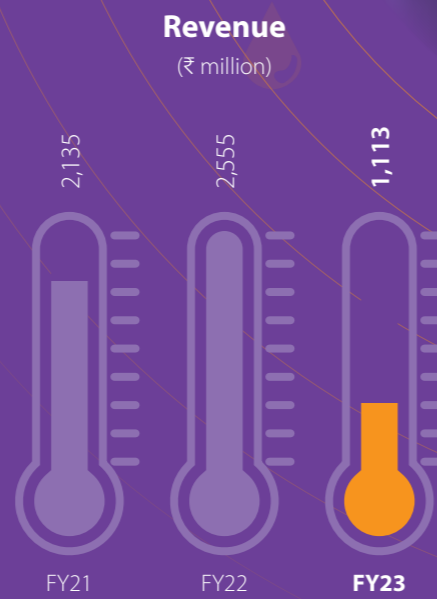
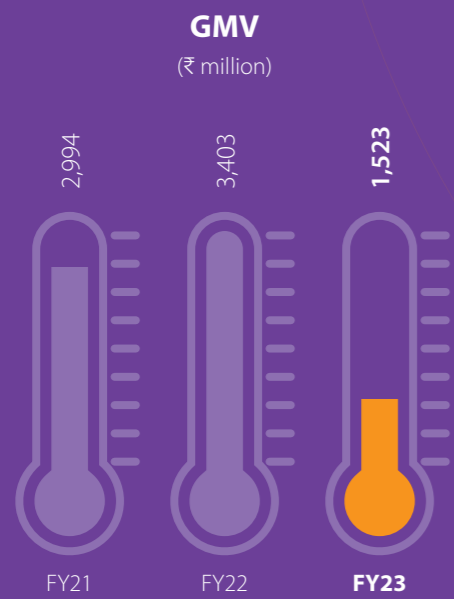
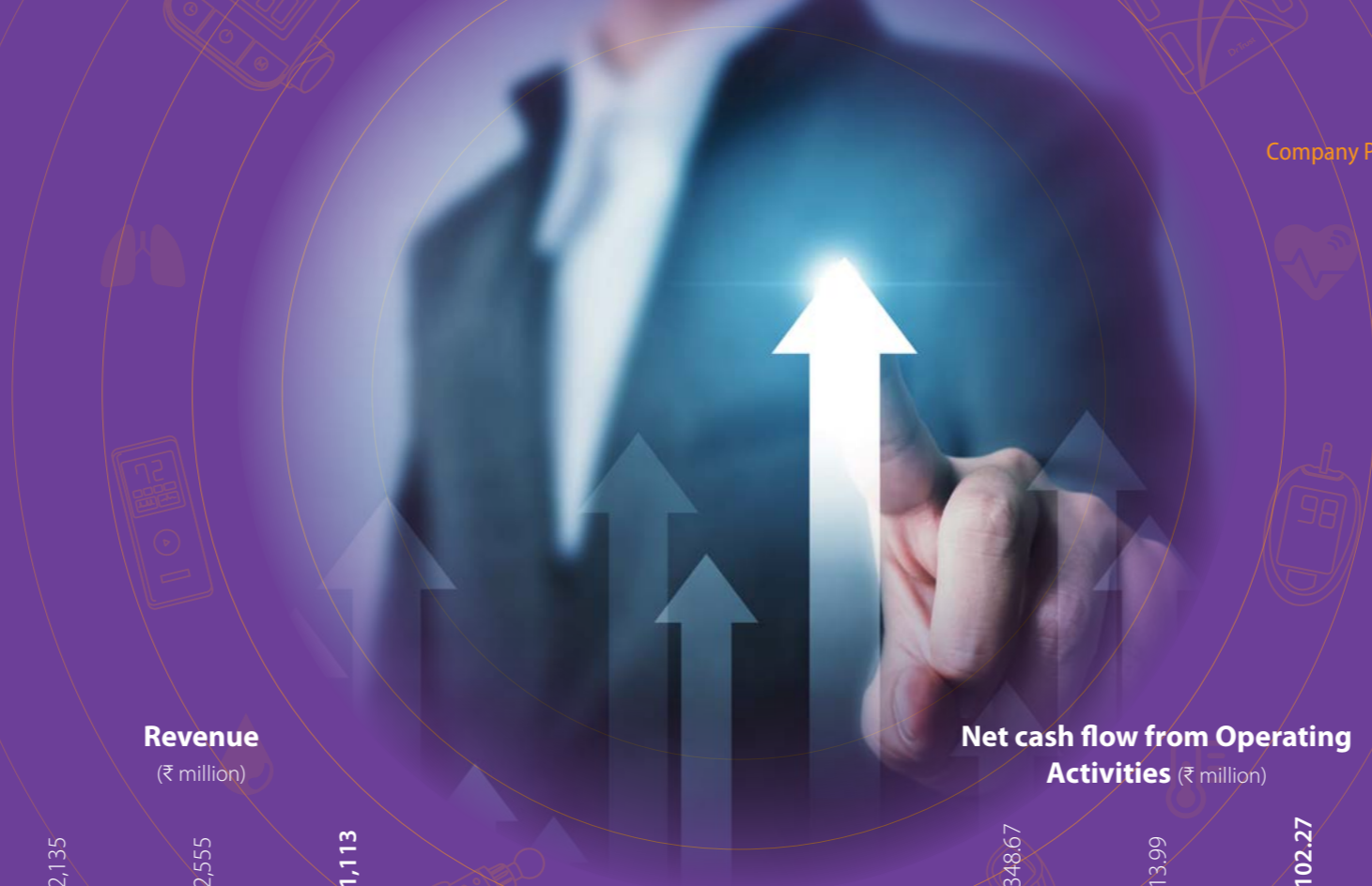


**120+**  
Distributors

**9,000+**  
Retail outlets covered

**22**  
States & UTs covered

# KEY PERFORMANCE INDICATORS



# LIVING UPTO OUR INNOVATE, ENHANCE, TRANSFORM ETHOS

Each launch demonstrates a company's commitment to innovation and staying ahead of the curve. By leveraging new technologies, we have provided cutting-edge solutions in the form of our products.



### Dr Trust Fetal Doppler

This is a unique peace-of-mind device for expectant mothers that monitors the heartbeat of a fetus during pregnancy. This convenient and reliable tool allows expectant parents to listen to their unborn baby's heartbeat from the comfort of their homes. It is a handheld ultrasound device that emits and receives ultrasound waves that can be heard through a speaker or headphones. This product is ISO 13445 and CE certified.



### Trumom ORGANIC Baby Soap

The launch of our baby soap reflects our desire to provide a specialized, safe, and effective solution for parents who prioritize the care, safety and comfort of their babies sensitive skin. Our specially formulated soap is particularly gentle and mild on their delicate skin while maintaining its natural moisture balance and minimizing the risk of irritation or allergies.



### Trumom ORGANIC Baby Wipes

We have launched baby wipes to provide parents with a convenient and hygienic solution for maintaining cleanliness during baby care routines. Our wipes remain gentle and safe on baby's sensitive skin and offer convenience for parents when it comes to quick and easy clean-up during diaper changes or on-the-go situations.



### Trumom ORGANIC baby detergent

Our gentle baby laundry detergent is formulated with mild and gentle ingredients suitable for babies' sensitive skin. It is free from harsh chemicals, dyes and brighteners that irritate a baby's sensitive skin. It ensures clean and fresh-smelling laundry while being gentle on fabrics. It caters to a specific market segment and fosters brand loyalty among parents.



### Trumom ORGANIC Baby Cleanser

Keeping your baby and its surroundings clean can be intensely back-breaking. To simplify this demanding task, we launched a multipurpose cleanser that can be used to clean not only the body of your baby but also other surfaces like high chairs, toys, and changing tables. Our all-in-one cleanser is a compact, travel-friendly solution, reducing the need to pack separate items and making it easier for parents to maintain cleanliness and hygiene on the go.



### Trumom ORGANIC Baby Massage Oil

Baby massage oil is formulated to nourish and moisturize the delicate skin of babies while providing a soothing and calming effect during a massage. It is formulated with natural and gentle ingredients for a baby's delicate skin. Hypoallergenic oil helps to nourish and moisturize the baby's skin while providing a soothing and relaxing experience.



### Trumom ORGANIC Baby Hair oil

Our baby hair oil is a specialized oil developed to nourish and condition a baby's delicate scalp and hair. It promotes hair growth keeping baby's hair healthy, soft, and manageable. It also addresses common concerns related to infant hair care. It is free from harsh chemicals, synthetic fragrances, mineral oils, parabens, or artificial colors, as these can irritate the baby's sensitive scalp.

### Baby Products certified by Safe Products Australia



## PAIN MANAGEMENT



### Dr Trust Epsomax Foot Cream

We tailored our product range to address different pain types and launched solutions for natural pain management Dr Trust Epsomax Foot Cream is formulated with Epsom salt and magnesium sulfate that is believed to have muscle relaxant properties. When applied, it is absorbed through the skin and potentially helps relax muscles and reduce inflammation. This is a very effective home remedy for foot pain.



### Dr Trust Epsomax Body Wash

Dr Trust Epsomax Body Wash is a product that combines the benefits of Epsom salt (magnesium sulfate) with a body wash formula. Epsom salt is believed to have potential natural pain-relieving properties and is commonly used for muscle relaxation and soothing minor aches and pains. It promotes relaxation and may have a soothing effect on the muscles and joints.



### Dr Physio Supervolt Pro

DrPhysio Supervolt Pro massager is cordless and rechargeable gun massager that uses cutting-edge percussion deep-tissue massage technology to release muscle stiffness, pain, and soreness while promoting blood circulation. Built-in rechargeable battery and cordless functionality make it highly portable and convenient to use anywhere without the need for a power outlet. It comes with 4 interchangeable massage heads +6 speed levels to target different muscle groups and adjust the intensity of the massage. Users can take it to the gym, office, or even when traveling.



### Dr Trust Heating Belt

Our flexible wrap type Heat Belt is ISO 9001, CE and ROHS approved to provide safe and comfortable heat therapy for quick pain relief and relaxation. It comes with a simple handheld 1- button controller plus 2.45 meter long power cord using this heating pad on different body parts hassle-free. There are 3 levels of temperature settings (High, Medium, and Low) so that users can adjust the level of heat as per their comfort level. Its fast heating technology starts providing soothing relief within a few seconds of the application.

## OTHER PRODUCTS



### Dr Trust Hearing Aid

The rationale for launching our hearing aid is to address the needs of people experiencing hearing difficulties, enabling them to improve their quality of life by enhancing their ability to communicate and engage with their surroundings. It comes with three ear tips or domes to ensure a comfortable and secure fit in the ear canal. It has 4 layers of sound processing to provide a clearer and more natural sound experience. While the sound control option allows users to customize the listening experience. This product is ISO 9001 & 13485, ROHS, CE certified.



### Dr Trust Smartwatch

This is a revolutionary wearable that combines accurate, 24X7 health monitoring and breakthrough features! Intelligent and contemporary wearable integrates various health monitoring features such as heart rate tracking, activity tracking, and sleep analysis to help users to manage their health and fitness goals conveniently. Its long lasting battery keeps going for up to 15 days and makes it easy to manage the charging cycle. Built-in modes, multiple dials, reminders, calling feature, play music, stopwatch and lots other features give users a better experience. The smartwatch is designed using refined aluminum alloy for a premium solid look and feel. Its metal body is sleek and stylish with ultra-lightweight.



Statement from the Chairman's office

**“WE REMAIN COMMITTED TO EXPANDING OUR FOOTPRINT IN KEY MARKETS, DIVERSIFYING OUR SERVICE OFFERINGS, AND FORGING STRATEGIC PARTNERSHIPS THAT COMPLEMENT OUR STRENGTHS. THESE INITIATIVES WILL ENABLE US TO CAPTURE NEW MARKET SEGMENTS AND ENHANCE SHAREHOLDER VALUE.”**

*Dear Stakeholders*

I am pleased to share an update on our Company's performance, progress and prospects in the home healthcare sector.

After quite an exceptional FY22 owing to a surge in online sales for home healthcare devices consequent to the pandemic and lockdowns, FY23 experienced a drop in online sales of healthcare products as Covid-19 pandemic-related tailwinds that drove significant growth in online shopping in earlier years waned considerably.

As a result, our performance in FY23 was tepid. Our revenue from operations slid, and our bottomline changed color – from black to red.

This drop does not significantly perturb me because I consider this performance as back to reality from the heady highs of FY22 and the fiscal before that. While FY21 & FY22 were highly challenging from a health perspective, they did Nureca well – in establishing our brand as a trusted home healthcare solution. They enhanced our financial strength to continue building our product and service portfolio.

Leveraging the positives of FY22, we continued to build on our strengths. We launched interesting personalized products and stand-out solutions in their respective categories. Case in point: epsoMAX is India's first and only natural pain-relieving body wash and foot cream. We launched Organic Baby products which we believe will become trend-setting over the coming years.

With nearly 100 trend-setting products launched in the last 24 months, Nureca stands out in the competitive landscape with an easy-to-use solution in every usage category. Our product bandwidth has earned us the acceptance and trust of 1.12 crore plus customers. Moreover, our Dr.Trust device ecosystem strengthens our dominance in the home healthcare space.

We made a transformative change in our business operations. We commenced in-house manufacturing operations under our subsidiary Nureca Technologies Private Limited. Our state-of-the-art, globally-certified unit (ISO 9001 and 13485) presently manufactures eight products. We wish to expand the manufacturing capacity and capability of the unit as we move forward.

FY23 has been a defining year for our Dr.Trust digital platform. I am delighted to share that our user base for our digital solution has crossed the 1 Million mark. Moreover, we successfully integrated all our devices onto this unique platform.

With the launch of our connected devices ecosystem, we will leverage data science capabilities to empower more people living with chronic and lifestyle diseases to live better and healthier lives.

Our software will analyze clinical data and apply iterative insights to our user's lifestyles to deliver a more personalized care experience. It will reinforce our theme of shifting India's healthcare sector from curative to preventive and pre-diagnosics.

We will be one step closer to our goal of positively impacting our users' lifestyles and health and eventually enhancing their longevity.

Dr. Trust 360 platform with an affordable subscription rate, can change our business model from being a product-driven company to a services-driven company.

Remaining committed to our 'Phygital presence,' we continued to widen our on-ground presence. By end of FY23, we have collaborated with more than 180 stockists and 6000+ Retailers across all states of India. We feel that our expansive and growing phygital presence will widen our product and brand awareness resulting in increased traction for our products.

The home healthcare industry is experiencing significant growth, driven by an aging population, rising chronic diseases, and the increasing adoption of digital health solutions. We are well-positioned to capitalize on these opportunities and create long-term shareholder value.

Our competitive advantages lie in our differentiated service offerings, strong brand reputation, and the tech we nurture. These strengths enable us to provide high-quality care and personalized solutions to meet the evolving needs of our patients.

We have been at the forefront of innovation, integrating technology to enhance patient care and operational efficiency. Our investment in telemedicine, remote monitoring, and other digital health solutions has enabled us to deliver convenient access to healthcare services while improving patient outcomes.

We remain committed to expanding our footprint in key markets, diversifying our service offerings, and forging strategic partnerships that complement our strengths. These initiatives will enable us to capture new market segments and enhance shareholder value.

We recognize the trust you have placed in us as shareholders and are dedicated to creating value and delivering solid returns on your investment. Our commitment to transparency, sound governance practices, and shareholder-friendly policies remain unwavering.

We extend our gratitude to our shareholders for their continued support. Together, we will navigate the dynamic landscape of the home healthcare sector, seize emerging opportunities, and shape the future of healthcare delivery.

**Saurabh Goyal**

*Chairman and Managing Director*



## BRIGHT SUNSHINE ON THE HORIZON

The emerging opportunities over the horizon in the home healthcare sector in India include the implementation of the Medical Devices Policy by the Government of India, the promotion of domestic manufacturing of medical devices, and the projected growth of the sector.

### Projected Growth of 50 Billion in 7 Years

The home healthcare sector in India has witnessed robust growth, and there is a positive outlook for the future. As per industry estimates by Economic Times, the sector is expected to reach a value of \$50 billion within the next seven years. This projected growth presents a tremendous opportunity for us operating in this space to expand and tap into new markets and capitalize on the increasing demand for home-based healthcare services. The growing aging population, rising prevalence of chronic diseases, and increasing healthcare awareness are some of the key drivers contributing to this growth.

### Medical Devices Policy by the Government of India

The Government of India has recognized the medical devices sector's importance and formulated the Medical Devices Policy to support its growth. The policy aims to create an enabling environment for manufacturing high-quality and affordable medical devices in India, promoting innovation, ensuring patient safety, and enhancing access to healthcare. This presents a significant opportunity for us to leverage the policy support and contribute to the manufacturing ecosystem. By manufacturing medical devices locally, we can reduce dependence on imports, improve affordability, ensure quality control, and cater to the specific needs of the Indian market.

## OUR BLUEPRINT FOR TOMORROW

### Expanding offline operations

In a strategic move aimed at augmenting our market presence, we are actively pursuing the expansion of our offline operations. The renowned brand, DrTrust, has garnered substantial recognition and commendation across esteemed e-commerce platforms and online sales channels.

By capitalizing on this positive momentum, we anticipate a notable upswing in our retailer network, thereby amplifying our market influence. Mindful of our esteemed reputation in the online arena, we are steadfast in our commitment to extend our sterling digital image to the offline realm seamlessly.

This astute initiative, driven by our unwavering dedication to excellence and shrewd business acumen, sets the stage for a promising future brimming with growth and triumphant achievements.

### Increasing manufacturing in India

In alignment with the visionary health policies set forth by the esteemed Government of India, our organization is embarking on a strategic initiative to amplify our manufacturing capabilities within the nation. This prudent decision is driven by the compelling factors of exponential growth and a forward-thinking approach.

Recognizing the immense potential of the Indian market, we are proactively bolstering our manufacturing operations at Nureca Technologies Private Limited, wholly-owned subsidiary of Nureca, positioning ourselves ahead of the curve. With astute anticipation of the remarkable growth figures on the horizon, we are diligently preparing to meet the burgeoning demand, fortifying our market leadership and contributing to the nation's thriving healthcare ecosystem.

This discerning move, in consonance with our steadfast commitment to quality and progress, reaffirms our unwavering dedication to fostering sustainable growth and realizing the fullest potential of our esteemed organization.

### Aligning with the Medical Policy

By aligning with the Medical Devices Policy and exploring opportunities in domestic manufacturing, we are already underway to ramp up production to leverage the supportive regulatory environment, tap into the growing market, and contribute to the industry's overall growth domestically.

We expect this to lead to the development of innovative and affordable medical devices, improved accessibility to quality healthcare, and a positive impact on our addressable market in the healthcare landscape in India.



## 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 and drives up operational efficiencies. He is responsible for the business's overall success while ensuring that the Company is constantly moving towards fulfilling both short-term and long-term objectives. He steers Nureca toward continuous growth and sees 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 organizational skills have helped Nureca become a global digital healthcare devices company leader.

## OUR CONSCIENCE KEEPERS



**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.



**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 four years of experience working in various positions at McKinsey & Company, Fortune's list of top 10 most influential 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.



**Charu Singh**  
Independent Director

Ms. Charu joined our Company as a Director on 21 October 2020. She has around seven years of experience in accounts and finance. She worked with PriceWaterhouse & Co, GE India Business Services as Assistant Manager – India Transfer Pricing CoE and 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 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 and a Global MBA degree (Finance) from S.P. Jain Center of Management, Singapore.

## MANAGEMENT DISCUSSION & ANALYSIS





## Economic Review

### Global Economy

Major emerging economies enjoyed a growth premium in 2022, while advanced countries failed to step up not nearly as much as they expected.

The year started with the continuing onslaught of the pandemic and the onset of the Russia-Ukraine war, the double jeopardy that hit the global community in 2022. The resultant food and energy crises, rising inflation and debt tightening shocked the world economy thereafter. Against this backdrop, world growth output decelerated from 5.9% in 2021 to 3.4% in 2022.

Most weaknesses are concentrated in advanced economies like the EU and US. Major emerging Asian economies, on the other hand, drove global growth despite high inflation, aggressive monetary tightening and amplified uncertainties.

Inflation remained persistent even in the face of repeated interest rate hikes by major central banks. However, the picture was not as gloomy as it sounds. Despite such headwinds, exceptional resilience was witnessed from the year's third quarter.

Led by the rebound in private consumption, increasing

business investment and strong labor markets, global economic growth reached a satisfactory level by the end of the year. European economy adapted better than expected to the energy crisis created by the war.

Global trade hit a record US\$32 trillion in 2022, where both trade in goods and services witnessed substantial growth. Inflation showed signs of improvement in many countries, but core inflation remained sticky till the end of the year.

IMF downgraded the world growth projection for 2023 to 2.9%. It indicates a growth slowdown on a global scale. However, the slowdown is expected to be more pronounced in advanced economies. Global headline Inflation could recede from 8.7% in 2022 to 7% in 2023 due to lower commodity prices.

Also, the weakening US dollar is set to provide some relief to emerging and developing economies. Furthermore, this year, diversification of suppliers, reshoring, near-shoring, and friend-shoring will mark the global trade pattern. In the meantime, efforts of the global communities to build a greener world will boost the demand for environmentally sustainable products.

### Indian Economy

India emerged stronger from the haze of uncertainties created by the ongoing geopolitical conflicts, supply-chain disruptions and worldwide inflation. Despite significant challenges continuing to impact the global economic system, India retained its coveted position as one of the fastest-growing economies in the world.

Data released by NSO (National Statistical Office), Ministry of Statistical Programme and Implementation (MoSPI) suggests India's GDP grew by 7.2% in FY23 in the face of several global headwinds. Economic growth was fuelled by healthy investment activity bolstered by Government's push to capex and robust household consumption.

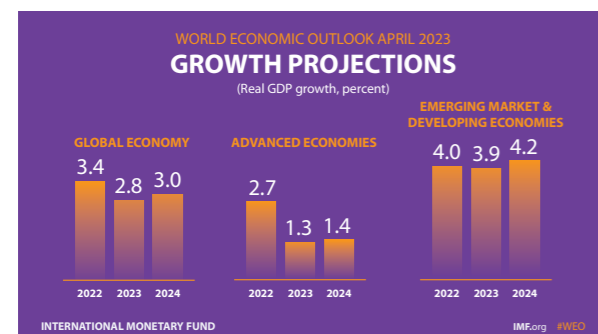
Elevated inflation persisted throughout the year. CPI (Consumer Price Index), which measures retail inflation, reached its peak in April 2022 at a whopping 7.79% owing to exceptionally high prices of fuel, food and other essential items. However, at the end of the fiscal, continuous monetary tightening by RBI and easing global commodity prices caused a decline in CPI to 5.66%, slightly below the RBI's tolerance limit

Underlying demand gained momentum towards the end of the financial year, surging factory output. India's manufacturing sector expanded quickly in three months up to March 2023. The S&P Global India Manufacturing Purchasing Managers' Index (PMI) rose from 55.3 in February to 56.4 in March at a three-month high. It stayed above 50 for 21 months, separating contraction from expansion.

The gross GST collection in FY23 is ₹18.10 lakh crore, 22% higher than the last financial year. The monthly GST collection in March 2023 was ₹1.6 lakh crore, which is 13% higher compared to the same period of FY22. Gross Direct Tax collection for FY23 was at ₹19.68 lakh crore registering a growth of 20.33% over last year. The rise in direct tax and GST collection indicates the robust spirit of the Indian economy.

Inflation is likely to fall at a comfortable level in FY24 but expected to remain elevated, nonetheless. General consumers in India are expected to be somewhat weighed down by their financial situation, impacting discretionary spending. However, most Indian customers are expected to reduce their expenses in segments such as luxury goods.

RBI has projected India's GDP to grow at 6.5% in FY24. Rising borrowing costs and slower income growth will affect private consumption growth this financial year. But India's growth story will continue to remain resilient. Here the key growth driver would be the surge in private investment led by a massive capex push by the Government which has a multiplier effect in terms of growth, income and employment.



The gross GST collection in FY23 is ₹18.10 lakh crore, 22% higher than the last financial year.

## Industry Overview

### Global Home Healthcare Market

Home healthcare is supportive healthcare that is provided at home. It allows a person to remain in the comfort of their home, monitor their health regularly and receive service and support for recovering from illness, injury or disability.

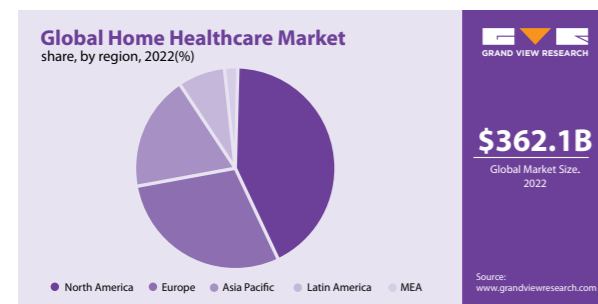
In today's time and age, home healthcare has become extremely necessary both for ordinary individuals and professional caregivers. For two important reasons

- 1) Lifestyles have become so utterly stressed, leading to a much larger subset of people ailing from lifestyle-related disorders.
- 2) Formal healthcare is increasingly stressed. A large number of patients are being released from hospitals who continue to need post-hospital care.

Consequently, both professional caregivers and common people are using home healthcare solutions.

These devices monitor health parameters, administer simple first aid, and deliver advanced medical treatment. These medical devices are typically designed for professional medical professionals and the simple public. Some of the most prominent and widely used devices are heart rate monitors, BP monitors, oxygen saturation in blood monitors, blood glucose monitors, etc. Among these devices, diagnostics equipment holds a significant market share.

The global home healthcare market is expected to reach US\$ 634.9 billion by 2030 at a CAGR of 7.9% from 2022. This growth can be attributed to improved patient outcomes, cost efficiency and convenience home healthcare companies offer. Additionally, a sedentary lifestyle, a rising geriatric population, a growing prevalence of chronic diseases and ever-growing treatment costs will drive market growth.



### Indian Home Healthcare Market

Indian home healthcare market continues to grow strongly but remains nascent compared to advanced nations.

The rise of nuclear families in India, personalised care and affordability fuels sectoral growth. Also, both formal and informal support structures are unable to satisfactorily fulfill the demand for care of post-operative patients, chronic patients and the elderly. Hence, home healthcare involves various elements, namely diagnostics, therapeutic & monitoring devices, mobility devices, medical supplies and telemedicine.

#### Key growth drivers

**A growing geriatric population:** India has one of the largest elderly populations in the world who need continuous personal care, which is not available in formal hospital settings. According to the 2011 Census, there were ~104 million old (aged 60 years or above) in India.

A report by the UN Population Fund and HelpAge India reveals that this number of elderly persons is expected to grow to 173 million by 2026. Because older adults are more susceptible to diseases and disabilities, the growth of this population will increase the demand for home healthcare.

Further, chronic diseases which affect senior citizens disproportionately contribute to disabilities, reduce the quality of existence and increase long-term maintenance expenses, thus unlocking an array of opportunities for home healthcare companies.

**High-stress lives:** In its drive to become an advanced economy and a global hub (for manufacturing and services), most Indians live highly stressed lives with practically no work-life balance and inadequate physical exercises. This change has resulted in an alarming growth of lifestyle-related ailments. The prevalence of such diseases drives the need for home healthcare services, as these patients require regular monitoring and care.

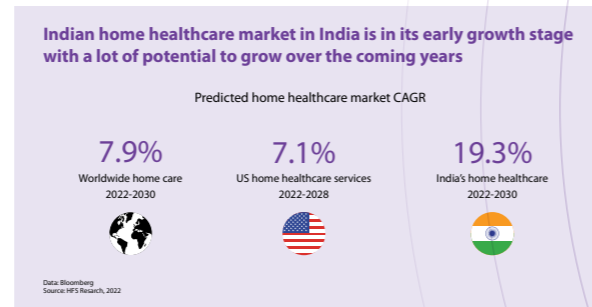
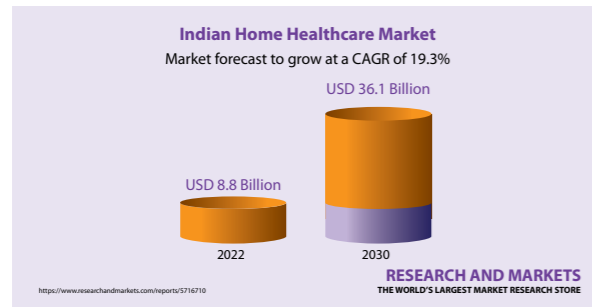


**Poor access to health facilities:** With an estimated 1/6th of the world population, India accounts for a high burden of 21% of world diseases. India also has a meager percentage of hospital beds compared to other developed nations and only 8.6 doctors per 10,000 people compared to the US, with one doctor for every 300 people. Hence, a large section of the Indian populous does not have access to hospitals.

**High hospitalisation cost:** In India, a large number of patients who are admitted to hospitals suffer from chronic diseases. Typically, these people must pay hefty amounts for treatment in a formal hospital setting. But a similar setup at home will cost only about 1/5th of that. The massive cost saving through the home medication route is now being increasingly adopted. Some studies suggest that the home healthcare market in India has the potential to replace 65% of unnecessary hospital visits and overall operational costs by 20.2%.

**Technological advancements in the home healthcare segment:** Cutting-edge technologies like telehealth, remote health monitoring and AI drive growth in the home healthcare market. These technologies monitor patients' health, bridge the gap between patients and medical professionals, analyze the gravity of patients' medical conditions and provide probable solutions to healthcare providers. The power of technology is revolutionising the home healthcare industry in terms of delivering quality healthcare services cost-effectively. As a result, innovations in the home healthcare industry are expected to open new horizons and drive growth in the future.

Advanced countries already have a well-established and well-regulated framework for home care for those in need. Though not really there, India has begun the journey towards delivering quality home healthcare. In the future, technology-driven teleconsultation, remote healthcare monitoring and management of lifestyle can help build a preventive care ecosystem.



### Indian Home Healthcare Market Size and Growth Forecast

The Indian home healthcare market was valued at US\$ 8.8 billion in 2022 and is expected to increase at a CAGR of 19.29% from 2023 to 2030.

### Home Healthcare Trends in India

#### Increasing focus on telemedicine/telehealth:

Telemedicine became popular during the pandemic, but its enormous advantage remains in vogue even after the health scare. It has reduced the physical gap between patient and doctor/caregiver and facilitated the timely and accurate delivery of medical services. It allows healthcare professionals to monitor patients remotely. Realising the immense benefit of telehealth, experts opine that its adoption will continue to grow in the years to come. Healthcare companies also see a lucrative opportunity to grow their products that facilitate telehealth services.

#### Convenience from home diagnostic devices:

The pandemic and consequent lockdowns created the realisation that individuals can monitor their key health parameters from the convenience of their homes. Freedom from the hassle of visiting labs for tests and subsequent reports for essential health checkpoints is growing the demand for health equipment such as BP monitors, pulse oximeters, pedometers, blood glucose monitors and others.

#### Wearables are the future:

Wearable devices are used as health sensors that track heart rate, sleep pattern, calorie intake and much more. It helps medical professionals get a clear and comprehensive picture of patient's health and treat them accordingly. These wearables are also connected with caregivers and doctors, facilitating patient monitoring and

increasing convenience. For example, blood pressure cuffs send blood pressure and pulse readings to a relevant medical practitioner. Such devices have further fueled the growth of the home healthcare market.

### Indian Home Healthcare Devices Market

The Indian home healthcare medical devices market is growing at a 10-15% CAGR. The primary user group of these diagnostic and monitoring devices is people with disability, chronic diseases or other lifestyle diseases. Traditionally, a large percentage of these people are 60 years old or above. But of late, there has been a paradigm shift in the age group of consumers.

#### Health awareness among young people:

The health-conscious younger generation in urban areas are now investing in devices that help them track their vital signs like blood pressure, heart rate, oxygen levels and much more. Moreover, the sudden rise in fatalities among Indian youth owing to undetected ailments has further forced the youth to seek preventive care solutions. As a result, the age group of people purchasing these devices has shifted from senior citizens to a much younger demographic. About 58% of home health device buyers feature in the 25-45 year age bracket.

#### Government policy:

Indian Government's National Health Policy, 2017 dictates to move away from 'Sick-care' to 'Wellness' with a thrust on prevention and health promotion. The primary objective of this policy is to reduce premature mortality from cardiovascular diseases, diabetes or chronic respiratory ailments. With the launch of Ayushman Bharat Digital Mission 2020, India is expected to be connected through digital health solutions. It will help hospitals, insurance companies, citizens and other stakeholders access relevant electronic health data.



### Indian Home Healthcare Market Segment

India's home healthcare market is divided between urban and rural, with disparities in access to healthcare in villages. Tier 1 cities contribute the market's most dominant share (~76%). Post Covid, these cities shifted significantly from traditional to home healthcare services.

The home healthcare market is further divided into equipment and service-oriented. The equipment sector is divided into three sub-categories – therapeutic, diagnostic and mobility assist equipment. The therapeutic device segment contributed 42.57% in 2022 of the overall equipment market. In-home therapeutic respiratory devices have the largest market share. Credible sources suggest that the diagnostic device market will grow fastest at 20.27% CAGR from 2023-2030.

### Indian Chronic Care Market

India's chronic care market is unique and different from the rest of the world. It is a very price-sensitive market. Hence, despite being essential products, chronic care device adoption is very low in India. Hypertension, diabetes and cardiovascular diseases are India's most prevalent chronic conditions. These three are followed by arthritis, asthma and COPD. The increase in chronic diseases includes genetics, lifestyle, rapid urbanisation and stress.

About 242 million people are suffering from hypertension, 75 million from diabetes and 67 million from some cardiovascular

disease. Among other things, all these patients' journey includes regular lab tests, making dietary changes, purchasing medicines and regular vital monitoring, and these processes can go on for a lifetime.

The chronic disease market is about US\$ 40 billion, with the chronic care urban OPD market at US\$ 17 billion in 2022. It presents a vast opportunity for digital chronic care management companies because, right now, they represent only 1% of the market.

### Opportunities & Threats

Opportunities	Threats
<ul style="list-style-type: none"> <li>Large and growing market owing to awareness and convenience.</li> <li>Government thrust on digital inclusion in the healthcare space.</li> <li>'Make in India' thrust creating significant opportunities for expanding globally.</li> </ul>	<ul style="list-style-type: none"> <li>Increasing competition from domestic players.</li> <li>Import of low cost variants.</li> </ul>

## Business Overview

Nureca Limited is an inspiring story in the Indian home healthcare and wellness space. It has played a pivotal role in growing the home healthcare segment in India with its thought-provoking technologies, novel products and associated digital ecosystem. These products enable early detection and management of lifestyle diseases.

The Company is a D2C company with 150+ SKUs in different categories. Nureca has adopted the asset-light model where the Company owns trademarks, copyrights, and design registrations, and product manufacturing is outsourced to dedicated vendors with stringent quality control parameters, which are monitored by the Company's quality control team.

These Company's product accuracy is unmatched as its products are certified by reputed global regulatory agencies, namely US, FSA, European CE, ROHS and ISO standards.

Most of Nureca's products are marketed through leading online channels in India and across the globe. The Company is supplementing its online presence with a distribution channel comprising distributors and retailers.

## Financial Performance Overview

### Financial Performance review

#### Key highlights for the year

- GMV for the year was at ₹1,523 million as compared to ₹3,403 million in FY22, a decrease of 55.25%
- EBITDA was ₹(79.05) million as compared to ₹632.04 million in FY22, a decrease of 112%
- EBITDA margin stood at ₹(6.67)% as against 24% in FY22, margin decreased by 128%
- PAT stood at ₹(82.50) million; it was ₹449.60 million in FY22, dipping 118%
- Cash and Cash Equivalents stood at ₹709.66 million, while Investments were at ₹590.85 million as of March 31, 2023 – a showcase of the strength in the Balance Sheet

### Analysis of the profit & loss statement Revenue

Revenue from operations dipped by 56% from ₹2,555.5 million in FY22 to ₹1,113.2 million in FY23.

Other income dipped by 7.7% and accounted for a 6% share of the total revenue reflecting the Company's dependence on its core business operations.

### Expenses

Total expenses decreased by 36% from ₹2022.6 million in FY22 to ₹1291.7 million in FY23 primarily owing to decrease in sale and other expenses due to decrease in revenue. The cost of goods sold (constitutes 67.9% of the Company's revenue from operations) decreased by 43% from ₹1326.24 million to ₹755.3 million owing to decrease in operations. Other expenses (constitute 31.21% of the Company's revenue from operations) decreased by 39.6% from ₹575 million to ₹347 million mainly due to decrease in operations during the year.

### Analysis of the Balance Sheet Source of Funds

Net worth decreased by 4.1% from ₹2,032 million in March 31, 2022 to ₹1,949 million in March 31, 2023 owing to accrual of losses to Reserves by ₹(83.16) million. The Capital Employed decreased by 4.52% from ₹2,076 million as on March 31, 2022 to ₹1,982 million as on March 31, 2023. Return on average capital employed, a measurement of returns derived from money invested in the business, decreased from 30% in FY22 to (5%) in FY23.

### Application of funds

Cash and cash equivalents and other bank balances decreased from ₹843.5 million as of March 31, 2022 to ₹709.66 million as of March 31, 2023. The Investment portfolio increased from ₹331.9 million as on March 31, 2022 to ₹590.8 million as on March 31, 2023 owing to investments in mutual funds. Net increase in funds is primarily due to realization from inventories. (Inventories came down from ₹631.77 million as on March 31, 2022 to ₹344.77 as on March 31, 2023). However the same was offset to some extent by operational losses.

### Working capital requirements

Current assets decreased by ₹196.30 million from ₹2061.9 million in March 31, 2022 to ₹1865.6 million in March 31, 2023. Inventories of the Company increased by ₹287 million from ₹631.8 million as on March 31, 2022 to ₹344.77 million as on March 31, 2023. Current liabilities of the Company decreased by ₹33.6 million from ₹122.4 million as on March 31, 2022 to ₹88.8 million as on March 31, 2023.

## Margins

The EBITDA margin of the Company is reduced to -6.67% in FY23 from 24% in FY22. This reduction was a result of decrease in revenue. Net profit margins of the Company decreased from 17.1% in FY 2021-22 to -6.97% in FY 2022-23. Gross Margin of the Company reduced from 48% in FY22 to 32% in FY23 as the gross margins were impacted post covid surge due to inflation in input cost, currency fluctuations as well as inflationary pressure in other non-core costs.

### (a) Financial performance with respect to operational performance

The Company's revenue during FY23 stood at ₹1,113.2 million as against ₹2,555.5 million in the previous year recording a decrease of 56.4%.

	FY23	FY22
EBITDA Margin (%)	-6.67%	24.0%
PBT Margin (%)	-9.07%	23.2%
PAT Margin (%)	-6.97%	17.1%

### Significant changes in key financial ratios

Key Financial Ratios	FY23	FY22	Change %	Numerator/Denominator	Reason for variance >25%
(i) Debtors Turnover Ratio	30.97	40.99	(24.4)	(Overall sales / average accounts receivable)	Debtors Turnover Ratio has decreased due to decrease in sales
(ii) Inventory Turnover Ratio	1.55	0.66	134.4	(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	(22.87)	14.82	(164.80)	(EBIT / Interest)	Interest Coverage Ratio has increased for the year ended 31 March 2023 due to the decrease in earnings available for debt services.
(iv) Current Ratio	21.00	16.85	24.7	(Current Assets / Current Liabilities)	Current Ratio has increased for year ended 31 March 2023, since business scale has increased and subsequently liability has decreased
(v) Debt Equity Ratio	0.02	0.02	(21.2)	(Long term Debt / Equity)	NA
(vi) Operating Profit Margin (%)	32%	48%	33.33%	(Gross operating margin / net sales)	Operating Profit Margin has reduced mainly due to higher input cost.
(vii) Net profit Margin (%)	(7)%	18%	(142.1)	(PAT / Net sale)	Net profit ratio has declined because the sales have reduced substantially in the current year.

### Return on Net worth (PAT / Net Worth)

FY23	FY22	Reason for change
(4.23)%	22.1%	The reduction in ratio is due to losses in the current FY.

**Internal Control and Adequacy**

A robust 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 the achievement of operational and strategic goals, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The formalised systems of control facilitate effective compliance as per LODR Regulations. The Company also has 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 to provide the Audit Committee and the Board of Directors with independent, objective and reasonable assurance of the adequacy and effectiveness of the organisation'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 and 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 and Internal Auditors to incorporate their views on the financial statements, including the financial reporting system, compliance with accounting policies and procedures, and adequacy and effectiveness of internal controls and systems followed by the Company.

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

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

**Human Resource**

Nureca's HR management philosophy revolves around empowering the employees to make them more productive, efficient and integral to the organisation.

The Company always believes in hiring the best talents across disciplines and nurturing their skills to help them grow professionally and personally. It provides a suitable and growth-oriented work environment that ensures workplace safety and room for individual growth.

It nurtures the skills and competencies of its employees to drive shared organisational objectives. The Company's people development practices help strengthen the capabilities of its human capital that, contribute to business growth.

Nureca believes in retaining its knowledge capital by involving them in business strategies. This initiative cements their bond with the Company and prepares them for future leadership. As on 31st March 2023, the Company has 102 employees on its payroll.

**Managing Business Uncertainty**

With the global and domestic macro- and micro-economic scenarios evolving unfathomably, business risks are becoming increasingly dynamic and complex.

Cognizant of the changing business ecosystem, Nureca has developed a robust and resilient risk management framework for identifying, analyzing and managing business risks.

The Company's Risk Management Committee, along with the senior leadership, monitors situations and emerging risks. It draws the blueprint of the mitigation plans, which are then executed by the functional heads.

# Directors' Report & its Annexures

# Directors' Report

*Dear Members*

The Directors are pleased to present their 7<sup>th</sup> (Seventh) Annual Report together with the audited financial statements of Nureca Limited ('Nureca' or 'the Company') for the financial year ended March 31, 2023.

## Financial Performance

The Company's financial performance for the year under review along with previous year's figures are given hereunder:

	₹ in Millions	
	31-Mar-23	31-Mar-22
Revenue from operations	1,118.99	2,555.49
Other Income	71.65	77.20
<b>Total Income</b>	<b>1,190.64</b>	<b>2,632.69</b>
Profit / (Loss) before interest and depreciation	(82.25)	634.93
Finance Costs	4.31	7.31
Depreciation & Amortization	23.01	14.32
<b>Profit / (Loss) before tax</b>	<b>(109.57)</b>	<b>613.30</b>
Tax expenses	(25.35)	160.21
<b>Profit / (Loss) after tax</b>	<b>(84.22)</b>	<b>453.09</b>
Other Comprehensive income(Net of Taxes)	(0.58)	1.42
<b>Profit / (Loss) after tax available for Appropriations</b>	<b>(84.80)</b>	<b>454.51</b>

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

Keeping in view the financial position of the Company, the Directors of your Company have not recommended any dividend for the Financial Year 2022-23.

## 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 and Sustainability Report

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business

Responsibility and Sustainability Report for Financial Year 2022-23 is attached as **Annexure A** and forms part of this Report and is also made available on the website of the Company at <https://www.nureca.com/wp-content/uploads/2023/06/Business-Responsibility-and-Sustainability-Report-2023.pdf>.

## Share Capital

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

## 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 ₹1.75 crores 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](http://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 2022-23, together with the Auditors' Report forms part of this Annual Report.

## Directors

Mr. Nitin R. Bidikar tendered his resignation as an Independent Director of the Company with effect from November 24, 2022 on account of personal reason and other professional commitment. Further, Mr. Bidikar confirmed that apart from the above, there was no material reason for his resignation.

The Board, on the recommendation of Nomination and Remuneration Committee, re-appointed Mr. Saurabh Goyal as a Chairman and Managing Director of the Company for a period of three years with effect from September 3, 2023, subject to approval of the Members of the Company in the ensuing Annual General Meeting.

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

At the last Annual General Meeting, held on September 10, 2022, the Members had approved the appointment of Mr. Aryan Goyal as a Whole-time Director designated as Whole-time Director & CEO for a period of five years effective from May 28, 2022. The Members had also approved the appointment of Mr. Rajinder Sharma as a Whole-time Director of the Company for a period of three years effective from May 28, 2022.

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, 2023, 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	Dr. Vikram Chaudhery	00509297	Independent Director
4	Dr. Shrikant Uttam Tamhane	08965471	Independent Director
5	Ms. Charu Singh	07822158	Independent Director
6	Ms. Ruchita Agarwal	08941249	Independent Director
7	Mr. Aryan Goyal	00002869	Whole-time Director & CEO
8	Mr. Rajinder Sharma	00317133	Whole-time 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 Personnel of the Company as on March 31, 2023.

**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 fulfil 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 available on the website of the Company at the 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 2022-23.

**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, 2023, 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, 2023 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, 2023, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure B**, 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 C**, 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](mailto: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.

Auditors' Report to the Members of the Company, for the year under review, does not contain any qualification.

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 2022-23. The Secretarial Audit Report, for the year under review, does not contain any qualification and is attached as **Annexure D**. The Company has undertaken an audit for the Financial Year 2022-23 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, 2023, 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 particulars of loans and investments have been disclosed in the financial statements.

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

The Policy for consideration and approval of Related Party Transactions is available on the website of the Company at weblink – <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 E**.

**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/Form\\_MGT\\_7%20for%20website2023.pdf?t=1687785284](https://www.nureca.com/Form_MGT_7%20for%20website2023.pdf?t=1687785284)

**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 F.**

**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 two Executive Directors.

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.

**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: 23.05.2023  
Place: Chandigarh

**(Saurabh Goyal)**  
**Chairman and Managing Director**  
**DIN - 00136037**

**ANNEXURE A TO DIRECTORS' REPORT**

**Business Responsibility & Sustainability Report for Financial Year 2022-23**

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

**SECTION A: GENERAL DISCLOSURES**

**I. Details of the Company**

1	Corporate Identity Number (CIN) of the Company	L24304MH2016PLC320868
2	Name of the Company	NURECA LIMITED ('NURECA' or 'Company')
3	Year of incorporation	2016
4	Registered Office address	Office No.101, 1st Floor, Udyog Bhavan, Sonawala Lane, Goregaon East Mumbai, Maharashtra -400063
5	Corporate address	SCO 6-7-8, Sector 9-D, Chandigarh - 160009
6	Website	www.nureca.com
7	E-mail id	cs@nureca.com
8	Telephone	0172-5292900
9	Financial year for which reporting is being done	April 2022 to March 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited
11	Paid-up Capital	₹ 10,00,01,750
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Saurabh Goyal Managing Director Tel.: +0172-5292900 E-mail : cs@nureca.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis or on a consolidated basis	Standalone basis

**II. Products / Services**

**14 Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Company
1	Home Healthcare and Wellness products	The Company is engaged in the business of Home Healthcare and Wellness Products	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Home Healthcare and Wellness products	869 "Other human health activities"	100%

**III. Operations**

**16 Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	N.A.	1 Registered office, 1 Corporate Office, 4 Warehouses	6
International	N.A.	1	1

**17 Markets served by the entity:**

a) Number of locations

Locations	Number
National (No. of States)	20
International (No. of Countries)	0

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

The Company is engaged in home health care and wellness products in the domestic market only, However, the company is making all efforts to expand its product portfolio and export its products to new countries & markets.

c) Customers - Nureca is a D2C company engaged in the business of home healthcare and wellness products. Nureca enables its customers with tools to help them monitor chronic ailments and other diseases, to improve their lifestyle. Nureca is a digital first company wherein it sells its products through online channel partners such as e-commerce players, distributors and retailers and it's own website [drtrust.in](http://drtrust.in).

Nureca is supported by a Pan India network of more than 180 stockists with presence at more than 6000 Retailers across all states of India.

**IV. Employees**

18 Details as at the end of Financial Year:

a) Employees and Workers (including differently abled):

S. No. Particulars	Total		Male		Female	
	(A)	No. (B)	% (B / A)	No. (C)	% (C / A)	
<b>EMPLOYEES</b>						
1 Permanent (D)	102	73	72%	29	28%	
2 Other than Permanent (E)	1	1	100%	0	--	
<b>3 Total employees (D + E)</b>	<b>103</b>	<b>74</b>	<b>72%</b>	<b>29</b>	<b>28%</b>	
<b>WORKERS</b>						
4 Permanent (F)	0	0	--	0	--	
5 Other than Permanent (G)	122	121	99%	1	1%	
<b>6 Total workers (F + G)</b>	<b>122</b>	<b>121</b>	<b>99%</b>	<b>1</b>	<b>1%</b>	

b) Differently abled Employees and Workers :

S. No. Particulars	Total		Male		Female	
	(A)	No. (B)	% (B / A)	No. (C)	% (C / A)	
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1 Permanent (D)	0	0	--	0	--	
2 Other than Permanent (E)	0	0	--	0	--	
<b>3 Total employees (D + E)</b>	<b>0</b>	<b>0</b>	<b>--</b>	<b>0</b>	<b>--</b>	
<b>DIFFERENTLY ABLED WORKERS</b>						
4 Permanent (F)	0	0	--	0	--	
5 Other than Permanent (G)	0	0	--	0	--	
<b>6 Total workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>--</b>	<b>0</b>	<b>--</b>	

19 Participation / Inclusion / Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	4	1	25%

20 Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	81%	32%	64%	45%	21%	26%	12%	16%	13%
Permanent Workers	No Permanent Workers are employed in the Company								

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

21 a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Nureca Technologies Private Limited	Subsidiary	100%	No
2	Nureca Healthcare Private Limited	Subsidiary	100%	No
3	Nureca INC (USA)	Subsidiary	100%	No

**VI. CSR Details**

22 a) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

b) Turnover of the Company for the year ended March 31, 2023: ₹ 1,118.99 Millions

c) Net worth of the Company as at March 31, 2023 : ₹ 1,952.61 Millions

**VII. Transparency and Disclosures Compliances**

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes	4	0	Complaints received on Score, NSE, BSE	19	0	Complaints received on Score, NSE, BSE

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes	30	0	Complaints, queries received on social media, Consumer email id	112	0	Complaints, queries received on social media, Consumer email id
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil

**24 Overview of the entity's material responsible business conduct issues:**

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

No material sustainability issues pertaining to environmental and social matters identified by the Company.

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1 (a) Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
1 (b) Has the policy been approved by the Board? (Yes/No)	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 & signed by the Managing Director.								
1 (c) Web Link of the Policies, if available	Relevant external policies are available at the website of the Company viz. <a href="https://www.nureca.com/investor-relations/#1619713093679-a2650db1-1322">https://www.nureca.com/investor-relations/#1619713093679-a2650db1-1322</a>								
2 Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	NA	Y	Y

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3 Name of the national and international codes/ Certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 (Quality Management System) certification								
4 Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is in the process of setting up its goals and targets.								
5 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A.								
<b>Governance, leadership and oversight</b>									
7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer the Chairman's letter to Shareholders								
8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Managing Director is responsible for implementation and oversight of Business Responsibility (BR) performance of your Company.								
9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									

**10 Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The Policies are reviewed internally on a periodic / need basis																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Statutory Compliance Certificate on applicable laws is provided by the CEO and all HODs to the Board of Directors.									Quarterly								
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No, the Company internally reviews the working of the Policies.								

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

Questions	P7
The entity does not consider the Principles material to its business (Yes/No)	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
It is planned to be done in the next financial year (Yes/No)	
Any other reason (please specify)	

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

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

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

**Essential Indicators**

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	0	--	--
Key Managerial Personnel Employees other than BoD and KMPs	18	On joining, the employees are oriented on various functional and non-functional aspects of the organisation. Detailed orientation program is conducted on the Company's Core Values, Ethical Business Practices, Code of Business Conduct, Prohibition of Insider Trading Code and Organization's work culture.  Further on the regular basis, along with functional aspects, they also undergo various training programmes on Health & Safety, skill updation programmes, Whistle blower mechanism, Prevention of Sexual harassment at workplaces, Prevention of Insider Trading, etc.	100%
Workers	1	Safety	100%

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

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

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

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

The Company's Code of Conduct covers aspects relating to anti-corruption or anti-bribery. In terms of the said Code, the Company believes in conducting its business in a transparent manner and does not indulge in bribery or corruption.

The Company's Code of Conduct can be accessed at the website of the Company at - <https://www.nureca.com/investor-relations/#1619713093679-a2650db1-1322>

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

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs		
Employees		
Workers		

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

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

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

**Essential Indicators**

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

Since the Company is not into any manufacturing activity, R&D and Capital Expenditure are made by the value chain partners (as applicable).

**2. (a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The Company endeavors to work with Suppliers who follow good environmental practices. Few of the Company's suppliers have ISO 14001:2015 (Environment Management System) certification.

**(b) If yes, what percentage of inputs were sourced sustainably?**

1.4% of the material was sourced locally (same / neighboring district).

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

Plastics	All pre-consumer plastic waste is sent for recycling through an authorized waste handler.
E-waste	All e-waste is disposed off through a Government approved e-waste recycler.
Hazardous Waste	No hazardous waste generated by the Company

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

Not Applicable

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

**Essential Indicators**

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	73	57	78%	57	78%	0	--	--	--	--	--
Female	29	22	76%	22	76%	29	100%	--	--	--	--
<b>Total</b>	<b>102</b>	<b>79</b>	<b>77%</b>	<b>79</b>	<b>77%</b>	<b>29</b>	<b>28%</b>	--	--	--	--
<b>Other than Permanent employees</b>											
Male	1	NIL									
Female	0										
<b>Total</b>	<b>1</b>										

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	Not Applicable										
Female											
<b>Total</b>											
<b>Other than Permanent workers</b>											
Male	121	All the temporary / casual workers are covered under ESI									
Female	1										
<b>Total</b>	<b>122</b>										

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

Benefits	FY 2022-23			FY 2021-22		
	No. of employee covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employee covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	91%	--	Y	91%	--	Y
Gratuity	100%	--	Y	100%	--	Y
ESI	24%	--	Y	27%	--	Y

**3. Accessibility of workplaces:**

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

Currently, there are no differently abled employees and workers in the Company. However, the Company will ensure compliance with the provisions of the Rights of Persons with Disabilities Act at the time of appointment of such employee / worker.

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

The Company is committed to provide equal employment opportunities without any discrimination on the grounds of age, color, origin, nationality, disability, religion, race, caste, gender, sex and sexual orientation. The Company's 'Human Right Policy' and 'Social Accountability Policy' specifically calls out for no discrimination on any grounds.

These are available for the employees of the Company on intranet.

The Company is in the process of formulating a documented policy on Equal Employment Opportunity in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016, read with the Rights of Persons with Disabilities Rules, 2017.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	No employee took paternal leaves during the reporting period		Not Applicable	
Female				
<b>Total</b>				

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable. All Workers working in the Company are temporary / contractual.
Other than Permanent Workers	Not Applicable. Non-permanent workers are contracted via a third party and their grievance redressal mechanism rests with the contractors.
Permanent Employees	The Company has a Whistle Blower, Prevention of Sexual harassment Policy and Social Accountability Policy in place which provides guidance to raise a complaint in case of any concerns
Other than Permanent Employees	

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

The Company does not have any trade unions.

**8. Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	73	--	--	8	11%	148	--	--	20	14%
Female	29	15	52%	12	41%	33	--	--	30	91%
<b>Total</b>	<b>102</b>	<b>15</b>	<b>15%</b>	<b>20</b>	<b>20%</b>	<b>181</b>	<b>--</b>	<b>--</b>	<b>50</b>	<b>28%</b>
<b>Workers</b>										
Male	Not Applicable									
Female	Not Applicable									
<b>Total</b>	Not Applicable									

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	73	62	85%	148	94	64%
Female	29	12	41%	33	20	61%
<b>Total</b>	<b>102</b>	<b>74</b>	<b>73%</b>	<b>181</b>	<b>114</b>	<b>63%</b>
<b>Workers</b>						
Male	Not Applicable					
Female	Not Applicable					
<b>Total</b>	Not Applicable					

**10. Health and safety management system:**

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

Due to the nature of the work, there are no critical occupational health and safety risks.

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

The Company uses employee feedback and walk-through approach to identify work-related hazards and risks on a regular basis.

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

Yes

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

Yes. The Employees who are not covered under ESIC Scheme, are provided with Medclaim insurance by the Company.

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

Safety Incident/ Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

**12. Describe the measures taken by the entity to ensure a safe and healthy work place :**

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. All our employees and contractual workers are covered either under Employee State Insurance (ESI) or private medical insurance.

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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	--	0	0	--
Health & Safety	0	0	--	0	0	--

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	There is no specific assessment done.
Working Conditions	

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

There has been no concern or significant risk arising from health & safety practices and working conditions, hence, no corrective action taken.

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

**Essential Indicators**

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

The Company has identified stakeholders as a person, a group of people or a company that are impacted by our company's actions and inversely, have the potential to impact our company as well.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	- E-mail - Notice Board - Intranet	Regularly	Communication on policy changes, key developments happening in the company and also addressing their grievances
Distributors, Retailers, Stockist and Suppliers	No	- Virtual modes such as e-mail, telephonically - In-person meetings	Regularly	Communication on new launches, schemes and to monitor the operations on a regular basis.
Shareholders	No	- Website - Stock Exchange(s) announcements - Press Release - Annual General Meeting	Quarterly and Annually	Communication on financial performance, growth perspective and any other material information

**PRINCIPLE 5 Businesses should respect and promote human rights.**

**Essential Indicators**

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	102	102	100%	181	181	100%
Other than permanent	1	1	100%	--	--	--
<b>Total Employees</b>	<b>103</b>	<b>103</b>	<b>100%</b>	<b>181</b>	<b>181</b>	<b>100%</b>
<b>Workers</b>						
Permanent	Not Applicable					
Other than permanent	Not Applicable					
<b>Total Workers</b>	Not Applicable					

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

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
<b>Permanent</b>	<b>102</b>	--	--	<b>102</b>	<b>100%</b>	<b>181</b>	--	--	<b>181</b>	<b>100%</b>
Male	73	--	--	73	100%	148	--	--	148	100%
Female	29	--	--	29	100%	33	--	--	33	100%
<b>Other than Permanent</b>	<b>1</b>	--	--	<b>1</b>	<b>100%</b>	--	--	--	--	--
Male	1	--	--	1	100%	--	--	--	--	--
Female	0	--	--	--	--	--	--	--	--	--
<b>Workers</b>										
<b>Permanent</b>	--	--	--	--	--	--	--	--	--	--
Male	--	--	--	--	--	--	--	--	--	--
Female	--	--	--	--	--	--	--	--	--	--
<b>Other than Permanent</b>	<b>122</b>	<b>122</b>	<b>100%</b>	--	--	<b>205</b>	<b>205</b>	<b>100%</b>	--	--
Male	121	121	100%	--	--	202	202	100%	--	--
Female	1	1	100%	--	--	3	3	100%	--	--

**3) Details of minimum wages paid to employees and workers, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	6	13.22 lacs	2	-^
Key Managerial Personnel (other than BoD)	1	2.71 lacs	1	1.08 lacs
Employees other than BoD and KMP	69	0.29 lacs	28	0.24 lacs

\* We have 3 executive directors who are paid compensation, rest are independent directors who only receive sitting fee. Sitting fees paid to Independent Directors was not considered while calculating median.

^ We have 2 female independent Directors, who are paid sitting fee. Please refer corporate governance report for details.

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

Yes

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

The Company's Human Rights Policy and Social Accountability Policy outlines the grievance redressal mechanism, wherein the employees can directly report their concerns to HR head. Further, the grievances can also be reported under the mechanism of Whistle Blower Policy and Prohibition of Sexual Harassment at Workplace.



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

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	--	Nil	Nil	--
Discrimination at workplace	Nil	Nil	--	Nil	Nil	--
Child Labour	Nil	Nil	--	Nil	Nil	--
Forced Labour/ Involuntary Labour	Nil	Nil	--	Nil	Nil	--
Wages	Nil	Nil	--	Nil	Nil	--
Other human rights related issues	Nil	Nil	--	Nil	Nil	--

**7) Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company's Whistleblower Policy and Social Accountability Policy have clearly laid down the guidelines to prevent retaliation against a complainant. A complainant has the right to complete anonymity unless required by law enforcement agencies.

**8) Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

No.

**9) Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	There is no specific assessment done.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

**10) Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable

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

**Essential Indicators**

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

Parameter	Unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	GJ	788.97	601.17
Total fuel consumption (B)	GJ	1663.73	1460.21
Energy consumption through other sources (C)	GJ	0	0
<b>Total energy consumption (A+B+C)</b>	GJ	<b>2452.70</b>	<b>2061.38</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ/₹	0.000002	0.000008

No independent assurance has been done for data verification.

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

No, the Company is not identified as designated consumer under the Performance Achieve and Trade (PAT) Scheme of the Government of India.

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

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	N.A.	N.A.
(ii) Groundwater	N.A.	N.A.
(iii) Third party water (Municipal Water Supply)	1186	305
(iv) Seawater / desalinated water	N.A.	N.A.
(v) Others	3	54
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>1189</b>	<b>359</b>
Water intensity per rupee of turnover (Water consumed / turnover)	0.000001	0.000001

No independent assurance has been done for data verification.

**4) Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Not Applicable

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

Considering the nature of the business of the Company, there is no significant air emissions other than those arising from operation of DG sets during power outages.

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Not Applicable		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			

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

Parameter	Unit	FY 2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Not Applicable	Not Applicable
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent		
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>			

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

The Company has no project related to reducing Green House Gas emission.

**8) Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	4.15	0.9
E-waste (B)	1.12	1.54
Bio-medical waste (C)	2.43	1.12
Construction and demolition waste (D)	--	--
Battery waste (E)	--	--
Radioactive waste (F)	--	--
Other Hazardous waste. Please specify, if any. (G)	--	--
Other Non-hazardous waste generated (H)	--	--
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>7.70</b>	<b>3.56</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

No independent assurance has been done for data verification.

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

Considering the nature of business of the Company, it does not generate any hazardous waste. However, the pre-consumer plastic waste generated is sent for recycling through an authorized waste handler and e-waste is disposed off through a registered vendor.

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

Not applicable as there are no operations near above-mentioned zones.

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No EIA undertaken in FY 2022-23					

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

No fine / penalty was paid by the Company during FY 2022-23.

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

**Essential Indicators**

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations
1	PHD Chamber of Commerce & Industry	National
2	Entrepreneurs Organization, Punjab	State

- 2) Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

The Company has not engaged in any anti-competitive conduct.

**PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.**

**Essential Indicators**

- 1) Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.  
Not Applicable.
- 2) Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:  
Not Applicable
- 3) Describe the mechanisms to receive and redress grievances of the community.  
All grievances could be submitted at [cs@nureca.com](mailto:cs@nureca.com).
- 4) Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	6.3%	4.2%
Sourced directly from within the district and neighbouring districts	1.4%	22%

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

**Essential Indicators**

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

A well-established system is in place for dealing with consumer feedback. Consumers are provided multiple options to connect with the Company through email, telephone, website, social media, etc.

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

Products of the Company contain all relevant information as required under applicable laws.

**3) Number of consumer complaints in respect of the following:**

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	--	--	--	--	--	--
Advertising	--	--	--	--	--	--
Cyber-security	--	--	--	--	--	--
Delivery of essential services	3	0	--	24	0	--
Restrictive Trade Practices	--	--	--	--	--	--
Unfair Trade Practices	--	--	--	--	--	--
Other	--	--	--	--	--	--

**4) Details of instances of product recalls on account of safety issues:**

There has been no instance of product recall on account of safety issues.

**5) Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The Company has an internally available framework on cyber security.

**6) Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

For FY 2022-23, there were no complaints received for issues pertaining to delivery of essential services, advertising, action taken by regulatory authorities on safety of products.

**ANNEXURE B TO DIRECTORS' REPORT**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2022-23**

**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 2022-23	No. of meetings attended during the year 2022-23
1	Mr. Saurabh Goyal, Chairperson	Executive (Managing Director)	1	1
2	Ms. Charu Singh	Independent, Non-Executive	1	1
3	Dr. Vikram Chaudhery	Independent, Non-Executive	1	0

During the year, 1 (One) meeting of the Committee was held on May 27, 2022.

**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](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 executive summary along with the web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable**

5. (a) Average net profit of the Company as per Section 135(5)	₹ 4,385.85 lacs
(b) Two percent of average net profit of the Company as per Section 135(5)	₹ 87.72 lacs
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	--
(d) Amount required to be set off for the financial year, if any.	₹ 3.0 lacs
(e) Total CSR obligation for the financial year (b+c-d)	₹ 84.72 lacs
6. (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project).	₹ 175.21 lacs
(b) Amount spent in Administrative Overheads	Nil
(c) Amount spent on Impact Assessment, if applicable	Not Applicable
(d) Total Amount spent for the Financial Year (a+b+c)	₹ 175.21 lacs
(e) CSR amount spent or unspent for the Financial year :	

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹175.21 lacs			Not Applicable		

**(f) Excess amount for set off, if any :**

Sl. No.	Particular	Amount
i.	Two percent of average net profit of the company as per section 135(5)	₹ 87.72 lacs
ii.	Total amount spent for the Financial Year 2022-23 with addition of carry forward of previous year	₹178.21 lacs
iii.	Excess amount spent for the financial year [(ii)-(i)]	₹90.49 lacs
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)]	₹ 90.49* lacs

\*CSR Asset of ₹87.12 lacs created which will be set-off in next three financial years in accordance with the provisions of the Companies Act, 2013

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

Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NIL								

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year :**

Yes  No

If Yes, enter the number of Capital assets created / acquired : Not Applicable

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

Si. No.	Short Particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

**9. 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**

Place : Chandigarh  
Dated : 23.05.2023

**Saurabh Goyal**  
Chairman, CSR Committee  
DIN - 00136037

**Aryan Goyal**  
Whole-time Director & CEO  
DIN - 00002869

**ANNEXURE C TO 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, 2023	- Mr. Saurabh Goyal, Chairman & Managing Director 55:1 Mr. Aryan Goyal, Whole-time Director & Chief Executive Officer (appointed as Whole-time Director w.e.f. 28.05.2022) 48:1 Mr. Rajinder Sharma, Whole-time Director (appointed as Whole-time Director w.e.f. 28.05.2022) 1:1
(ii)	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23	- Mr. Saurabh Goyal, Chairman & Managing Director 20% - Mr. Aryan Goyal, Whole-time Director & Chief Executive Officer (appointed as Whole-time Director w.e.f. 28.05.2022) 39% Mr. Rajinder Sharma, Whole-time Director (appointed as Whole-time Director w.e.f. 28.05.2022) NA - Mr. Nishant Garg, Chief Financial Officer 25% - Ms. Chetna Anand, Company Secretary NA
(iii)	Percentage increase in the median remuneration of employees in the financial year 2022-23	No increase in the median remuneration of employees
(iv)	Number of permanent employees on the rolls of the company as on March 31, 2023	102
(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 29% - Average increase in remuneration of employees other than the Managerial Personnel 9%
(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 and whole-time Director designated as whole-time Director & CEO w.e.f. May 28, 2022 (with revised remuneration).

**ANNEXURE D TO DIRECTORS' REPORT**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

*[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, 2023 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, 2023, 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 And Sweat Equity) Regulations, 2021- Not Applicable to the company 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) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
- g) 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.
- h) 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, Non-Executive Directors 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.
- 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.

Place: Chandigarh

Date : 23.05.2023

UDIN: F002191E000362518

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

**AJAY K. ARORA**

(Proprietor)

FCS No. 2191

C P No.: 993

Peer review Cert No. 2120/2022

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

**"Annexure-A"**

**ANNEXURE E TO DIRECTORS' REPORT**

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

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chandigarh  
Date : 23.05.2023  
UDIN: F002191E000362518

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

**AJAY K. ARORA**  
(Proprietor)  
FCS No. 2191  
C P No.: 993  
Peer review Cert No. 2120/2022

**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 2022-23. However, the details of non-material contract or arrangement or transaction with its related parties which are at arm's length during financial year 2022-23 has been given in the notes to the Financial Statements forming part of the Annual report.

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

**(Saurabh Goyal)**  
**Chairman and Managing Director**  
**DIN - 00136037**

Dated: 23.05.2023  
Place: Chandigarh

**ANNEXURE F TO DIRECTORS' 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 2022-23, total 789 GJ of energy has been consumed leading to 29 tCO2e 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.

**3. Capital investment on energy conservation equipments**

Capital Investment: Nil

**B. TECHNOLOGY ABSORPTION**

**1. The efforts made towards technology absorption:**

Continued with development of Dr Trust 360 mobile application.

**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**

	(₹ in Crores)
Foreign exchange earned in terms of actual inflow during the financial year ended on March 31, 2023	0.02
Foreign exchange outgo in terms of actual outflow during the financial year ended on March 31, 2023	23.01

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

Dated: 23.05.2023  
Place: Chandigarh

**(Saurabh Goyal)**  
**Chairman and Managing Director**  
**DIN - 00136037**

# Corporate Governance Report

# 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 8 (Eight) Directors on the Board as on March 31, 2023, comprising of 3 (Three) Executive Directors (including a Chairman & Managing Director) and 5 (Five) 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](http://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, Mr. Nitin R. Bidikar tendered his resignation as an Independent Director of the Company with effect from November 24, 2022 on account of personal reason and other professional commitment. Further, Mr. Bidikar confirmed that apart from the above, there was no material reason for his resignation.

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

Sr. No.	Name of the Director	Expertise / Skill
1	Mr. Saurabh Goyal	Knowledge of domain of home healthcare and wellness products; Governance and Regulatory oversight; Technology and Innovation; General Management; Business Strategy; Sales and Marketing exposure
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	Dr. Shrikant Uttam Tamhane	Knowledge of domain of home healthcare and wellness products; Governance and Regulatory oversight
5	Ms. Charu Singh	Financial Experience
6	Ms. Ruchita Agarwal	Financial Experience and Risk oversight; Governance and Regulatory oversight
7	Mr. Aryan Goyal	Knowledge of domain of home healthcare and wellness products; Governance and Regulatory oversight; General Management; Business Strategy; Sales and Marketing exposure
8	Mr. Rajinder Sharma	Administration and General Management

### 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).

### 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.

### Number of Meetings of the Board

During the year, 4 (Four) Board Meetings were held on May 28, 2022, August 12, 2022, November 11, 2022 and February 3, 2023. 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, 2023 are given below:



Name of Director (DIN No.)	Category	Board Meetings during 2022-23		Attendance at the AGM held on 10.09.2022	Directorship in Companies* in- cluding Nureca Limited (as on 31.03.2023)		Number of Com- mittee positions in Companies# includ- ing Nureca Limited (as on 31.03.2023)	
		Meetings Held	Meetings Attended		Public	Private	Member	Chairman
<b>Mr. Saurabh Goyal</b> Chairman & Managing Director (DIN 00136037)	Executive	4	4	Yes	1	5	1	--
<b>Ms. Ruchita Agarwal</b> (DIN 08941249)	Independent Non-Executive	4	3	Yes	1	--	2	--
<b>Ms. Charu Singh</b> (DIN 07822158)	Independent Non-Executive	4	4	Yes	1	1	--	2
<b>Mr. Vijay Kumar Sharma</b> (DIN 02449088)	Independent Non-Executive	4	4	Yes	5	--	4	3
<b>Dr. Vikram Chaudhery</b> (DIN 00509297)	Independent Non-Executive	4	3	Yes	1	1	1	--
<b>Mr. Nitin R. Bidikar</b> (DIN 02472794) (Ceased w.e.f. 24.11.2022)	Independent Non-Executive	3	2	Yes	NA	NA	NA	NA
<b>Dr. Shrikant Uttam Tamhane</b> (DIN 08965471)	Independent Non-Executive	4	0	Yes	1	--	--	--
<b>Mr. Aryan Goyal</b> Whole-time Director & CEO (DIN 00002869) (appointed as Whole-time Director w.e.f. May 28,2022)	Executive	3	3	Yes	1	6	--	--
<b>Mr. Rajinder Sharma</b> Whole-time Director (DIN 00317133) (appointed w.e.f. May 28, 2022)	Executive	3	1	No	1	3	--	--

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

# Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for Committee positions.

(a) As on March 31, 2023, none of the Directors are shareholder of the Company except Mr. Saurabh Goyal, Chairman & Managing Director who holds 34,99,979 equity shares and Mr. Aryan Goyal, Whole-time Director & CEO who holds 7 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.

**Details of Directors holding Directorship in Listed Entities including Nureca Limited and the category of their Directorship as on March 31, 2023 :**

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 - Nominee Director Independent Director
Dr. Vikram Chaudhery (DIN 00509297)	Nureca Limited	Independent Director
Dr. Shrikant Uttam Tamhane (DIN 08965471)	Nureca Limited	Independent Director
Mr. Aryan Goyal (DIN 00002869)	Nureca Limited	Whole-time Director & CEO
Mr. Rajinder Sharma (DIN 00317133)	Nureca Limited	Whole-time 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](http://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, 2023, the Audit Committee comprised of 3 (three) Directors viz. Ms. Charu Singh (Chairperson of the Committee), Ms. Ruchita Agarwal and Dr. Vikram Chaudhery.

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, 7 (Seven) meetings were held on April 29, 2022, May 28, 2022, July 2, 2022, August 12, 2022, September 7, 2022, November 11, 2022 and February 3, 2023. The maximum gap between any two Meetings of the Committee held during the year was not more than 120 days.

Ms. Charu Singh, the Chairperson of the Audit Committee was present at the 6th Annual General Meeting of the Members of the Company held on September 10, 2022.

**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	7	7
Ms. Ruchita Agarwal	Independent, Non-Executive	7	7
Dr. Vikram Chaudhery	Independent, Non-Executive	7	0

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, 2023, 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.

During the year under review, 2 (two) meetings were held on April 29, 2022 and May 27, 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	2	2
Ms. Ruchita Agarwal	Independent, Non-Executive	2	2
Dr. Shrikant Uttam Tamhane	Independent, Non-Executive	2	0

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, 2023, the Risk Management Committee comprised of 4 (four) Directors viz. Ms. Ruchita Agarwal (Chairperson of the Committee), Ms. Charu Singh, Mr. Aryan Goyal and Mr. Saurabh Goyal. Mr. Aryan Goyal and Ms. Ruchita Agarwal were appointed as Members of the Committee w.e.f. August 12, 2022. Mr. Nitin Bidikar was Chairperson of this Committee. However, subsequent to his cessation on November 24, 2022, he ceased to be the Chairperson of the Company and in his place, Ms. Ruchita Agarwal was appointed as Chairperson w.e.f. February 3, 2023.

During the year under review, 2 (two) meetings were held on September 22, 2022 and March 10, 2023. 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
Ms. Ruchita Agarwal, Chairperson (appointed as Member on August 12, 2022 and as a Chairperson on February 3, 2023)	Independent, Non-Executive	2	2
Mr. Saurabh Goyal	Executive	2	1
Ms. Charu Singh	Independent, Non-Executive	2	2
Mr. Aryan Goyal (appointed as Member on August 12, 2022)	Executive	2	0
Mr. Nitin R. Bidikar (ceased to be Chairperson w.e.f. November 24, 2022)	Independent, Non-Executive	1	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.

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

During the year under review, 1 (one) meeting was held on March 10, 2023.

**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	Independent, Non-Executive	1	1
Ms. Ruchita Agarwal	Independent, Non-Executive	1	1
Mr. Saurabh Goyal	Executive (Managing Director)	1	1

**Terms and Reference of the Committee are as follows :**

- 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.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.
- 5) 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.

As on March 31, 2023, 100% of the Company's shares are held in electronic (Demat) form.

**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	Nil	Nil	Nil
July- September	Nil	2	2	Nil
October- December	Nil	1	1	Nil
January- March	Nil	1	1	Nil
<b>Total</b>	--	4	4	--

**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 :

- 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;
- 2) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- 3) To monitor the CSR policy of the Company from time to time;

- 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. 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](http://www.nureca.com).

The annual report on CSR activities, for FY 2022-23, forms a part of Directors' Report.

During the year, 1 (One) meeting of the Committee was held on May 27, 2022. During the year, the Committee also passed 1 (One) resolution by circulation dated March 17, 2023, which was passed by the requisite majority.

**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	Executive (Managing Director)	1	1
Ms. Charu Singh	Independent, Non-Executive	1	1
Dr. Vikram Chaudhery	Independent, Non-Executive	1	0

**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	Chief Executive Officer	13	13
Mr. Gurvikram Singh	Assistant Manager-Investor Relations and Corporate Affairs	13	13
Mr. Nishant Garg	Chief Financial Officer	13	13

During the year under review, 13 meetings were held on April 25, 2022, May 16, 2022, June 28, 2022, July 12, 2022, August 3, 2022, September 5, 2022, November 12, 2022, January 6, 2023, January 25, 2023, January 28, 2023, February 2, 2023, February 13, 2023 and March 23, 2023. 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. Details of General Meetings**

**(i) Annual General Meetings**

Financial Year	Date	Time	Venue	Special Resolution passed
2019-20	October 30, 2020	11.00 AM	128 Gala Number Udyog Bhavan, 1 <sup>st</sup> 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 <sup>st</sup> Floor Sonawala Lane, Goregaon East Mumbai)	NIL
2021-22	September 10, 2022	10:30 AM	Through VC/OAVM (Deemed Venue – Office No. 101, Udyog Bhavan, 1 <sup>st</sup> Floor Sonawala Lane, Goregaon East Mumbai)	1. Approval for revision in the terms of remuneration of Mr. Saurabh Goyal (DIN 00136037), Chairman & Managing Director of the Company. 2. Appointment of Mr. Aryan Goyal (DIN 00002869) as Whole-time Director designated as Whole-time Director & Chief Executive Officer. 3. Appointment of Mr. Rajinder Sharma (DIN 00317133) as Whole-time Director of the Company.

- (ii) **Extraordinary General Meeting** : No extraordinary general meeting was held during Financial Year 2022-23.

- (iii) **Postal Ballot** : No resolution was passed by way of postal ballot during Financial Year 2022-23.

**X. 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](http://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](http://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](http://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 details of the related party transactions as per Ind AS 24 'Related Parties Disclosures' are set out in note 33 to the financial statements. The policy on related party transactions is uploaded on the Company's website [www.nureca.com](http://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, 2023. A copy of the certificate was placed before the Board at the meeting held on May 23, 2023 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, 2023:

Name and designation of Director	Sitting fee (₹)	Salaries and perquisites (₹)	Period of service	Number of shares held as on March 31, 2023
<b>Mr. Saurabh Goyal</b> Chairperson & Managing Director	N.A.	1,80,00,000	Upto September 2, 2023	34,99,979
<b>Mr. Vijay Kumar Sharma</b> Independent Director	4,00,000	N.A.	Upto October 20, 2025	Nil
<b>Ms. Charu Singh</b> Independent Director	53,000	N.A.	Upto October 20, 2025	Nil
<b>Ms. Ruchita Agarwal</b> Independent Director	42,000	N.A.	Upto October 28, 2025	Nil
<b>Dr. Vikram Chaudhery</b> Independent Director	30,000	N.A.	Upto March 28, 2026	Nil
<b>Mr. Nitin R. Bidikar</b> Independent Director	21,000	N.A.	Resigned w.e.f. November 24, 2022	Nil
<b>Dr. Srikant Uttam Tamhane</b> Independent Director	Refer Note (c) below	N.A.	Upto April 14, 2026	Nil
<b>Mr. Aryan Goyal</b> Whole-time Director & CEO	N.A.	1,58,67,096	Upto May 27, 2027	7
<b>Mr. Rajinder Sharma</b> Whole-time Director	N.A.	2,53,226	Upto May 27, 2025	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.

**i) 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.

**j) 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.

**k) 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](http://www.nureca.com).

**l) 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.

**m) 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.

**n) Secretarial Compliance Report**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 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.

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

Total fees of ₹39.20 Lakhs was incurred by the Company and its Subsidiaries, on a consolidated basis, in Financial Year 2022-23 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.

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

Number of complaints filed during the financial year 2022-23	Nil
Number of complaints disposed off during the financial year 2022-23	Nil
Number of complaints pending as on end of the financial year 2022-23	Nil

**q) 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.

**r) 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, 2022	Aggregate number of shareholders	Nil	
	Outstanding shares in the suspense account	Nil	
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Nil	
	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	
	At the end of the year i.e. March 31, 2023	Aggregate number of shareholders	Nil
		Outstanding shares in the suspense account	Nil

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

During the year under review, the Company has given loan to its wholly-owned subsidiaries- M/s Nureca Technologies Private Limited and M/s Nureca Healthcare Private Limited, in which Mr. Saurabh Goyal, Mr. Aryan Goyal and Mr. Rajinder Sharma are Directors.

**t) 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.

**u) 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.

**v) Management Discussion and Analysis Report**

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

**w) 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, 2022	Financial Express- All Edition	Navshakti- Mumbai Edition
For the quarter ended June 30, 2022	Financial Express- All Edition	Navshakti- Mumbai Edition
For the quarter and half-year ended September 30, 2022	Business Standard- All Edition	Navshakti- Mumbai Edition
For the quarter and nine months ended December 31, 2022	Financial Express- All Edition	Navshakti- Mumbai Edition

The results are also displayed on the Company's website [www.nureca.com](http://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 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. 07<sup>th</sup> Annual General Meeting**

Date	Thursday, July 20, 2023
Time	10:30 A.M. (Indian Standard Time)
Deemed Venue	Registered Office of the Company i.e. Office No.101, 1 <sup>st</sup> Floor, Udyog Bhavan Sonawala Lane, Goregaon East, Mumbai, Maharashtra - 400063
II. Financial Year	April 1, 2022 to March 31, 2023
III. Date of Book Closure	July 14, 2023 to July 20, 2023 (both days inclusive)
IV. Dividend Payment date	No dividend recommended by the Board for FY 2022-23
V. The Equity Shares of ₹10/- each of the Company are listed on	<b>The National Stock Exchange of India Limited (NSE)</b> Regd. Office: "Exchange Plaza", Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra Tel: 91-22-26598100, 66418100 <b>BSE Limited (BSE)</b> New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra Tel: 91-22-22721233, 22721234
VI. Listing Fee	Listing fee for Financial Year 2023-24 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

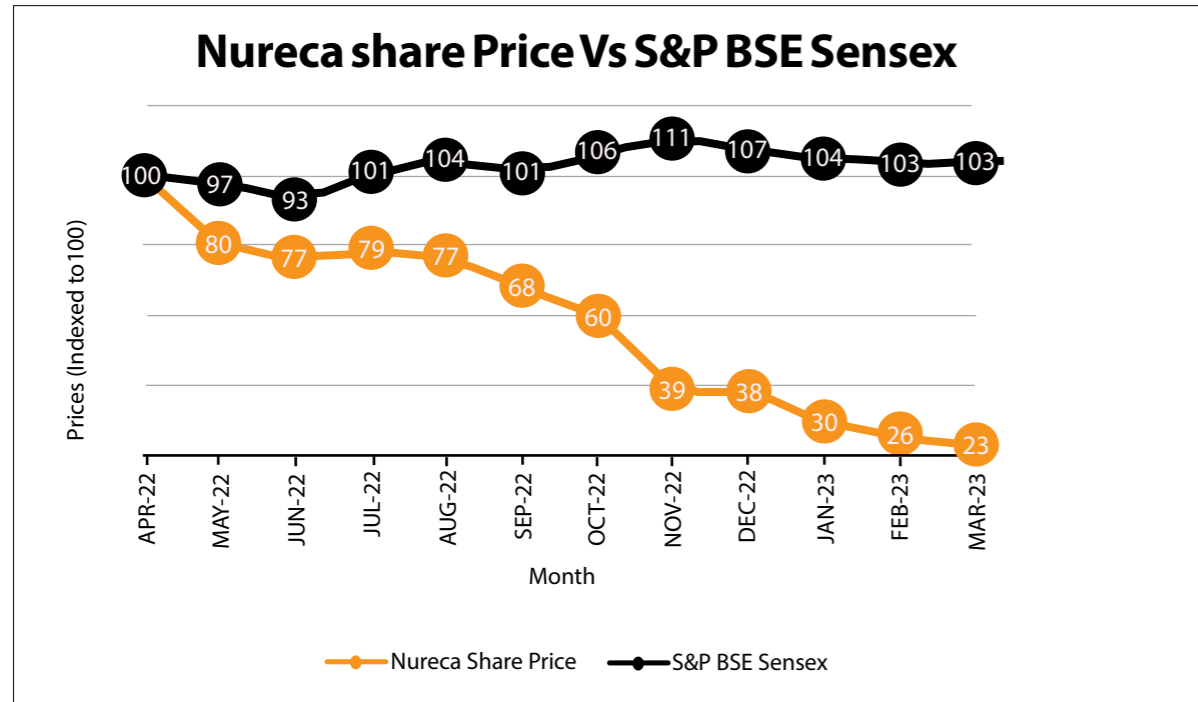
**X. Stock Market Data**

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

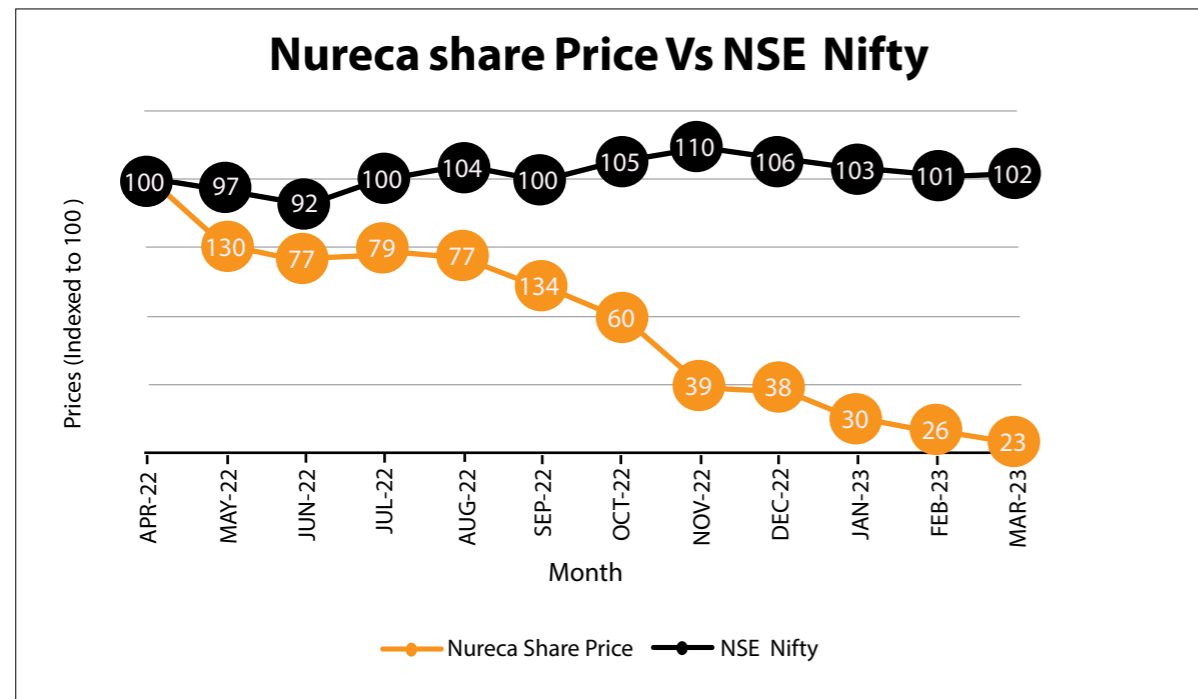
Month	BSE LIMITED (BSE)		National Stock Exchange (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2022	1448	1280	1449	1280
May 2022	1310	956	1311	941
June 2022	1230	939	1234	940
July 2022	1135	972	1136	972
August 2022	1088	954	1089	980
September 2022	1019	860	1019	862
October 2022	924	725	925	726
November 2022	791	503	791	504
December 2022	587	483	591	484
January 2023	503	315	503	315
February 2023	428	337	428	338
March 2023	374	294	374	295

**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**



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

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

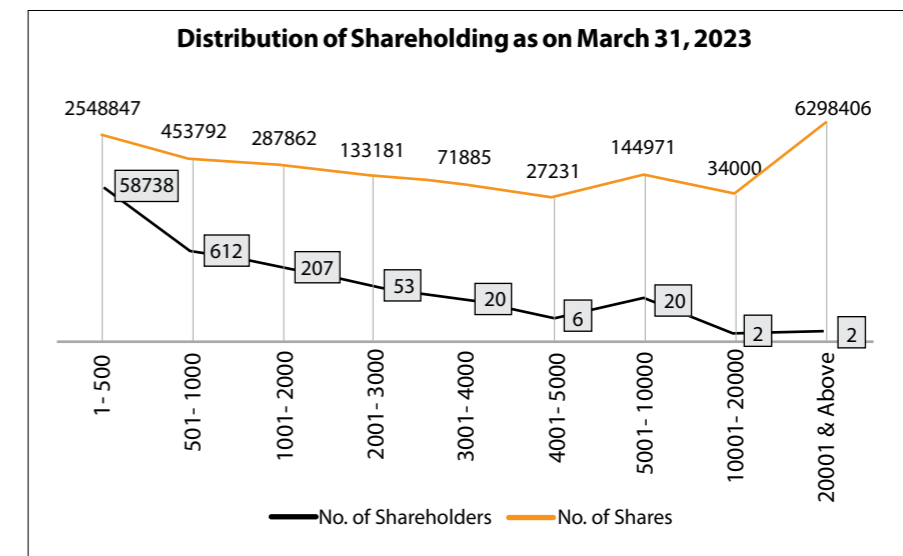
www.nureca.com

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

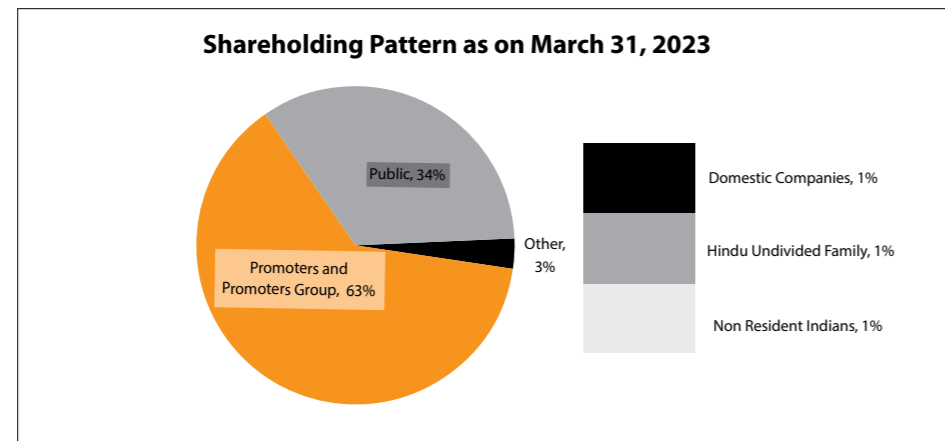
**XVI. Distribution of Shareholding as on March 31, 2023**

Category	No. of Shareholders	No. of Shares	Total Amount of Shares	%age of Shareholding
1-500	58,738	25,48,847	2,54,88,470	25.49
501-1000	612	4,53,792	45,37,920	4.54
1001-2000	207	2,87,862	28,78,620	2.88
2001-3000	53	1,33,181	13,31,810	1.33
3001-4000	20	71,885	7,18,850	0.72
4001-5000	6	27,231	2,72,310	0.27
5001-10000	20	1,44,971	14,49,710	1.45
10001-20000	2	34,000	3,40,000	0.34
20001 & above	2	62,98,406	6,29,84,060	62.98
<b>TOTAL</b>	<b>59,660</b>	<b>1,00,00,175</b>	<b>10,00,01,750</b>	<b>100</b>



**XVII. Shareholding Pattern as on March 31, 2023**

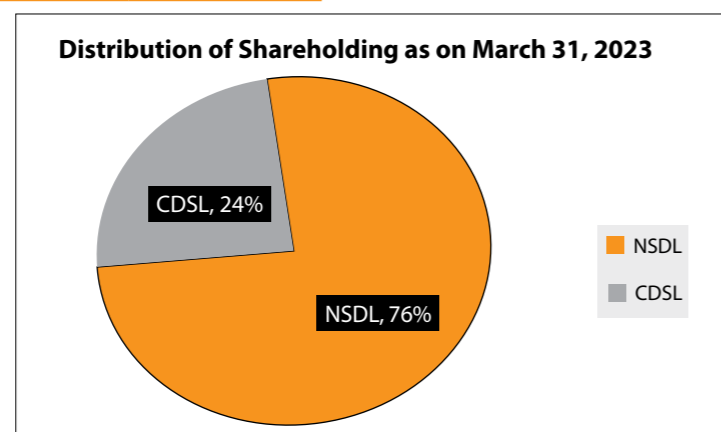
Category	No. of Shareholders	No. of Shares held	%age of Shareholding
Promoters and Promoters Group	5	62,98,441	62.98
Clearing Members	51	20,596	0.21
Domestic Companies	121	73,175	0.73
Hindu Undivided Family	829	1,13,041	1.13
Mutual Funds	1	29	0.00
Non Resident Indians	525	78,143	0.78
Public	58,125	34,06,317	34.06
Foreign Portfolio Investors (Corporate)	2	10,193	0.10
Trusts	1	240	0.00
<b>TOTAL</b>	<b>59,660</b>	<b>1,00,00,175</b>	<b>100</b>



**XVIII. Dematerialisation of Shares and Liquidity**

Trading in equity shares of Nureca Limited is permitted only in dematerialised form. As on March 31, 2023, 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, 2023 was as under:

Sl. No.	Category	Total Shares	Percentage
1	Physical	Nil	Nil
2	NSDL	75,86,318	75.86
3	CDSL	24,13,857	24.14
<b>TOTAL</b>		<b>1,00,00,175</b>	<b>100.00</b>



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 INE0DSF01015.

**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 2022-23, 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 final dividend amount for the Financial Year 2020- 21 remaining unclaimed shall become due for transfer on November 4, 2028 and the Interim dividend amount for the Financial Year 2021-22 remaining unclaimed shall become due for transfer on March 20, 2029 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](http://www.nureca.com).

**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 2022-23. 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**  
**DIN - 00136037**

Dated: 23.05.2023  
 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, 2023, 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 the 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 compliance 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.

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Date: 23.05.2023

Place: Chandigarh

UDIN: F002191E000362562

**Ajay K Arora**  
Company Secretary  
M. No. 2191  
C.P. No. 993  
Peer Review Cert No. 2120/2022

# Certificates

**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 and 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, 2023 have been debarred or disqualified from being appointed or continuing as Directors of company 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. Aryan Goyal	00002869	28.05.2022
3.	Mr. Vijay Kumar Sharma	02449088	21.10.2020
4.	Ms. Charu Singh	07822158	21.10.2020
5.	Ms. Ruchita Agarwal	08941249	29.10.2020
6.	Dr. Vikram Chaudhery	00509297	29.03.2021
7.	Dr. Shrikant Uttam Tamhane	08965471	15.04.2021
8.	Mr. Rajinder Sharma	00317133	28.05.2022

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.

Date: 16.05.2023  
Place: Chandigarh

UDIN: F002191E000317264

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

**Ajay K. Arora**  
(Proprietor)  
M No. 2191  
C P No. 993  
Peer Review Cert No. 2120/2022

**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 hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2023 and that to the best of my 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 my 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**  
**(Whole-time Director & CEO)**  
**DIN- 00002869**

Dated : 23.05.2023  
Place : Chandigarh

**Nishant Garg**  
**(Chief Financial Officer)**

**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, Whole-time Director & CEO of Nureca Limited having its registered office at office No.101, 1st Floor, Udyog Bhavan, Sonawala Lane, Goregaon East, Mumbai, Maharashtra- 400063 , 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 2022-23.

Place: China  
Date: 15.05.2023

**(Aryan Goyal)**  
**Whole-time Director & CEO**  
**DIN - 00002869**

# **Standalone Financial Statements**

# 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 2023, 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 2023, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Revenue Recognition

See Note 2.9 and Note 21 to standalone financial statements

### 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 Matter

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.

The key audit matter	How the matter was addressed in our audit
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.	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:
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 pressures to achieve performance targets as well as meeting external expectations. 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.	<ul style="list-style-type: none"> <li>We assessed the appropriateness of the revenue recognition accounting policies against the requirement of Ind AS 115 i.e. Revenue from contracts with customers.</li> <li>We evaluated the design and implementation of key internal financial controls in relation to revenue recognition and tested the operating effectiveness of such manual controls for a sample of transactions;</li> <li>We performed testing by selecting samples of revenue transactions recorded during the year. For such samples, verified the underlying documents, including invoices, customer acceptances/delivery documents (as applicable).</li> <li>We carried out analytical procedures on revenue recognized during the year to identify unusual variances.</li> </ul>
In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.	

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> <li>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</li> <li>We tested sample manual journal entries for revenue, selected based on specified risk-based criteria to identify unusual items</li> </ul>

### 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 financial statements and auditor's report(s) 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, 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 01 April 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 39 to the standalone financial statements.
  - 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 the Note 40 (v) to the 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 person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any

guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The Company has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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 the directors is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to 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: New Delhi  
Date: 23 May 2023

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

**Ankush Goel**  
Partner  
Membership No.: 505121  
ICAI UDIN:23505121BGXPZU6722

**Annexure A to the Independent Auditor’s Report on the Standalone Financial Statements of Nureca Limited for the year ended 31 March 2023 (Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (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 in phased manner over the period of two years. In accordance with this programme, certain 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 immovable properties where the Company is the lessee and the leases 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 the 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, the confirmation has been obtained and 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

(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 made investments in firm or limited liability partnership during the year or granted loans, secured or unsecured to firm, limited liability partnership or other parties during the year. However, the Company has made investments in companies and other parties and also granted loans, unsecured to companies during the year. Further, the Company has not provided any guarantee or security or advance in nature of loan to companies, firms, limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to companies as below:

(Amount in millions)	
Particulars	Loans
Aggregate amount granted during the year -Subsidiaries*	<b>26.20</b>
Balance outstanding as at balance sheet date -Subsidiaries*	<b>2.23</b>

\*As per the Companies Act, 2013

(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 and terms and condition of loans granted during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided guarantees, given security or granted advance in the nature of loan during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(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 guarantee or security as specified under Section 185 and 186 of the Act. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of loans, and investments made by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied with.

Name of the statute	Nature of the dues	Amount in INR millions	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax	0.21	Assessment year 2021-22	Assistant Director of Income Tax, Centralised Processing Center	

\* amount as per demand orders including interest and penalty, wherever indicated in the order.

(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.

(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) 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 GST.

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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities.

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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

(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 did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to 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, 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 an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (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.
- (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).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 audit.
- (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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. 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) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company as detailed in note 40 (xii) to the financial statements. For reporting on this clause / sub clause, while we have performed audit procedures set out in the Guidance Note on CARO 2020, we have relied on and not been able to independently validate the information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.
- (xvii) After considering the effect of the quantified qualifications in the relevant audit reports, the Company has incurred cash losses of Rs 80.22 millions in the current financial year; however, no cash loss was incurred in the previous 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.

Place: New Delhi  
Date: 23 May 2023

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

**Ankush Goel**  
Partner  
Membership No.: 505121  
ICAI UDIN:23505121BGXPZU6722

**Annexure B to the Independent Auditor’s Report on the standalone financial statements of Nureca Limited for the year ended 31 March 2023**

**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 Act**

**(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 2023 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 2023, 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 and Board of Directors’ Responsibilities 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 Act.

**Auditor’s 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: New Delhi  
Date: 23 May 2023

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

**Ankush Goel**  
Partner  
Membership No.: 505121  
ICAI UDIN:23505121BGXPZU6722



## Standalone Balance Sheet

as at 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3a	26.33	32.68
(b) Right-of-use assets	4a	29.06	41.19
(c) Intangible assets	3b	25.39	23.92
(d) Intangible assets under development	3c	-	4.23
(e) Financial assets			
- Investments	5	30.56	13.06
- Loans	6a	2.23	-
- Other financial assets	6b	75.15	22.14
(f) Deferred tax assets (net)	29d	26.96	1.01
(g) Other tax assets (net)	7a	11.10	-
<b>Total non-current assets</b>		<b>226.78</b>	<b>138.23</b>
<b>(2) Current assets</b>			
(a) Inventories	8	328.25	631.66
(b) Financial assets			
- Investments	5	590.85	331.86
- Trade receivables	9	42.68	28.68
- Cash and cash equivalents	10	4.00	81.58
- Bank balances other than cash and cash equivalents	11	704.61	760.28
- Other financial assets	6	40.98	67.38
(c) Other current assets	12	119.33	155.68
(d) Other tax assets (net)	7b	9.32	-
<b>Total current assets</b>		<b>1,840.02</b>	<b>2,057.12</b>
<b>Total assets</b>		<b>2,066.80</b>	<b>2,195.35</b>
<b>Equity and liabilities</b>			
<b>(1) Equity</b>			
(a) Equity share capital	13	100.00	100.00
(b) Other equity	14	1,852.62	1,937.43
<b>Total equity</b>		<b>1,952.62</b>	<b>2,037.43</b>
<b>Liabilities</b>			
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities			
- Lease liabilities	15	20.32	32.81
(b) Provisions	16a	7.69	4.14
<b>Total non-current liabilities</b>		<b>28.01</b>	<b>36.95</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
- Lease liabilities	15	12.22	10.48
- Trade payables	17		
- total outstanding dues of micro and small enterprises		1.88	3.61
- total outstanding dues of creditors other than micro and small enterprises		47.95	43.38
- Other financial liabilities	18	0.12	0.07
(b) Other current liabilities	19	22.03	41.20
(c) Provisions	16b	1.97	1.69
(d) Current tax liabilities (net)	20	-	20.54
<b>Total current liabilities</b>		<b>86.17</b>	<b>120.97</b>
<b>Total liabilities</b>		<b>114.18</b>	<b>157.92</b>
<b>Total equity and liabilities</b>		<b>2,066.80</b>	<b>2,195.35</b>
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 **BSR & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Standalone Statement of Profit and Loss

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2023	Year ended 31 March 2022
<b>Income</b>			
I Revenue from operations	21	1,118.99	2,555.49
II Other Income	22	71.65	77.20
<b>III Total income (I + II)</b>		<b>1,190.64</b>	<b>2,632.69</b>
<b>IV Expenses</b>			
Purchase of stock-in-trade	23	470.82	1,595.34
Changes in inventories of stock-in-trade	24	307.17	(269.16)
Employee benefits expense	25	155.09	98.31
Finance costs	26	4.31	7.31
Depreciation and amortization expense	27	23.01	14.32
Other expenses	28	339.81	573.27
<b>Total expenses (IV)</b>		<b>1,300.21</b>	<b>2,019.39</b>
<b>V (Loss)/profit before tax (III-IV)</b>		<b>(109.57)</b>	<b>613.30</b>
<b>VI Tax expense:</b>			
(i) Current tax	29	0.41	155.70
(ii) Deferred tax	29a	(25.76)	4.51
<b>Total tax expense</b>		<b>(25.35)</b>	<b>160.21</b>
<b>VII (Loss)/profit for the year (V-VI)</b>		<b>(84.22)</b>	<b>453.09</b>
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of defined benefit obligation		(0.77)	1.90
Income tax relating to remeasurement of defined benefit obligation		0.19	(0.48)
<b>Total other comprehensive income for the year (net of tax)</b>		<b>(0.58)</b>	<b>1.42</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>(84.80)</b>	<b>454.51</b>
<b>Earnings per equity share</b>			
Basic and diluted [nominal value of INR 10 per share]	30	(8.42)	45.31
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 **BSR & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Standalone Statement of Cash Flow

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>A Cash flows from operating activities</b>		
(Loss)/profit before tax for the year	(109.57)	613.30
<b>Adjustments for:</b>		
Depreciation and amortization expense	23.01	14.32
Income on unwinding of security deposits	(0.03)	(0.07)
Unrealized foreign exchange (gain)	(0.03)	(0.65)
Finance costs	4.31	7.31
Loss allowance	0.25	-
Provision for doubtful advance	3.25	-
Interest income	(42.69)	(52.33)
Gain/loss on mutual funds (Net)	(24.44)	(6.51)
<b>Operating cash profit before working capital changes</b>	<b>(145.93)</b>	<b>575.37</b>
<b>Working capital adjustments</b>		
Decrease/(increase) in inventories	303.41	(263.90)
(Increase) in trade receivables	(13.79)	(25.84)
Increase/(decrease) in trade payables	2.86	(39.98)
Decrease/(increase) in other assets	31.15	(41.08)
(Decrease) in other current liabilities	(18.88)	(9.27)
Increase in provisions	3.06	2.52
<b>Cash generated from operating activities</b>	<b>161.88</b>	<b>197.82</b>
Income tax paid (net)	(41.37)	(179.55)
<b>Net cash generated from operating activities ( A )</b>	<b>120.51</b>	<b>18.27</b>
<b>B Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(2.35)	(32.60)
Purchase of intangible assets under development	-	(1.21)
Purchase of intangible assets	-	(24.74)
Interest income received	12.74	40.41
Investment in subsidiaries	(17.50)	(4.90)
Purchase of mutual funds	(424.81)	(355.21)
Sale of mutual funds	190.28	29.86
Unsecured Loan to subsidiaries	(2.23)	-
Fixed deposits matured (Net)	60.86	314.72
<b>Net cash (used in) investing activities ( B )</b>	<b>(183.01)</b>	<b>(33.67)</b>

## Standalone Statement of Cash Flow (Contd.)

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>C Cash flows from financing activities</b>		
Payment of lease liabilities (including interest)	(14.01)	(9.53)
Interest paid	(1.05)	(4.30)
Repayment of non-current borrowings	-	(7.79)
(Repayment) from current borrowings (net)	-	(1.46)
Dividend Paid	-	(49.93)
<b>Net cash used in financing activities ( C )</b>	<b>(15.06)</b>	<b>(73.01)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(77.57)</b>	<b>(88.41)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>81.57</b>	<b>169.99</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4.00</b>	<b>81.58</b>
<b>Notes:</b>		
<b>1. Components of cash and cash equivalents</b>		
Balances with banks:		
- In current accounts	4.00	1.58
- Fixed deposits with original maturity upto three months	-	80.00
	<b>4.00</b>	<b>81.58</b>

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.

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

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Standalone Statement of Changes in Equity

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
<b>Balance at the beginning of the year</b>	1,00,00,175	100.00	1,00,00,175	100.00
Changes in equity share capital during the year :	-	-	-	-
<b>Balance at the end of the year</b>	<b>1,00,00,175</b>	<b>100.00</b>	<b>1,00,00,175</b>	<b>100.00</b>

### B Other equity (Refer note 13)

Particulars	Reserves and surplus			Total equity
	Capital reserve	Securities premium	Retained earnings	
<b>Balance as at 1 April 2021</b>	(12.96)	987.79	558.09	1,532.92
Total comprehensive income for the year				
Add : Profit for the year	-	-	453.09	453.09
Add : Other comprehensive income (net of tax) for the year	-	-	1.42	1.42
<b>Total comprehensive income for the year</b>	<b>(12.96)</b>	<b>987.79</b>	<b>1,012.60</b>	<b>1,987.43</b>
<b>Transactions with owners, recorded directly to equity</b>				
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)
<b>Balance as at 31 March 2022</b>	<b>(12.96)</b>	<b>987.79</b>	<b>962.60</b>	<b>1,937.43</b>

Particulars	Reserves and surplus			Total
	Capital reserve	Securities premium	Retained earnings	
<b>Balance as at 1 April 2022</b>	<b>(12.96)</b>	<b>987.79</b>	<b>962.60</b>	<b>1,937.43</b>
Total comprehensive income for the year				
Add : Loss for the year	-	-	(84.22)	(84.22)
Add : Other comprehensive loss (net of tax) for the year	-	-	(0.58)	(0.58)
<b>Total comprehensive income for the year</b>	<b>(12.96)</b>	<b>987.79</b>	<b>877.80</b>	<b>1,852.62</b>
<b>Balance as at 31 March 2023</b>	<b>(12.96)</b>	<b>987.79</b>	<b>877.80</b>	<b>1,852.62</b>

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

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(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 L24304MH2016PLC320868) 02 November 2016 and The company was converted into a public company with effect from 08 July 2020 with registered office situated at 101 Office 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.

The standalone financial statements for the year ended 31 March 2023 were approved for issue by the Company's Board of Directors on 23 May 2023.

##### 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 (INR), 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 INR 10,000 have been rounded and are presented as INR 0.00 million in these Ind AS financial statements.

##### a. 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	Fair value

##### b. 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 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

Determining lease term of contract for duration of lease (refer note 4)

##### Significant estimates

- Recoverability of deferred taxes (refer note. 2.11 or 29d)

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

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

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.

- *Defined benefit plans (refer note. 2.12 and 32)*

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 (refer note 2.3 and 3a)*

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.

- *Useful lives of intangible assets (refer note 2.4 and 3b)*

The Company review the estimated useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### c. *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.

### d. *Measurement of fair values*

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,

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

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 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 35(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 (unless it is a trade receivable without a significant financing components) 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 on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All mutual fund investments in scope of Ind AS 109 are measured at fair value

Investment in subsidiaries

Investment in subsidiaries is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

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.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### 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 derecognizes 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 derecognized.

### 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 derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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

### 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.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### 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.

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 derecognized 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 derecognized.

## 2.4 Intangible assets

### Recognition and measurement

Other intangible assets, including those acquired by the Company in a business combination and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated assets, is recognised in profit or loss as incurred.

### Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss.

The estimated useful lives are as follows

- Software - 3 years
- Mobile application - 10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually

## 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

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

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 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;

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

- 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).

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

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is made on an item-by-item basis. Provision is made for slow moving inventory on case-to-case 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 liability is recognised when there is billings in excess of revenues.

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. Additionally amount disclosed as revenue are excluding taxes and net of return rebate, allowance etc.

*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.

#### II. 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

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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.

### 2.10 Recognition of dividend, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established

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

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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 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

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date. The cost of providing benefits is measured on the basis of an annual independent actuarial valuation using the projected unit credit method at each balance sheet date. Actuarial gains or losses are recognised in Statement of Profit and Loss in the year in which they arise. 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

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.

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for year ended 31 March 2023

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### 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 asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet 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.

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.

### 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 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.

### 2.18 Equity

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

### 2.19 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendments Rules, 2023, applicable from 1 April 2023 as below :

- (i) Ind AS 1 - Presentation of Financial Statements

The amendments requires companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it



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can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 12 - Income Tax

The amendment clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

(ii) Ind AS 8 - Accounting policies, Change in Accounting Estimates and Errors

The amendment will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimate has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company is evaluating the impact of these amendments on financial statements.

The company is in the process of evaluating impact of these changes on financial statements.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

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### Note 3a - Property, plant and equipment

Particulars	Gross carrying amount			Accumulated depreciation			Net block	
	As at 1 April 2022	Additions	Disposals	As at 1 April 2022	Charge for the year	Disposals	As at 31 March 2023	As at 31 March 2022
Leasehold improvement	7.25	0.71	-	0.23	0.88	-	1.11	7.02
Furniture and fixtures	7.37	0.31	-	0.68	0.70	-	1.38	6.69
Office equipment	3.88	0.75	-	1.19	0.96	-	2.15	2.69
Computers	6.20	0.24	(0.60)	2.11	1.64	(0.02)	3.73	4.09
Plant & machinery	2.41	0.33	-	0.10	0.81	-	0.91	2.31
Vehicle	11.76	-	-	1.88	3.13	-	5.01	9.88
<b>Total</b>	<b>38.87</b>	<b>2.35</b>	<b>(0.60)</b>	<b>6.19</b>	<b>8.12</b>	<b>(0.02)</b>	<b>14.29</b>	<b>32.68</b>

Particulars	Gross carrying amount			Accumulated depreciation			Net block	
	As at 1 April 2021	Additions	Disposals	As at 1 April 2021	Charge for the year	Disposals	As at 31 March 2022	As at 31 March 2021
Leasehold improvement	-	7.25	-	-	0.23	-	0.23	-
Furniture and fixtures	2.27	5.10	-	0.31	0.37	-	0.68	1.96
Office equipment	2.20	1.68	-	0.58	0.61	-	1.19	1.62
Computers	1.80	4.40	-	1.00	1.11	-	2.11	0.80
Plant & machinery	-	2.41	-	-	0.10	-	0.10	-
Vehicle	-	11.76	-	-	1.88	-	1.88	-
<b>Total</b>	<b>6.27</b>	<b>32.60</b>	-	<b>1.89</b>	<b>4.30</b>	-	<b>6.19</b>	<b>4.38</b>

### Capital work in progress

Particulars	As at 1 April 2021	Additions	Capitalization	As at 31 March 2022	As at 1 April 2022	Additions	Capitalization	As at 31 March 2023
Leasehold improvement	-	-	6.30	-	-	-	-	-
<b>Total</b>	-	-	<b>6.30</b>	-	-	-	-	-

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## Note 3b - Intangible assets

Particulars	Gross carrying amount		Accumulated amortisation		Net block	
	As at 1 April 2022	As at 31 March 2023	As at 1 April 2022	Charge for the year	As at 31 March 2023	As at 31 March 2023
Software	0.49	0.49	0.01	0.16	0.17	0.32
Mobile application (internally generated)	24.25	28.48	0.81	2.61	3.42	25.06
<b>Total</b>	<b>24.74</b>	<b>28.97</b>	<b>0.82</b>	<b>2.76</b>	<b>3.58</b>	<b>25.39</b>

Particulars	Gross carrying amount		Accumulated amortisation		Net block	
	As at 1 April 2021	As at 31 March 2022	As at 1 April 2021	Charge for the year	As at 31 March 2022	As at 31 March 2022
Software	-	0.49	-	0.01	0.01	0.48
Mobile application (internally generated)	-	24.25	-	0.81	0.81	23.44
<b>Total</b>	<b>-</b>	<b>24.74</b>	<b>-</b>	<b>0.82</b>	<b>0.82</b>	<b>23.92</b>

## Note 3c - Intangible asset under development

Particulars	As at 1 April 2021	As at 31 March 2022	As at 1 April 2022	As at 31 March 2023
	Mobile application (internally generated)	3.02	25.46	4.23
<b>Total</b>	<b>3.02</b>	<b>25.46</b>	<b>4.23</b>	<b>4.23</b>

## Intangible assets under development ageing schedule

As at 31 March 2023	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Mobile application project	-	-	-	-
<b>As at 31 March 2022</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>More than 3 years</b>	<b>Total</b>
Mobile application project	4.23	-	-	4.23

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### Note 4 - Right-of-use assets

The Company has entered into agreements for 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	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	41.19	29.29
Additions	-	21.10
Depreciation for the year	(12.13)	(9.20)
<b>Balance as at end of the year</b>	<b>29.06</b>	<b>41.19</b>

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 2023	As at 31 March 2022
Current	12.22	10.48
Non-current	20.32	32.81
<b>Total</b>	<b>32.54</b>	<b>43.29</b>

	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	43.29	28.87
Additions	-	20.87
Accreditation of interest	3.26	3.08
Payment of lease liabilities	(14.01)	(9.53)
<b>Balance as at end of the year</b>	<b>32.54</b>	<b>43.29</b>

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 2023	As at 31 March 2022
Less than one year	14.53	13.74
After one year but not longer than three years	12.59	27.21
More than three years	11.63	17.54
<b>Total</b>	<b>38.75</b>	<b>58.49</b>

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 has been applied have been charged to the Statement of Profit and Loss .

h. The table below provides details regarding amounts recognized in the Statement of Profit and Loss:

## Notes to the Standalone Financial Statements

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(Amount in ₹ million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenses relating to short-term leases and/or leases of low-value items	10.15	6.31
Interest on lease liabilities	3.26	3.08
Depreciation expense	12.13	9.20
<b>Total</b>	<b>25.54</b>	<b>18.59</b>

i. The following are the amounts recognized in statement of cash flows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash outflow for leases including short term leases/leases of low-value item and variable lease payments	24.16	15.84

Note 5 - Investments	As at 31 March 2023	As at 31 March 2022
<b>Non-current Investments</b>		
<b>Investments in Equity Instruments</b>		
<b>Unquoted investments (fully paid-up)</b>		
<i>Subsidiary companies (at cost)</i>		
- Nureca INC	0.46	0.46
71,000 (31 March 2022: 71,000) equity shares of USD 0.10/- each fully paid-up		
- Nureca Technologies Private Limited	30.00	12.50
3000,000 (31 March 2022: 1,250,000) equity shares of INR 10/- each fully paid-up		
- Nureca Healthcare Private Limited	0.10	0.10
10,000 (31 March 2022: 10,000) equity shares of INR 10/- each fully paid-up		
<b>Total</b>	<b>30.56</b>	<b>13.06</b>

### Current Investments

<i>In Other Companies (quoted investment at fair value)</i>	As at 31 March 2023	As at 31 March 2022
- Mutual Fund		
74,698.12 (31 March 2022 : 74,698.12 ) Units in ICICI Pru Savings Fund -Direct	34.55	32.70
8,08,160.46 (31 March 2022 : 8,08,160.46 ) Units in ICICI Pru Short Term Fund -Direct Plan- Growth	43.94	41.25
3,03,848 (31 March 2022 : 3,03,848 ) Units in ICICI Prudential Medium Term Bond Fund - Direct Plan - Growth	12.35	11.68
1,75,104.81 (31 March 2022 : 1,75,104.81 ) Units in ICICI Pru Equity- Arbitrage Fund - Direct	5.42	5.13
Nil (31 March 2022 : 1,12,342.05 ) Units in ICICI Pru Floating interest Fund-Direct	-	40.52
1,48,727.30 (31 March 2022 : Nil) Units in ICICI Pru Liquid Fund	49.55	-
29,21,648.13 (31 March 2022 : 8,01,918.36 ) Units in SBI Short Term Debt Fund-Direct2	83.28	21.84
Nil (31 March 2022 : 19,800.31 ) Units in Axis Floater Fund-Direct	-	20.35
6,244.04 (31 March 2022 : Nil) Units in SBI Nifty Index Fund	0.98	-
301.11 (31 March 2022 : Nil) Units in SBI Gold fund Direct Plan	0.01	-
1,07,057.98 (31 March 2022 : 1,07,057.98) Units in Kotak Equity- Arbitrage Fund - Direct	3.59	3.39
29,470.40 (31 March 2022 : 11,026.59) Units in Kotak Corporate Bond Fund - Direct	96.55	34.54

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<i>In Other Companies (quoted investment at fair value)</i>	As at 31 March 2023	As at 31 March 2022
Nil (31 March 2022 : 43,851.28 ) Units in Kotak Floating Rate Fund-Direct	-	53.82
3,94,011 (31 March 2022 : Nil) Units in Kotak Saving fund Direct Plan	15.00	-
11,925.87 (31 March 2022 : 6,995.33) Units in Kotak Low Duration Fund-Direct	36.50	20.30
41,423.47 (31 March 2022 : 41,423.47) Units in HDFC Low Duration Fund-Direct - Growth Option	2.18	2.06
23,10,606.11 (31 March 2022 : 23,10,606.11 ) Units in HDFC Banking And PSU Debt Fund-Direct	46.26	44.28
256.27 (31 March 2022 : Nil) Units in Mirae Asset Focused Fund - Direct	-	-
5,10,376.18 (31 March 2022 : Nil) Units in Navi US Total Stock Market	5.32	-
110.66 (31 March 2022 : Nil) Units in Canara Robeco Blue Chip	0.01	-
180.56 (31 March 2022 : Nil) Units in PGIM India Flexi Cap Fund Direct	0.01	-
1,27,12,375.41 (31 March 2022 : Nil) Units in Edelweiss Mutual Fund - Bharat Bond FOF - April 2023 - Direct Plan	155.35	-
	<b>590.85</b>	<b>331.86</b>
Aggregate book value of quoted investments	590.85	331.86
Aggregate market value of quoted investments	590.85	331.86
Aggregate value of unquoted investments	30.56	13.06
Aggregate value of impairment in value of non-current investments	-	-

### Note 6a - Loans

	As at 31 March 2023	As at 31 March 2022
Loans to related parties	2.23	-
	<b>2.23</b>	<b>-</b>

### Note 6b - Other financial assets

	As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>		
Security deposits	2.79	2.64
Bank deposits maturing after twelve months	72.36	19.50
	<b>75.15</b>	<b>22.14</b>

	As at 31 March 2023	As at 31 March 2022
<b>Current</b>		
Interest accrued not due on fixed deposits	-	28.10
Bank deposits due within twelve months	19.50	-
Security deposits	0.02	0.05
Receivable from online marketplace portals**	21.46	39.23
	<b>40.98</b>	<b>67.38</b>

\*\*Represent receivable in relation to sale made through online marketplace by business partners.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 7- Other tax asset (net)

	As at 31 March 2023	As at 31 March 2022
<b>(a) Non-Current</b>		
Advance income-tax (net of provision)	11.10	-
<b>(b) Current</b>		
Advance income-tax (net of provision)	9.32	-
	<b>20.42</b>	<b>-</b>

### Note 8 - Inventories

(At lower of cost and net realizable value)

	As at 31 March 2023	As at 31 March 2022
Stock-in-trade*	328.25	631.66
	<b>328.25</b>	<b>631.66</b>

Notes:

\*Includes goods-in-transit 32.72 27.90

### Note 9 - Trade receivables

	As at 31 March 2023	As at 31 March 2022
From others	42.93	28.68
Less: expected credit loss allowance	(0.25)	-
	<b>42.68</b>	<b>28.68</b>

There are no trade receivables due from directors or other officers of the company either severally or jointly with any other person or due from firms or private companies respectively in which any director is a partner, a director or a member.

<b>Break-up of trade receivables:</b>	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good- unsecured	42.68	28.68
Trade receivables - credit impaired	0.25	-
	42.93	28.68
<b>Less: loss allowance</b>		
Trade receivables - credit impaired	(0.25)	-
<b>Trade receivables net</b>	<b>42.68</b>	<b>28.68</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Trade receivables ageing schedule

As at 31 March 2023	Outstanding for following periods from due date of payment							Total 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	-	41.15	1.52	0.01	-	-	-	42.68
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	0.20	0.05	-	-	0.25
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>41.15</b>	<b>1.52</b>	<b>0.21</b>	<b>0.05</b>	<b>-</b>	<b>-</b>	<b>42.93</b>

As at 31 March 2022	Outstanding for following periods from due date of payment							Total 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
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	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>26.64</b>	<b>1.99</b>	<b>0.00</b>	<b>0.05</b>	<b>-</b>	<b>-</b>	<b>28.68</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>Movement in expected credit loss allowance of trade receivable</b>		
Balance at the beginning of the year	-	0.56
Balance written of during the year	-	(0.56)
Additions during the year	0.25	-
<b>Balance at the end of the year</b>	<b>0.25</b>	<b>-</b>

### Note 10 - Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with bank:		
- In current accounts	4.00	1.58
- Fixed deposits with original maturity upto three months	-	80.00
	<b>4.00</b>	<b>81.58</b>

#### For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at 31 March 2023	As at 31 March 2022
Balances with bank:		
- In current accounts	4.00	1.58
- Fixed deposits with original maturity upto three months	-	80.00
	<b>4.00</b>	<b>81.58</b>

### Note 11 - Other bank balances

	As at 31 March 2023	As at 31 March 2022
Bank deposits*	704.49	760.21
Balance in unclaimed dividend accounts	0.12	0.07
	<b>704.61</b>	<b>760.28</b>

\*Includes restricted deposits of ₹299.26 (31 March 2022: ₹248.21) pledged as security for letter of credit and bank guarantee.

### Note 12 - Other current assets

	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	91.49	132.08
Prepaid expenses	5.62	1.50
CSR Asset	8.71	0.30
Advances to suppliers	8.79	14.05
Expenses recoverable from related parties	1.37	0.64
Right to recover returned goods	3.35	7.11
	<b>119.33</b>	<b>155.68</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 13 - Equity share capital

	As at 31 March 2023	As at 31 March 2022
<b>Authorized</b>		
11,000,000 (31 March 2022: 11,000,000) equity shares of INR 10 each	110.00	110.00
	110.00	110.00
<b>Issued, subscribed and paid-up</b>		
10,000,175 (31 March 2022: 10,000,175) equity shares of INR 10 each fully paid up	100.00	100.00
	<b>100.00</b>	<b>100.00</b>

#### 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 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning and at the end of the year	1,00,00,175	100.00	1,00,00,175	100.00
<b>Balance at the end of the year</b>	<b>1,00,00,175</b>	<b>100.00</b>	<b>1,00,00,175</b>	<b>100.00</b>

#### c) Details of shareholders holding more than 5 percent equity shares in the Company:

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Payal Goyal	27,98,427	27.98	34,99,979	35.00
Saurabh Goyal	34,99,979	35.00	34,99,979	35.00
Nexpact Limited	-	-	7,50,454	7.50
	<b>62,98,406</b>	<b>62.98</b>	<b>77,50,412</b>	<b>77.50</b>

#### 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 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
	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.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### e) Initial public offer

During the ended 31 March 2021, the Company had made Initial Public Offering of 2,500,175 equity shares of face value of Rs. 10 each for cash consisting 2,496,675 equity shares to public other than employees at a price of Rs. 400 per equity share (including a share premium of Rs. 390 per equity share) and 3,500 equity shares to the employees at a price of Rs. 380 per equity share (including a share premium of Rs. 370 per equity shares) aggregating to Rs. 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 of India Limited (NSE) and BSE Limited (BSE) on 25 February 2021.

### f) Promoters Shareholdings

S. No.	Promoter's name	As at 31 March 2023		As at 31 March 2022		
		No. of shares	% of total shares	No. of shares	% of total shares	% change during the year
1	Payal Goyal	27,98,427	28%	34,99,979	35%	20%
2	Saurabh Goyal	34,99,979	35%	34,99,979	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%
<b>Total</b>		<b>62,98,441</b>	<b>63%</b>	<b>69,99,993</b>	<b>70%</b>	<b>20%</b>

### Note 14 - Other equity

	As at 31 March 2023	As at 31 March 2022
<b>a Capital reserve</b>		
Balance at the beginning of the year	(12.96)	(12.96)
Balance at the end of the year	<b>(12.96)</b>	<b>(12.96)</b>
<b>b Security premium</b>		
Balance at the beginning of the year	987.79	987.79
Balance at the end of the year	<b>987.79</b>	<b>987.79</b>
<b>c Retained earnings</b>		
Balance at the beginning of the year	962.60	558.09
Add: Profit for the year	(84.22)	453.09
Add: Other comprehensive (loss)/ income for the year (remeasurement of defined benefit plans, net of tax)	(0.58)	1.42
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	<b>877.80</b>	<b>962.60</b>
<b>Total</b>	<b>1,852.63</b>	<b>1,937.43</b>

#### Nature of reserves

##### a. Capital reserve

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### b. 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.

### c. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

### Note 15 - Borrowings

A. Reconciliation of movements of liabilities to cash flows arising from financing activities	As at 31 March 2023	As at 31 March 2022
Borrowings at the beginning of the year (current and non-current borrowings)	-	9.25
Repayments of non-current borrowings	-	(9.25)
<b>Borrowings at the end of the year (current and non-current borrowings)</b>	<b>-</b>	<b>-</b>
<b>Note 15 - Lease Liabilities</b>		
<b>Non Current</b>		
Lease liability (refer note 4)	20.32	32.81
	<b>20.32</b>	<b>32.81</b>
<b>Current</b>		
Lease liability	12.22	10.48
	<b>12.22</b>	<b>10.48</b>

### Note 16 - Provisions

	As at 31 March 2023	As at 31 March 2022
<b>(a) Non-current</b>		
Provision for employee benefits:		
Provision for compensated absences	1.08	-
Provision for gratuity (refer note 32)	6.61	4.14
	<b>7.69</b>	<b>4.14</b>
<b>(b) Current</b>		
Provision for employee benefits:		
Provision for compensated absences	1.90	1.69
Provision for gratuity (refer note 32)	0.07	0.00
	<b>1.97</b>	<b>1.69</b>
	<b>9.66</b>	<b>5.83</b>

### Note 17 - Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro and small enterprises #	1.88	3.61
Total outstanding dues of creditors other than micro and small enterprises	47.95	43.38
	<b>49.83</b>	<b>46.99</b>
<b>Of the above trade payable amount due to related parties are as below:</b>		
Trade payable due to related parties (refer note 33)	3.42	1.55

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

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

### Trade payables ageing schedule

As at 31 March 2023	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	1.88	-	-	-	-	1.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	19.07	21.54	6.90	0.44	-	-	47.95
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>19.07</b>	<b>23.42</b>	<b>6.90</b>	<b>0.44</b>	-	-	<b>49.83</b>

As at 31 March 2022	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	Total
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	-	-	-	-	-	-	-
<b>Total</b>	<b>20.20</b>	<b>23.42</b>	<b>3.34</b>	<b>0.04</b>	-	-	<b>46.99</b>

### Note 18 - Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Unpaid Dividend	0.12	0.07
	<b>0.12</b>	<b>0.07</b>

### Note 19 - Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Advance from customer	3.49	9.38
Statutory liabilities	3.13	7.10
Refund liability	7.20	13.68
Payable to employees	8.21	11.04
	<b>22.03</b>	<b>41.20</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 20 - Current tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Provision for tax (net of advance tax Nil (31 March 2022: INR 330.44))	-	20.54
	-	<b>20.54</b>

### Note 21 - Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products	1,118.99	2,555.49
	<b>1,118.99</b>	<b>2,555.49</b>

#### Notes:

#### a. Reconciliation of revenue recognized with the contract price is as follows:

Contract price	1,178.73	2,715.12
<b>Less:</b> Adjustments for:		
- Discounts and rebates	52.54	145.95
- Refund liability	7.20	13.68
<b>Revenue recognized</b>	<b>1,118.99</b>	<b>2,555.49</b>

#### b. Contract Balances

Advance from customer, which are included in 'other current liabilities'	(3.49)	(9.38)
Refund liability, which are included in 'other current liabilities'	(7.20)	(13.68)

Contract liabilities represents amount received from customers as per the terms of purchase/sales order to deliver goods. Once the goods are delivered and control is transferred to customers the same is adjusted accordingly.

#### c. Revenue from sale of products disaggregated by primary geographical market

India	1,118.73	2,555.49
Outside India	0.26	-
<b>Total revenue from contracts with customers</b>	<b>1,118.99</b>	<b>2,555.49</b>

#### d. Timing of revenue recognition:

Product transferred at a point in time	1,118.99	2,555.49
Products transferred over time	-	-
<b>Revenue from contracts with customers</b>	<b>1,118.99</b>	<b>2,555.49</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 22 - Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income under effective interest method		
- on bank deposits	42.00	52.33
- loan given	0.69	-
Exchange gain on foreign exchange fluctuation (net)	1.67	15.52
Income on unwinding of security deposit	0.03	0.07
Rental Income	0.29	0.25
Gain/loss sale of Mutual Fund	24.44	6.51
Liability no longer required written back	-	1.06
Miscellaneous income	2.53	1.46
	<b>71.65</b>	<b>77.20</b>

### Note 23 - Purchase of stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of stock-in-trade	470.82	1,595.34
	<b>470.82</b>	<b>1,595.34</b>

### Note 24 - Changes in inventories of stock in trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance		
- Stock-in-trade	631.66	367.76
- Right to recover returned goods	7.11	1.85
Closing balance		
- Stock-in-trade	(328.25)	(631.66)
- Right to recover returned goods	(3.35)	(7.11)
	<b>307.17</b>	<b>(269.16)</b>

### Note 25 - Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	151.12	93.74
Contribution to provident and other funds (refer note 32)	3.12	2.92
Staff welfare expenses	0.85	1.65
	<b>155.09</b>	<b>98.31</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 26 - Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	-	0.21
- on lease liabilities	3.26	3.09
Interest expense on income tax	-	1.00
Other borrowing cost	1.05	3.01
	<b>4.31</b>	<b>7.31</b>

### Note 27 - Depreciation and amortization expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	8.12	4.30
Amortization of intangible assets	2.76	0.82
Depreciation on right-of-use assets	12.13	9.20
	<b>23.01</b>	<b>14.32</b>

### Note 28 - Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Advertisement	35.98	117.38
Insurance	2.67	2.20
Communication expenses	1.60	1.67
Legal and professional fee (refer note (a) below)	28.59	47.56
Rent	10.15	6.31
Travel and conveyance	17.53	11.51
Shifting and handling expenses	17.17	26.99
Security services	1.94	2.65
Loss allowance	0.25	0.62
Provision for doubtful advance	3.25	-
Commission and incentive	93.18	175.62
Packing expenses	11.10	13.51
Repairs and maintenance (others)	1.98	3.03
Rates and taxes	1.12	3.85
Power and fuel	1.91	1.57
Freight charges	75.60	101.68
Donation	0.10	14.80
CSR expenditure (refer note (b) below)	8.81	4.75
Business support service	9.05	15.13
Loss on derecognition of financial assets	2.55	7.16
Miscellaneous expenses	15.23	15.28
	<b>339.81</b>	<b>573.27</b>



## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

(a) Payment to auditors (excluding goods and services tax)	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>As auditor:</b>		
- Statutory audit	1.45	1.38
- Tax audit	0.38	0.35
- Limited review	1.08	0.90
- Reimbursement of expenses	0.07	0.12
Amount debited to Standalone Statement of Profit and Loss	2.97	2.75
- Others services	0.52	0.21
<b>Total</b>	<b>3.49</b>	<b>2.96</b>

(b) Details of CSR expenditure:	For the year ended 31 March 2023	For the year ended 31 March 2022
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	8.77	4.73
2) Amount spent during the year on (in cash):		
(i) Construction / Acquisition of any asset	-	-
(ii) On purpose other than (i) above	17.52	5.05
3) Excess/ (Shortfall) at the end of the year	8.75	0.32
4) Total of previous years shortfall	-	-
5) Details of related party transactions	-	-
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	17.52	5.05

### Note 29 - Tax expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>a. Amount recognized in Standalone Statement of Profit and Loss:</b>		
<b>Current tax:</b>		
- Current year	0.41	155.70
<b>Deferred tax:</b>		
- Attributable to origination and reversal of temporary differences	(25.76)	4.51
<b>Total tax expense recognized</b>	<b>(25.35)</b>	<b>160.20</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 29 - Tax expense (Contd.)

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>b. Reconciliation of effective tax rate</b>		
<b>Profit before tax</b>	(110.34)	613.30
Tax at India's statutory tax rate of 25.17%	(27.77)	154.37
Tax effect of non-deductible expenses	1.94	6.26
Adjustment for prior period tax expenses	0.41	-
Other adjustments	0.08	-
<b>Income tax expense recognized in the statement of profit and loss</b>	<b>(25.35)</b>	<b>160.21</b>
<b>c. Income tax expense recognized in other comprehensive income</b>		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	0.19	(0.48)
<b>Total income tax recognized in other comprehensive income</b>	<b>0.19</b>	<b>(0.48)</b>
Bifurcation of the income tax recognized in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	0.19	(0.48)
	<b>0.19</b>	<b>(0.48)</b>
<b>d. Deferred tax balances reflected in the Balance Sheet:</b>	<b>For the year ended 31 March 2023</b>	<b>As at 31 March 2021</b>
Deferred tax asset	35.69	3.80
Deferred tax liability	(8.73)	(2.79)
<b>Deferred tax asset (net)</b>	<b>26.96</b>	<b>1.01</b>

### e. Movement in deferred tax balances

	As at 1 April 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2023
<b>Deferred tax asset</b>				
Provision for employee benefits	1.62	1.03	0.19	2.84
Income tax losses	-	30.12	-	30.12
Expected credit loss allowance on advances and trade receivables	-	0.88	-	0.88
Refund liability	1.65	(0.68)	-	0.97
Lease liabilities net of ROU	0.53	0.35	-	0.88
<b>Deferred tax asset (A)</b>	<b>3.80</b>	<b>31.70</b>	<b>0.19</b>	<b>35.69</b>
<b>Deferred tax liability</b>				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(1.15)	0.38	-	(0.77)
Mutual fund gain (unrealized gain)	(1.64)	(6.32)	-	(7.96)
<b>Deferred tax liability (B)</b>	<b>(2.79)</b>	<b>(5.94)</b>	<b>-</b>	<b>(8.73)</b>
<b>Deferred tax asset (net) (A+B)</b>	<b>1.01</b>	<b>25.76</b>	<b>0.19</b>	<b>26.96</b>

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Deferred tax asset	As at 1 April 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2022
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 net of ROU	-	0.53	-	0.53
<b>Deferred tax asset (A)</b>	<b>5.66</b>	<b>(1.86)</b>	<b>(0.48)</b>	<b>3.80</b>
<b>Deferred tax liability</b>				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(0.03)	(1.12)	-	(1.15)
Mutual fund gain (unrealized gain)	-	(1.64)	-	(1.64)
Lease liabilities net of ROU	(0.11)	0.11	-	-
<b>Deferred tax liability (B)</b>	<b>(0.14)</b>	<b>(2.65)</b>	<b>-</b>	<b>(2.79)</b>
<b>Deferred tax asset (net) (A+B)</b>	<b>5.52</b>	<b>(4.51)</b>	<b>(0.48)</b>	<b>1.01</b>

Deferred tax asset on brought forward losses is considered realisable as the Company expect future taxable profit against which the deferred tax assets will be recovered.

### Note 30 - Earnings per share

	For the year ended 31 March 2023	For the year ended 31 March 2022
i. (Loss) / profit for basic/diluted earning per share of face value of INR 10 each (Loss)/ profit for the year	(84.22)	453.09
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	1,00,00,175
Weighted average number of equity shares outstanding during the year	1,00,00,175	1,00,00,175
<b>Basic and diluted earnings per share (face value of INR 10 each)</b>	<b>(8.42)</b>	<b>45.31</b>

### 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 mainly 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 2023	For the year ended 31 March 2022
Revenue from branded healthcare products	1,118.99	2,555.49
<b>Total</b>	<b>1,118.99</b>	<b>2,555.49</b>

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#### 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 2023	For the year ended 31 March 2022
<b>i. Revenue from customers</b>		
India	1,118.73	2,555.49
Outside India	0.26	-
	<b>1,118.99</b>	<b>2,555.49</b>
	As at 31 March 2023	As at 31 March 2022
<b>ii. Trade receivables</b>		
India	42.68	28.68
Outside India	0.03	-
	<b>42.71</b>	<b>28.68</b>

#### iii) Non-current assets

There are no non-current assets outside india.

### 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 2023	For the year ended 31 March 2022
Contribution to provident and other funds (refer note 25)	3.12	2.92

#### 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).

## Notes to the Standalone Financial Statements

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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.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2023	As at 31 March 2022
<b>i. Reconciliation of present value of defined benefit obligation</b>		
Balance at the beginning of the year	4.14	3.33
Interest cost	0.45	0.23
Current service cost	1.61	2.39
Benefits paid	(0.29)	(0.06)
Actuarial loss recognized in other comprehensive income		
- from changes in financial assumptions	0.05	(0.16)
- from experience adjustments	0.72	(1.59)
<b>Balance at the end of the year</b>	<b>6.68</b>	<b>4.14</b>
	<b>For the year ended 31 March 2023</b>	<b>For the year ended 31 March 2022</b>
<b>ii. Amount recognized in statement of profit and loss</b>		
Interest cost	0.45	0.23
Current service cost	1.61	2.39
	<b>2.06</b>	<b>2.62</b>
<b>iii. Remeasurements recognized in other comprehensive income</b>		
Actuarial loss/ (gain) for the year on defined benefit obligation	0.77	(1.90)
	<b>0.77</b>	<b>(1.90)</b>

**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.

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	As at 31 March 2023	As at 31 March 2022
Discount rate (per annum)	7.2%	7.3%
Future salary growth rate (per annum)	15%	15%
Expected average remaining working lives (years)	24.65	26.46

*(ii) Demographic assumptions*

	As at 31 March 2023	As at 31 March 2022
Retirement age (years)	58	58
Mortality rate	IALM 2012-14Ult	IALM 2012-14Ult
Attrition rate (per annum)	10%	10%

**v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:**

	For the year ended 31 March 2023	For the year ended 31 March 2022
<i>Increase</i>		
Discount rate (1% movement)	(0.61)	(0.48)
Future salary growth rate (1% movement)	0.44	0.42
<i>Decrease</i>		
Discount rate (1% movement)	0.72	0.58
Future salary growth rate (1% movement)	(0.39)	(0.38)

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 2023	As at 31 March 2022
Between 1 to 4 years	1.86	0.56
Beyond 5 years	23.72	12.19
<b>Total expected payments</b>	<b>25.58</b>	<b>12.75</b>

**vii. Weighted average duration of the defined benefit obligation:**

	As at 31 March 2023	As at 31 March 2022
Weighted average duration of the defined benefit obligation (in years)	14.15	15.00

## Notes to the Standalone Financial Statements

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### 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
<b>Subsidiaries</b>	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
<b>Key management personnel ('KMP')</b>	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 10 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)
<b>Relatives of KMPs</b>	Mrs. Payal Goyal
	Mrs. Raman Goyal (refer note 33F)
	Mrs. Smita Goyal
<b>Entities in which KMP and/or their relatives have significant influence</b>	Trumom Private Limited
	Mirasan Private Limited
	Nectar Life Sciences Limited
	Nectar Biopharma Private Limited
<b>Executive Directors</b>	Mr. Rajinder Sharma (appointed w.e.f 28 May 2022)
	Mr. Vijay Kumar Sharma
	Mrs. Smita Goyal
<b>Non Executive Directors</b>	Ms. Ruchita Agarwal
	Ms. Charu Singh
	Mr. Rajinder Sharma (upto 30 June 2021)
	Mr. Nitin R.Bidikar
	Mr. Vikram Chaudhary

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#### 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 2023	For the year ended 31 March 2022
1 Revenue from operations (net of returns)	Nureca Technologies Private Limited	5.76	0.06
2 Purchase of stock-in-trade	Nureca Technologies Private Limited	58.17	-
3 Reimbursement of expense paid by the Company	Nureca Technologies Private Limited	0.05	2.63
	Nectar Biopharma Private Limited	-	7.06
	Nureca INC	0.73	0.61
4 Expenses Incurred by Entity on Behalf of Company	Nectar Biopharma Private Limited	-	0.91
	Nureca Technologies Private Limited	0.07	-
5 Borrowings Given	Nureca Technologies Private Limited	26.10	-
	Nureca Healthcare Private Limited	0.10	-
6 Borrowings repaid	Mrs. Payal Goyal	-	3.90
	Mr. Saurabh Goyal	-	3.90
	Trumom Private Limited	-	1.46
	Nureca Technologies Private Limited	23.97	-
7 Amount paid & recovered	Nureca Technologies Private Limited	4.00	-
8 Interest accrued during the year	Mrs. Payal Goyal	-	0.09
	Mr. Saurabh Goyal	-	0.09
	Trumom Private Limited	-	0.00
9 Managerial remuneration *	Mr. Saurabh Goyal	18.00	15.26
10 Salary to KMPs and their relatives *	Mrs. Payal Goyal	13.68	11.40
	Mr. Aryan Goyal	15.86	11.43
	Mr. Gurvikram Singh	-	0.26
	Ms. Sakshi Mittal	-	0.16
	Mr. Nishant Garg	3.25	2.06
	Ms. Chetna Anand	1.28	0.50
	Mr. Santosh Kumar Srivastava	-	0.12
	Mr. Sushil Kumar Bhardwaj	-	0.03
	Mr. Rajinder Sharma	0.20	-
	Mr. Aryan Goyal	0.01	-
11 Sale of products	Mr. Saurabh Goyal	-	-
	Mr. Vijay Kumar Sharma	0.40	0.50
	Mrs. Smita Goyal	-	0.02
	Ms. Ruchita Agarwal	0.04	0.06
	Ms. Charu Singh	0.05	0.07
	Mr. Rajinder Sharma	-	0.02
	Mr. Nitin R.Bidikar	0.02	0.04
Mr. Vikram Chaudhery	0.03	0.03	
12 Commission and incentive	Nectar Biopharma Private Limited	-	2.62
13 Business support services	Nectar Biopharma Private Limited	-	11.47
14 Job Work Charges	Nureca Technologies Private Limited	-	1.32

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### C. The following table provides the total amount of transactions that have been entered into with related parties for the relevant years (Contd...)

Nature of transaction	Name of related party	For the year ended 31 March 2023	For the year ended 31 March 2022
16 Rent Income	Nureca Healthcare Private Limited	0.01	0.01
	Nureca Technologies Private Limited	0.24	0.24
	DrTrust Charitable Trust	0.04	-
17 Rent Expenses	Mrs. Raman Goyal	0.96	0.19
18 Purchase of Fixed Asset	Nectar Life Sciences Limited	-	10.81
	Nectar Biopharma Private Limited	-	2.50
18 Investments (in equity share @ 10/- per share)	Nureca Healthcare Private Limited	-	-
	Nureca Technologies Private Limited	17.50	4.90
19 Contribution to corpus fund	DrTrust Charitable Trust	0.10	-
20 Interest on Borrowings given	Nureca Technologies Private Limited	0.66	-
	Nureca Healthcare Private Limited	0.01	-
* Break-up of compensation of key managerial personnel of the Company			
Short-term employee benefits		52.27	41.21
Post-employment benefits		3.36	1.91
Other long-term employee benefits		1.80	-
<b>Total compensation paid to key management personnel</b>		<b>55.63</b>	<b>43.12</b>

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 2023	As at 31 March 2022
1 Expenses recoverable	Nureca INC	1.37	0.64
	Nectar Biopharma Private Limited	-	0.08
2 Payable to employees	Mr. Saurabh Goyal	0.79	0.68
	Mr. Aryan Goyal	1.04	0.00
	Ms. Payal Goyal	0.76	0.58
	Mr. Nishant Garg	0.21	0.18
	Ms. Chetna Anand	0.10	0.07
3 Loan Given	Mr. Rajinder Sharma	0.02	-
	Nureca Technologies Private Limited	2.13	-
4 Interest accrued but not due	Nureca Healthcare Private Limited	0.10	-
	Nureca Technologies Private Limited	-	-
5 Trade payables	Nureca Healthcare Private Limited	0.01	-
	Nureca Technologies Private Limited	3.42	-
6 Trade receivables	Nectar Biopharma Private Limited	-	1.55
	Nureca Healthcare Private Limited	-	-
7 Investments	Nureca Technologies Private Limited	-	-
	Nureca INC	0.46	0.46
	Nureca Healthcare Private Limited	0.10	0.10
	Nureca Technologies Private Limited	30.00	12.50

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### 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. 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.

### Note 34 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2023	As at 31 March 2022
(i) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the each year		
- Principal	1.79	3.61
- Interest	-	0.09
(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	0.15
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.15	0.15
(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	0.15

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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 2023		As at 31 March 2022	
			Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L
<b>Financial assets</b>						
Investments						
-Investments in mutual fund	a	1	-	590.85	-	331.86
Trade receivables	c		42.68	-	28.68	-
Cash and cash equivalents	c		4.00	-	81.58	-
Other bank balances	c		704.61	-	760.28	-
Loans	a		2.23	-	-	-
Other financial assets	c		116.13	-	89.52	-
			<b>869.65</b>	<b>590.85</b>	<b>960.06</b>	<b>331.86</b>
<b>Financial liabilities</b>						
Lease Liability	b		32.54	-	43.29	-
Trade payables	c		49.83	-	46.99	-
Other financial liabilities	c		0.12	-	0.07	-
			<b>82.49</b>	<b>-</b>	<b>90.35</b>	<b>-</b>

#### 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.
- 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.

There has been no financial assets or financial liabilities that has been fair valued through OCI.

### 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.

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#### (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 there are no borrowings.

#### (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 2023		As at 31 March 2022	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivables #	AED	0.00	0.03	-	-
Trade Payables	USD	0.32	26.37	0.16	11.73

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

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#### 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
<b>As at 31 March 2023</b>				
USD 5% movement	1.32	(1.32)	0.99	(0.99)
AED 5% movement *	0.00	(0.00)	0.00	(0.00)
<b>As at 31 March 2022</b>				
USD 5% movement	0.59	(0.59)	0.44	(0.44)

\*Amount is below rounding of norms.

## Notes to the Standalone Financial Statements

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### (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.

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 2023	As at 31 March 2022
Not due	41.15	26.64
Less than 90 days	1.52	-
90-180 days	0.01	1.99
More than 180 days	-	0.06
<b>Total</b>	<b>42.68</b>	<b>28.68</b>

	As at 31 March 2023	As at 31 March 2022
<b>Movement in expected credit loss allowance of trade receivable</b>		
Balance at the beginning of the year	-	0.56
Balance written of during the year	-	(0.56)
Additions during the year	0.25	-
<b>Balance at the end of the year</b>	<b>0.25</b>	<b>-</b>

#### (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. The Company has maintained fixed deposit and made investment in mutual fund to address any liquidity requirement and continue as a going concern.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(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 2023	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Other financial liabilities (excluding lease liabilities)	0.12	-	0.12	-	-	0.12
Trade payables	49.83	-	49.83	0.44	-	50.27
Lease liabilities	32.54	-	14.53	12.59	11.63	38.75
<b>Total</b>	<b>82.49</b>	<b>-</b>	<b>64.48</b>	<b>13.03</b>	<b>11.63</b>	<b>89.14</b>

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
<b>Total</b>	<b>90.35</b>	<b>-</b>	<b>60.76</b>	<b>27.25</b>	<b>17.54</b>	<b>105.55</b>

### (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 has takes adiqutes step.

### 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 2023	As at 31 March 2022
Trade payables (Refer note 17)	49.83	46.99
Borrowings (Refer note 15)	-	43.29
Less: cash and cash equivalents (Refer note 9)	4.00	81.58
<b>Net debt</b>	<b>45.83</b>	<b>8.70</b>
Equity share capital (Refer note 12)	100.00	100.00
Other equity (Refer note 13)	1,852.62	1,937.43
<b>Total capital</b>	<b>1,952.62</b>	<b>2,037.43</b>
Capital and net debt	1,998.45	2,046.13
<b>Gearing ratio</b>	<b>2.29%</b>	<b>0.43%</b>

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 year ended 31 March 2023

(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 end, the Board of Directors has not recommended payment of final dividend for the financial year ended 31 March 2023.

Subsequent to the year ended 31 March 2021, the Board of Directors had recommended payment of final dividend of INR 2 per share for FY 2020-2021 (20 percent of the face value of the equity share of Rs. 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 INR 3 per share (30 percent of the face value of the equity share of Rs. 10 each) during the financial year ended 31 March 2022

### Note 38 - Details of utilization of net IPO proceeds are as follows:

Particulars	Planned proceeds as per Prospectus	Actual proceeds	Utilization upto 31 March 2022	Unutilized amount as on 31 March 2022	Utilization upto 31 March 2023	Unutilized amount as on 31 March 2023
Funding incremental working capital requirements	750.00	-	750.00	-	-	-
General Corporate purpose	210.79	-	217.79	-	-	-
<b>Total proceeds</b>	<b>960.79</b>	<b>-</b>	<b>967.79</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note 39- contingent liabilities and commitments (to the extent not provided for)

#### (a) Claims against Company not acknowledged as debts

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax matters	0.21	-

No tax expense has been accrued in financial statements for the tax demand raised. The Company is contesting the demand and the management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operations.

# Pursuant to 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.

### Note - 40 Other statutory information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off in current financial year.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- The Company does not have borrowings from banks and financial institutions on the basis of security of current assets. Accordingly, there is not requirement to file quarterly returns or statements of current assets with banks and financial institutions.
- None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- The Company including the Companies in the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company (CIC)

### Note 41- Ratios

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Change	Reason for variance >25%
Current ratio	Total current assets	Total current liabilities	21.35	17.00	25.6%	Current ratio has increased for year ended 31 March 2023, since business scale has decreased and subsequently liability has increased.
Debt-Equity ratio	Total debt (lease liability)	Total shareholder equity	0.02	0.02	-21.6%	
Debt service coverage ratio	Earning available for debt service	Debt service	(3.45)	18.20	-119.0%	Debt service coverage ratio has decreased for year ended 31 March 2023, due to decrease in earning available for debt services.
Return on equity ratio	Net profit after tax	Average shareholder equity	-4.22%	24.69%	-117.1%	Return on equity is lower for year ended 31 March 2023, since profit has been decreased in current years whereas there has been decrease 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	1.62	2.65	-38.9%	Inventory turnover ratio has decrease because of increase in average inventory level in comparison to cost of goods sold.



## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 41- Ratios (Contd...)

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Change	Reason for variance >25%
Trade receivables turnover ratio	Net credit revenue	Average accounts receivable	31.36	60.86	-48.5%	Trade receivables turnover ratio have decreased due to decrease in sales.
Trade payables turnover ratio	Net credit purchase + Other expenses	Average trade payable	16.40	23.70	-30.8%	Trade payables turnover ratio has decreased due to decrease in Purchase during the year.
Net capital turnover ratio	Net revenue	Working capital	0.64	1.44	-55.6%	Net capital turnover ratio is lower for year ended 31 March 2023, because in March 2023 the working capital base of the company was significantly low.
Net profit ratio	Net profit after tax	Net revenue	-7.53%	18%	-142.5%	Significant reduction in the sales figure, since during last financial year, company made high level of sales due to covid waves.
Return on capital employed	Earning before interest and taxes	Tangible net worth+ total debt(lease liability)	-5.37%	30%	-118.0%	Return on capital employed ratio has declined because the Company has incurred loss in the current year as compared to previous year when the Company had earned profits.
Return on investment	Income generated from investment	Average investment	5.30%	4%	35.0%	Investment in mutual fund has increase as compared to previous year as a result of which gain on sale of investment have increased.

### Note 42-Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

# Consolidated Financial Statements

# 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 2023, 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 report of the other auditors on separate financial statements 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 2023, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

## Revenue Recognition

See Note 2.10 and Note 22 to consolidated financial statements

### The key audit matter

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.

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 pressures to achieve performance targets as well as meeting external expectations. 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.

## 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 the 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 Matter

Key audit matters are those matters that, in our professional judgment and based on the consideration of report of other auditor on separate financial statements of component 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.

### How the matter was addressed in our audit

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:

- 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 manual controls for a sample of transactions;

### The key audit matter

In view of the above, we have identified risk of fraud in revenue recognition as a key audit matter.

### How the matter was addressed in our audit

- We performed testing by selecting samples of revenue transactions recorded for the year. For such samples, verified the underlying documents, including invoices, customer acceptances/ delivery documents (as applicable).
- 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,

## 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 financial statements and auditor's report(s) 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 audit reports 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the 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 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 entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matters

- a. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 36.79 millions as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ 58.57 millions and net cash flows (before consolidation adjustments) amounting to ₹ 0.63 millions 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.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

- b. The financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 0.79 million as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ Nil and net cash flows (before consolidation adjustments) amounting to ₹ 0.02 millions for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditor. These unaudited financial statements 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 this subsidiary, and our report in terms of sub-section (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 this matter with respect to 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 was 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 2023 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 2023 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 Auditors) 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. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group. Refer Note 41 to the consolidated financial statements.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2023.
- 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 2023.

- d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements has been audited under the Act represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 43 (v) 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 any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements has been audited under the Act represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 43 (vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or the other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

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 auditor 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 in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to 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

**Ankush Goel**  
Partner  
Membership No.: 505121  
ICAI UDIN:23505121BGXPZX4674

**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Nureca Limited for the year ended 31 March 2023 (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

**Ankush Goel**  
Partner  
Membership No.: 505121  
ICAI UDIN:23505121BGXPZX4674

Place: New Delhi  
Date: 23 May 2023

Place: New Delhi  
Date: 23 May 2023

**Annexure B to the Independent Auditor’s Report on the consolidated financial statements of Nureca Limited for the year ended 31 March 2023**

**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 Act**

**(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 Nureca Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditor on internal financial controls with reference to financial statements of subsidiary company, as were audited by the other auditors, 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 financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to 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 and Board of Directors’ Responsibilities for Internal Financial Controls**

The respective 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 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 Act.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 consolidated 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 consolidated 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 consolidated 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to 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.

Our opinion is not modified in respect of this matter.

Place: New Delhi  
Date: 23 May 2023

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

**Ankush Goel**  
Partner  
Membership No.: 505121  
ICAI UDIN:23505121BGXPZX4674

## Consolidated Balance Sheet

as at 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	3a	31.35	36.78
(b) Right-of-use assets	4	29.06	41.19
(c) Intangible assets	3b	26.13	23.92
(d) Intangible assets under development	3c	-	4.23
(e) Financial assets			
- Other financial assets	6	75.25	22.24
(f) Deferred tax assets (net)	32	27.29	1.01
(g) Other tax assets (net)	7a	11.09	-
<b>Total non-current assets</b>		<b>200.17</b>	<b>129.37</b>
<b>(2) Current assets</b>			
(a) Inventories	8	344.77	631.77
(b) Financial assets			
- Investments	5	590.85	331.86
- Trade receivables	9	42.95	28.94
- Cash and cash equivalents	10	5.04	82.49
- Bank balances other than cash and cash equivalents	11	704.62	761.03
- Other financial assets	6	40.98	67.38
(c) Other current assets	12	127.10	158.46
(d) Other tax assets (net)	7b	9.32	-
<b>Total current assets</b>		<b>1,865.63</b>	<b>2,061.93</b>
<b>Total assets</b>		<b>2,065.80</b>	<b>2,191.30</b>
<b>Equity and liabilities</b>			
<b>(1) Equity</b>			
(a) Equity share capital	13	100.00	100.00
(b) Other equity	14	1,848.82	1,931.98
<b>Total equity</b>		<b>1,948.82</b>	<b>2,031.98</b>
<b>Liabilities</b>			
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities			
- Lease liabilities	16	20.27	32.81
(b) Provisions	17a	7.88	4.13
<b>Total non-current liabilities</b>		<b>28.15</b>	<b>36.94</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
- Borrowings	15	0.82	0.76
- Lease liabilities	16	12.18	10.48
- Trade payables	18		
- total outstanding dues of micro and small enterprises		2.91	3.61
- total outstanding dues of creditors other than micro and small enterprises		46.99	43.60
- Other financial liabilities	19	0.36	0.22
(b) Other current liabilities	20	22.59	41.44
(c) Provisions	17b	2.30	1.69
(d) Current tax liabilities (net)	21	0.68	20.58
<b>Total current liabilities</b>		<b>88.83</b>	<b>122.38</b>
<b>Total liabilities</b>		<b>116.98</b>	<b>159.32</b>
<b>Total equity and liabilities</b>		<b>2,065.80</b>	<b>2,191.30</b>
Significant accounting policies	2		
Notes to the consolidated financial statements	3-45		

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

For **BSR & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Consolidated Statement of Profit and Loss

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
I Revenue from operations	22	1,113.23	2,555.48
II Other income	23	71.05	76.95
<b>III Total income (I + II)</b>		<b>1,184.28</b>	<b>2,632.43</b>
<b>IV Expenses</b>			
Cost of material consumed	24 (a)	35.18	-
Purchase of stock-in-trade	25	412.42	1,595.51
Changes in inventories of stock-in-trade	26	307.71	(269.27)
Employee benefits expense	27	160.59	99.14
Finance costs	28	4.50	7.41
Depreciation and amortization expense	29	23.88	14.82
Other expenses	30	347.42	575.01
<b>Total expenses (IV)</b>		<b>1,291.70</b>	<b>2,022.62</b>
<b>V (Loss)/profit before tax (III-IV)</b>		<b>(107.42)</b>	<b>609.81</b>
<b>VI Tax expense:</b>			
(i) Current tax	32	1.16	155.70
(ii) Deferred tax	32	(26.08)	4.51
<b>Total tax expense</b>		<b>(24.92)</b>	<b>160.21</b>
<b>VII (Loss)/profit for the year (V-VI)</b>		<b>(82.50)</b>	<b>449.60</b>
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of defined benefit obligation		(0.77)	1.90
Income tax relating to remeasurement of defined benefit obligation		0.19	(0.48)
<b>Items that will be reclassified to profit or loss</b>			
(i) Exchange differences on translating the financial statements of a foreign operation		(0.09)	(0.01)
<b>Total other comprehensive income/(loss) for the year (net of tax)</b>		<b>(0.67)</b>	<b>1.41</b>
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>(83.17)</b>	<b>451.01</b>
<b>Earnings per equity share</b>			
Basic and diluted [nominal value of ₹10 per share]	33	(8.25)	44.96
Significant accounting policies	2		
Notes to the consolidated financial statements	3-45		

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

For **BSR & Co. LLP**  
Chartered Accountants  
Firm registration number: 101248W/W-100022

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Consolidated Statement of Cash Flow

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A Cash flows from operating activities</b>		
(Loss)/profit before tax for the year	(107.42)	609.81
<b>Adjustments for:</b>		
Depreciation and amortization expense	23.88	14.82
Income on unwinding of security deposits	(0.03)	(0.07)
Unrealized foreign exchange (gain)	(0.03)	(0.65)
Finance costs	4.50	7.41
Loss allowance	0.25	-
Provision for doubtful advance	3.25	-
Interest income	(42.16)	(52.33)
Gain on mutual funds (Net)	(24.44)	(6.51)
<b>Operating cash flows before working capital changes</b>	<b>(142.20)</b>	<b>572.48</b>
<b>Working capital adjustments</b>		
Decrease/(increase) in inventories	287.00	(264.01)
(Increase) in trade receivables	(13.76)	(26.14)
Increase/(decrease) in trade payables	1.77	(39.59)
Decrease / (increase) in other current assets	26.14	(42.71)
(Decrease) in other financial liabilities	(0.22)	-
(Decrease) in other current liabilities	(18.58)	(9.04)
Increase in provisions	3.59	2.51
<b>Cash generated from operating activities</b>	<b>143.74</b>	<b>193.50</b>
Income tax paid (net)	(41.47)	(179.51)
<b>Net cash generated from operating activities ( A )</b>	<b>102.27</b>	<b>13.99</b>
<b>B Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(3.96)	(34.04)
Purchase of intangible assets under development	-	(1.21)
Purchase of intangible Assets	-	(24.74)
Interest received	12.23	40.41
Purchase of mutual funds	(424.81)	(355.21)
Sale of mutual funds	190.25	29.86
Fixed deposits matured (Net)	61.73	314.04
<b>Net cash (used in) investing activities ( B )</b>	<b>(164.56)</b>	<b>(30.89)</b>

## Consolidated Statement of Cash Flow (Contd.)

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>C Cash flows from financing activities</b>		
Payment of lease liabilities (including interest)	(14.01)	(9.53)
Interest paid	(1.12)	(4.34)
(Repayment) of non-current borrowings	-	(7.79)
(Repayment)/ proceeds from current borrowings (net)	0.06	(1.43)
Dividend paid	-	(49.93)
<b>Net cash (used in)/ generated from financing activities ( C )</b>	<b>(15.07)</b>	<b>(73.02)</b>
<b>Net (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(77.36)</b>	<b>(89.92)</b>
<b>Effect of exchange rate fluctuations on cash &amp; cash equivalents held in foreign currency</b>	<b>(0.09)</b>	<b>(0.01)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>82.49</b>	<b>172.42</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>5.04</b>	<b>82.49</b>
<b>Notes:</b>		
<b>1. Components of cash and cash equivalents</b>		
Balances with banks:		
- In current accounts	5.04	2.49
- Fixed deposits with original maturity upto three months	-	80.00
	5.04	82.49
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 15(c) for reconciliation of movements of liabilities to cash flows arising from financing activities.		
Significant accounting policies	2	
Notes to the consolidated financial statements	3-45	

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

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Consolidated Statement of Changes in Equity

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### A Equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
<b>Balance at the beginning of the year</b>	1,00,00,175	100.00	1,00,00,175	100.00
Changes in equity share capital during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>1,00,00,175</b>	<b>100.00</b>	<b>1,00,00,175</b>	<b>100.00</b>

### B Other equity (Refer note 14)

Particulars	Reserves and surplus			Other comprehensive income	Total equity
	Capital reserve	Securities premium	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	
<b>Balance as at 1 April 2021</b>	(12.96)	987.79	556.13	0.02	<b>1,530.97</b>
<i>Total comprehensive income for the year</i>					
Add : Profit for the year	-	-	449.60	-	449.60
Add : Other comprehensive income (net of tax) for the year	-	-	1.42	(0.01)	1.41
<b>Total comprehensive income for the year</b>	<b>(12.96)</b>	<b>987.79</b>	<b>1,007.15</b>	<b>0.01</b>	<b>1,981.98</b>
<b>Transactions with owners, recorded directly to equity</b>					
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)
<b>Balance as at 31 March 2022</b>	<b>(12.96)</b>	<b>987.79</b>	<b>957.15</b>	<b>0.01</b>	<b>1,931.98</b>

Particulars	Reserves and surplus			Other comprehensive income	Total
	Capital reserve	Securities premium	Retained earnings	Exchange differences on translating the financial statements of a foreign operation	
<b>Balance as at 1 April 2022</b>	(12.96)	987.79	957.15	0.01	<b>1,931.99</b>
<i>Total comprehensive income for the year</i>					
Add : Loss for the year	-	-	(82.50)	-	(82.50)
Add : Other comprehensive loss (net of tax) for the year	-	-	(0.58)	(0.09)	(0.67)
Total comprehensive income for the year	(12.96)	987.79	874.07	(0.08)	<b>1,848.82</b>
<b>Balance as at 31 March 2023</b>	<b>(12.96)</b>	<b>987.79</b>	<b>874.07</b>	<b>(0.08)</b>	<b>1,848.82</b>

Significant accounting policies  
Notes to the standalone financial statements

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

**Ankush Goel**  
Partner  
Membership Number : 505121

Place: New Delhi  
Date: 23.05.2023

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

### Note 1. Corporate information

Nureca Limited ("the holding 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. The Company was converted into a public company with effect from 08 July 2020 with registered office situated at 101 Office 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.

The consolidated financial statements for the year ended 31 March 2023 were approved for issue by the Company's Board of Directors on 23 May 2023.

##### 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 (INR), 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 INR 10,000 have been rounded and are presented as INR 0.00 million in these Ind AS financial statements.

##### a. 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	Fair value

##### b. 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 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

Determining lease term of contract for duration of lease (refer note 4)

#### Significant estimates

- Recoverability of deferred taxes (refer note. 2.12 or 29d)



## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

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.

- *Defined benefit plans (refer note. 2.13 and 32)*

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 (refer note 2.4 and 3a)*

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.

- *Useful lives of intangible assets (refer note 2.5 and 3b)*

The Company review the estimated useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### c. 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 Group 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.

### d. Measurement of fair values

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:

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- 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 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 38.

### 2.2 Basis of consolidation

(a) Combine like items of assets, liabilities, equity, income, expenses, other comprehensive income and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra group losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Appropriate adjustments for deferred taxes are made for temporary differences that arise from the elimination of unrealised profits and losses from intra group transactions or undistributed earnings of

Group's entity included in consolidated Profit & Loss, if any.

### 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 2023	As at 31 March 2022
Nureca Inc.	USA	100%	100%
Nureca Healthcare Private Limited*	India	100%	100%
Nureca Technologies Private Limited \$	India	100%	100%

### 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 (unless it is a trade receivable without a significant financing components) 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

## Notes to the Consolidated Financial Statements

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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 on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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 derecognizes 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 derecognized.

## 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.

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### Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the 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.

## 2.4 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 Group and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes:

- a) Purchase price, net of any trade discounts and rebates;
- b) Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use; and

### 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.

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 derecognized 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 derecognized.

## 2.5 Intangible assets

### Recognition and measurement

Other intangible assets, including those acquired by the Company in a business combination and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated assets, is recognised in profit or 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.

The estimated useful lives are as follows

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- Software - 3 years
- Mobile application - 10 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually

### 2.6 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 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 asset 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 asset 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

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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.

### 2.7 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.

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

## Notes to the Consolidated Financial Statements

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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).

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.

### 2.8 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. Provision is made for slow moving inventory on case-to-case basis.

### 2.9 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.

#### 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.

### 2.10 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 liability is recognised when there is billings in excess of revenues.

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.

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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. Additionally amount disclosed as revenue are excluding taxes and net of return rebate, allowance etc.

#### II. Contract balances

*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.

### 2.11 Recognition of dividend, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established

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.

### 2.12 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

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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.

### 2.13 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 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.

## Notes to the Consolidated Financial Statements

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### b) Other employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date. The cost of providing benefits is measured on the basis of an annual independent actuarial valuation using the projected unit credit method at each balance sheet date. Actuarial gains or losses are recognised in Statement of Profit and Loss in the year in which they arise. 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.

### 2.14 Provisions, contingent assets and contingent liabilities

#### Provisions

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 asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities, and contingent assets are reviewed at each Balance Sheet date.

### 2.15 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.

### 2.16 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.

### 2.17 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

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

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 Group are segregated.

### 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.

### 2.18 Equity

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

### 2.19 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian

Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023 as below :

(i) Ind AS 1 - Presentation of Financial Statements

The amendments requires companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 12 - Income Tax

The amendment clarifies how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

(ii) Ind AS 8 - Accounting policies, Change in Accounting Estimates and Errors

The amendment will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimate has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company is evaluating the impact of these amendments on financial statements.

The Group is in the process of evaluating its impact on consolidated financial statements.

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 3a - Property, plant and equipment

Particulars	Gross carrying amount			Accumulated depreciation			Net book	
	As at 1 April 2022	Additions	Disposals	As at 31 March 2023	Charge for the year	Disposals	As at 31 March 2022	As at 31 March 2023
Leasehold improvement	7.25	0.71	-	7.96	0.88	-	7.02	6.85
Furniture and fixtures	9.96	0.39	-	10.35	1.11	-	8.97	8.25
Office equipment	4.68	0.79	-	5.47	0.98	-	3.26	3.07
Computers	6.27	0.24	(0.60)	5.92	1.64	(0.02)	4.15	2.17
Plant & machinery	3.68	1.83	-	5.51	1.07	-	3.49	4.25
Vehicle	11.77	-	-	11.77	3.13	-	9.89	6.76
<b>Total</b>	<b>43.61</b>	<b>3.96</b>	<b>(0.60)</b>	<b>46.98</b>	<b>8.82</b>	<b>(0.02)</b>	<b>36.78</b>	<b>31.35</b>

Particulars	Gross carrying amount			Accumulated depreciation			Net book	
	As at 1 April 2021	Additions	Disposals	As at 31 March 2022	Charge for the year	Disposals	As at 31 March 2021	As at 31 March 2022
Leasehold improvement	-	7.25	-	7.25	0.23	-	-	7.02
Furniture and fixtures	4.48	5.48	-	9.96	0.61	-	4.10	8.97
Office equipment	2.84	1.84	-	4.68	0.78	-	2.20	3.26
Computers	1.80	4.47	-	6.27	1.12	-	0.80	4.15
Plant & machinery	0.45	3.23	-	3.68	0.18	-	0.44	3.49
Vehicle	-	11.77	-	11.77	1.88	-	-	9.89
<b>Total</b>	<b>9.57</b>	<b>34.04</b>	<b>-</b>	<b>43.61</b>	<b>4.80</b>	<b>-</b>	<b>7.54</b>	<b>36.78</b>

### Capital work in progress

Particulars	As at 1 April 2021	Additions	Capitalization	As at 31 March 2022	As at 31 March 2023
Leasehold improvement	-	6.30	-	6.30	-
<b>Total</b>	<b>-</b>	<b>6.30</b>	<b>-</b>	<b>6.30</b>	<b>-</b>

## Notes to the Standalone Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 3b - Intangible assets

Particulars	Gross carrying amount		Accumulated amortisation		Net block	
	As at 1 April 2022	As at 31 March 2023	As at 1 April 2022	Charge for the year	As at 31 March 2023	As at 31 March 2023
Software	0.49	0.91	0.01	0.32	0.33	0.48
Mobile application (internally generated)	24.25	4.23	0.81	2.61	3.42	23.44
<b>Total</b>	<b>24.74</b>	<b>5.14</b>	<b>0.82</b>	<b>2.93</b>	<b>3.75</b>	<b>23.92</b>

Particulars	Gross carrying amount		Accumulated amortisation		Net block	
	As at 1 April 2021	As at 31 March 2022	As at 1 April 2021	Charge for the year	As at 31 March 2022	As at 31 March 2023
Software	-	0.49	-	0.01	-	0.01
Mobile application (internally generated)	-	24.25	-	0.81	-	0.81
<b>Total</b>	<b>-</b>	<b>24.74</b>	<b>-</b>	<b>0.82</b>	<b>-</b>	<b>0.82</b>

### Note 3c - Intangible asset under development

Particulars	As at 1 April 2021	As at 31 March 2022	As at 31 March 2022	As at 1 April 2022	As at 31 March 2023
	As at 1 April 2021	Additions	Disposals	Capitalization	Capitalization
Mobile application (internally generated)	3.02	25.46	4.23	4.23	4.23
<b>Total</b>	<b>3.02</b>	<b>25.46</b>	<b>4.23</b>	<b>4.23</b>	<b>4.23</b>

### Intangible assets under development ageing schedule

As at 31 March 2023	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Mobile application project (internally generated)	-	-	-	-
<b>As at 31 March 2022</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>Total</b>
Mobile application project (internally generated)	4.23	-	-	4.23

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### 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 with lock in term of 3 years.

#### a. Information about leases for which the Group is a lessee is presented below :

Right-of-use assets	As at 31 March 2023	As at 31 March 2022
Balance as at beginning of the year	41.19	29.29
Additions	-	21.10
Depreciation for the year	(12.13)	(9.20)
<b>Balance as at end of the year</b>	<b>29.06</b>	<b>41.19</b>

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 2023	As at 31 March 2022
Current	12.22	10.48
Non-current	20.32	32.81
<b>Total</b>	<b>32.54</b>	<b>43.29</b>

	As at 31 March 2023	As at 31 March 2022
<b>Balance as at beginning of the year</b>	<b>43.29</b>	<b>28.87</b>
Additions	-	20.86
Accreditation of interest	3.26	3.09
Payment of lease liabilities	(14.01)	(9.53)
<b>Balance as at end of the year</b>	<b>32.54</b>	<b>43.29</b>

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 2023	As at 31 March 2022
Less than one year	14.53	13.74
After one year but not longer than three years	12.59	27.21
More than three years	11.63	17.54
<b>Total</b>	<b>38.75</b>	<b>58.49</b>

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 has been applied have been charged to the Statement of Profit.

h. The table below provides details regarding amounts recognized in the Statement of Profit and Loss:

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenses relating to short-term leases and/or leases of low-value items	10.24	6.41
Interest on lease liabilities	3.26	3.09
Depreciation expense	12.13	9.20
<b>Total</b>	<b>25.63</b>	<b>18.70</b>

### i. The following are the amounts recognized in statement of cash flows:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash outflow for leases including short term leases/leases of low-value item and variable lease payments	24.25	15.94

### Note 5-Investments

#### Current Investments

	For the year ended 31 March 2023	For the year ended 31 March 2022
<i>In Other Companies (quoted investment at fair value)</i>		
- Mutual Fund		
74,698.12 (31 March 2022 : 74,698.12 ) Units in ICICI Pru Savings Fund -Direct	34.55	32.70
8,08,160.46 (31 March 2022 : 8,08,160.46) Units in ICICI Pru Short Term Fund -Direct Plan- Growth	43.94	41.25
3,03,848 (31 March 2022 : 3,03,848 ) Units in ICICI Prudential Medium Term Bond Fund - Direct Plan - Growth	12.35	11.68
1,75,104.81 (31 March 2022 : 1,75,104.81 ) Units in ICICI Pru Equity- Arbitrage Fund - Direct	5.42	5.13
Nil (31 March 2022 : 1,12,342.05 ) Units in ICICI Pru Floating interest Fund-Direct	-	40.52
1,48,727.30 (31 March 2022 : Nil) Units in ICICI Pru Liquid Fund	49.55	-
29,21,648.13 (31 March 2022 : 8,01,918.36 ) Units in SBI Short Term Debt Fund-Direct2	83.28	21.84
Nil (31 March 2022 : 19,800.31 ) Units in Axis Floater Fund-Direct	-	20.35
6,244.04 (31 March 2022 : Nil) Units in SBI Nifty Index Fund	0.98	-
301.11 (31 March 2022 : Nil) Units in SBI Gold fund Direct Plan	0.01	-
1,07,057.98 (31 March 2022 : 1,07,057.98) Units in Kotak Equity- Arbitrage Fund - Direct	3.59	3.39
29,470.40 (31 March 2022 : 11,026.59) Units in Kotak Corporate Bond Fund - Direct	96.55	34.54
Nil (31 March 2022 : 43,851.28 ) Units in Kotak Floating Rate Fund-Direct	-	53.82
3,94,011 (31 March 2022 : Nil) Units in Kotak Saving fund Direct Plan	15.00	-
11,925.87 (31 March 2022 : 6,995.33) Units in Kotak Low Duration Fund-Direct	36.50	20.30
41,423.47 (31 March 2022 : 41,423.47) Units in HDFC Low Duration Fund-Direct - Growth Option	2.18	2.06
23,10,606.11 (31 March 2022 : 23,10,606.11 ) Units in HDFC Banking And PSU Debt Fund-Direct	46.26	44.28
256.27 (31 March 2022 : Nil) Units in Mirae Asset Focused Fund - Direct	-	-
5,10,376.18 (31 March 2022 : Nil) Units in Navi US Total Stock Market	5.32	-
110.66 (31 March 2022 : Nil) Units in Canara Robeco Blue Chip	0.01	-

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
180.56 (31 March 2022 : Nil) Units in PGIM India Flexi Cap Fund Direct	0.01	-
1,27,12,375.41 (31 March 2022 : Nil) Units in Edelweiss Mutual Fund - Bharat Bond FOF - April 2023 - Direct Plan	155.35	-
	<b>590.85</b>	<b>331.86</b>
Aggregate book value of quoted investments	590.85	331.86
Aggregate market value of quoted investments	590.85	331.86
Aggregate value of unquoted investments	-	-
Aggregate value of impairment in value of non-current investments	-	-

### Note 6 - Other financial assets

	As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>		
Security deposits	2.89	2.74
Bank deposits maturing after twelve months	72.36	19.50
	<b>75.25</b>	<b>22.24</b>
	<b>As at</b>	<b>As at</b>
	<b>31 March 2023</b>	<b>31 March 2022</b>
<b>Current</b>		
Interest accrued not due on fixed deposits	-	28.10
Bank deposits due within twelve months	19.50	-
Security deposits	0.02	0.05
Receivable from online marketplace portals**	21.46	39.23
	<b>40.98</b>	<b>67.38</b>

\*\*Represent receivable in relation to sale made through online marketplace by business partners.

### Note 7- Other tax asset (net)

	As at 31 March 2023	As at 31 March 2022
<b>(a) Non-Current</b>		
Advance income-tax (net of provision)	11.09	-
<b>(b) Current</b>		
Advance income-tax (net of provision)	9.32	-
	<b>20.41</b>	<b>-</b>



## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 8 - Inventories

(At lower of cost and net realizable value)

	As at 31 March 2023	As at 31 March 2022
Raw materials	17.08	-
Stock-in-trade	327.48	631.77
Finished goods	0.21	-
	<b>344.77</b>	<b>631.77</b>

Notes:

*Includes goods-in-transit	32.72	27.90
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### Note 9 - Trade receivables

	As at 31 March 2023	As at 31 March 2022
From others	43.20	28.94
Less: expected credit loss allowance	(0.25)	-
	<b>42.95</b>	<b>28.94</b>
<b>Break-up of trade receivables:</b>		
Trade receivables considered good- unsecured	42.95	28.94
Trade receivables - credit impaired	0.25	-
	<b>43.20</b>	<b>28.94</b>
<b>Less: loss allowance</b>		
Trade receivables - credit impaired	(0.25)	-
<b>Trade receivables net</b>	<b>42.95</b>	<b>28.94</b>

### Trade receivables ageing schedule

As at March 31, 2023	Outstanding for following periods from due date of payment							Total 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	-	41.15	1.52	0.01	0.27	-	-	42.95
Undisputed trade receivables-having significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	0.20	0.05	-	-	0.25
Disputed trade receivables-considered good	-	-	-	-	-	-	-	-
Disputed trade receivables-having significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables-credit impaired	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>41.15</b>	<b>1.52</b>	<b>0.21</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>43.20</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

As at March 31, 2022	Outstanding for following periods from due date of payment							Total 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
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	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>26.64</b>	<b>1.99</b>	<b>-</b>	<b>0.31</b>	<b>-</b>	<b>-</b>	<b>28.94</b>

Movement in expected credit loss allowance of trade receivable	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	-	0.56
Balance written of during the year	-	(0.56)
Additions during the year	0.25	-
<b>Balance at the end of the year</b>	<b>0.25</b>	<b>-</b>

### Note 10 - Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
<b>Balances with bank:</b>		
- In current accounts	5.04	2.49
- Fixed deposits with original maturity upto three months	-	80.00
	<b>5.04</b>	<b>82.49</b>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with bank:	As at 31 March 2023	As at 31 March 2022
- In current accounts	5.04	2.49
- Fixed deposits with original maturity upto three months	-	80.00
	<b>5.04</b>	<b>82.49</b>

### Note 11 - Other bank balances

	As at 31 March 2023	As at 31 March 2022
Bank deposits*	704.49	760.96
Balance in unclaimed dividend accounts	0.13	0.07
	<b>704.62</b>	<b>761.03</b>

\*Includes restricted deposits of ₹299.26 (31 March 2022: ₹248.21) pledged as security for letter of credit and bank guarantee.

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 12 - Other current assets

	As at 31 March 2023	As at 31 March 2022
Balances with government authorities	97.32	133.78
Prepaid expenses	5.62	1.50
CSR Asset	8.71	0.30
Advances to suppliers	12.10	15.77
Expenses recoverable from related parties	-	-
Right to recover returned goods	3.35	7.11
	<b>127.10</b>	<b>158.46</b>

### Note 13 - Equity share capital

	As at 31 March 2023	As at 31 March 2022
<b>Authorized</b>		
11,000,000 (31 March 2022: 11,000,000) equity shares of INR 10 each	110.00	110.00
	110.00	110.00
<b>Issued, subscribed and paid-up</b>		
10,000,175 (31 March 2022: 10,000,175) equity shares of INR 10 each fully paid up	100.00	100.00
	<b>100.00</b>	<b>100.00</b>

#### 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 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning and at the end of the year	1,00,00,175	100.00	1,00,00,175	100.00
<b>Balance at the end of the year</b>	<b>1,00,00,175</b>	<b>100.00</b>	<b>1,00,00,175</b>	<b>100.00</b>

#### c) Details of shareholders holding more than 5 percent equity shares in the Group:

	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Payal Goyal	27,98,427	27.98	34,99,979	35.00
Saurabh Goyal	34,99,979	35.00	34,99,979	35.00
Nexpact Limited	-	-	7,50,454	7.50
	<b>62,98,406</b>	<b>62.98</b>	<b>77,50,412</b>	<b>77.50</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

#### 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 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019
	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) Initial public offer

During the year ended 31 march 2021 the Group 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. These equity shares were allotted on 23 February 2021 and the equity share of the Group got listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 25 February 2021.

#### f) Promoters Shareholdings

S. No.	Promoter's name	As at 31 March 2023		As at 31 March 2022		% change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Payal Goyal	27,98,427	28%	34,99,979	0.35	0.20
2	Saurabh Goyal	34,99,979	35%	34,99,979	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%
	<b>Total</b>	<b>62,98,441</b>	<b>63%</b>	<b>69,99,993</b>	<b>70%</b>	<b>20%</b>

#### Note 14 - Other equity

	As at 31 March 2023	As at 31 March 2022
<b>a Capital reserve</b>		
Balance at the beginning of the year	(12.96)	(12.96)
Balance at the end of the year	<b>(12.96)</b>	<b>(12.96)</b>
<b>b Security premium</b>		
Balance at the beginning of the year	987.79	987.79
Balance at the end of the year	<b>987.79</b>	<b>987.79</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
<b>c Retained earnings</b>		
Balance at the beginning of the year	957.14	556.13
Add: (Loss)/ profit for the year	(82.50)	449.60
Add: Other comprehensive (loss)/ income for the year (remeasurement of defined benefit plans, net of tax)	(0.58)	1.41
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	<b>874.06</b>	<b>957.14</b>
<b>d Foreign currency translation reserve</b>		
Balance at the beginning of the year	0.01	0.02
Less: Movement during the year	(0.09)	(0.01)
Balance at the end of the year	(0.08)	0.01
<b>Total</b>	<b>1,848.81</b>	<b>1,931.99</b>

### Nature of reserves

#### a. Capital reserve

Capital reserve is on account of the business combination under common control as per the Court approved scheme.

#### b. 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.

#### c. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

#### d. 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 15 - Borrowings

A. Current borrowings	Notes	As at 31 March 2023	As at 31 March 2022
<i>Unsecured</i>			
Inter corporate deposits			
- from related party (refer note 33)	(a)	0.82	0.76
		<b>0.82</b>	<b>0.76</b>

### Notes:

(a) Inter corporate loan of INR 0.82 (31 March 2021: INR 0.76) from Nectar Biopharma Private Limited carrying interest rate of 8% (31 March 2022: 8%) per annum and are repayable by 31 March 2024.

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

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B. Reconciliation of movements of liabilities to cash flows arising from financing activities	As at 31 March 2023	As at 31 March 2022
Borrowings at the beginning of the year (current and non-current borrowings)	0.76	10.01
Repayments of non-current borrowings	-	(9.25)
<b>Borrowings at the end of the year (current and non-current borrowings)</b>	<b>0.76</b>	<b>0.76</b>

### Note 16 - Lease Liabilities

Non Current	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 4)	20.27	32.81
	<b>20.27</b>	<b>32.81</b>
Current		
Lease liability (refer note 4)	12.18	10.48
	<b>12.18</b>	<b>10.48</b>

### Note 17 - Provisions

	As at 31 March 2023	As at 31 March 2022
<b>(a) Non-current</b>		
Provision for employee benefits:		
Provision for compensated absences	1.16	-
Provision for gratuity (refer note 32)	6.72	4.13
	<b>7.88</b>	<b>4.13</b>
<b>(b) Current</b>		
Provision for employee benefits:		
Provision for compensated absences	2.08	1.69
Provision for gratuity (refer note 32)	0.22	-
	<b>2.30</b>	<b>1.69</b>
	<b>10.18</b>	<b>5.82</b>

### Note 18 - Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro and small enterprises #	2.91	3.61
Total outstanding dues of creditors other than micro and small enterprises#	46.99	43.60
	<b>49.90</b>	<b>47.21</b>
<b>Of the above trade payable amount due to related parties are as below:</b>		
Trade payable due to related parties (refer note 33)	3.42	1.55

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 34

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Trade payables ageing schedule

As at 31 March 2023	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	2.91	-	-	-	-	2.91
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.30	7.49	6.76	0.44	-	-	46.99
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>32.30</b>	<b>10.40</b>	<b>6.76</b>	<b>0.44</b>	-	-	<b>49.90</b>

As at 31 March 2022	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	Total
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	20.22	19.91	3.45	0.04	-	-	43.62
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
<b>Total</b>	<b>20.22</b>	<b>23.52</b>	<b>3.45</b>	<b>0.04</b>	-	-	<b>47.21</b>

### Note 19 - Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Unpaid Dividend	0.13	0.07
Interest accrued but not due on borrowings (refer note 33)	0.23	0.15
	<b>0.36</b>	<b>0.22</b>

### Note 20 - Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Advance from customer	3.49	9.38
Statutory liabilities	3.26	7.14
Refund liability	7.20	13.68
Payable to employees	8.64	11.24
	<b>22.59</b>	<b>41.44</b>

### Note 21 - Current tax liabilities (net)

	As at 31 March 2023	As at 31 March 2022
Provision for tax (net of advance tax INR 0.51 (31 March 2022: INR 330.33))	0.68	20.58
	<b>0.68</b>	<b>20.58</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 22 - Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products	1,113.23	2,555.48
	<b>1,113.23</b>	<b>2,555.48</b>

**Notes:**

**a. Reconciliation of revenue recognized with the contract price is as follows:**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract price	1,172.97	2,715.11
Adjustments for:		
- Discounts and rebates	52.54	145.95
- Refund liability	7.20	13.68
<b>Revenue recognized</b>	<b>1,113.23</b>	<b>2,555.48</b>

**b. Contract Balances**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Advance from customer, which are included in 'other current liabilities'	(3.49)	(9.38)
Refund liability, which are included in 'other current liabilities'	(7.20)	(13.68)

Contract liabilities represents amount received from customers as per the terms of purchase/sales order to deliver goods. Once the goods are delivered and control is transferred to customers the same is adjusted accordingly.

**c. Revenue from sale of products disaggregated by primary geographical market**

	For the year ended 31 March 2023	For the year ended 31 March 2022
India	1,112.97	2,555.48
Outside India	0.26	-
<b>Total revenue from contracts with customers</b>	<b>1,113.23</b>	<b>2,555.48</b>

**d. Timing of revenue recognition:**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Product transferred at a point in time	1,113.23	2,555.48
Revenue from contracts with customers	<b>1,113.23</b>	<b>2,555.48</b>

### Note 23 - Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income under effective interest method		
- on bank deposits	42.16	52.33
- on loan given	0.02	-
Exchange gain on foreign exchange fluctuation (net)	1.83	15.52
Income on unwinding of security deposit	0.03	0.07
Rental Income	0.03	-
Gain on sale of Mutual Fund	24.44	6.51
Liability no longer required written back	-	1.06
Miscellaneous income	2.54	1.46
	<b>71.05</b>	<b>76.95</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 24 - Cost of materials consumed

	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory of raw material at the beginning of the year	0.13	-
Add: Purchases of raw materials	52.12	-
Less: Inventory of raw material at the end of the year	(17.08)	-
	<b>35.18</b>	<b>-</b>

### Note 25- Purchase of stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of stock-in-trade	412.42	1,595.51
	<b>412.42</b>	<b>1,595.51</b>

### Note 26 - Changes in inventories of stock in trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance		
- Stock-in-trade	631.64	367.76
- Right to recover returned goods	7.11	1.85
Closing balance		
- Stock-in-trade	(327.48)	(631.77)
- Right to recover returned goods	(3.35)	(7.11)
- Finished Goods	(0.21)	-
	<b>307.71</b>	<b>(269.27)</b>

### Note 27 - Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and wages	156.20	94.52
Contribution to provident and other funds (refer note 32)	3.43	2.96
Staff welfare expenses	0.96	1.66
	<b>160.59</b>	<b>99.14</b>

### Note 28 - Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense on financial liabilities measured at amortised cost :		
- on borrowings	0.06	0.27
- on lease liabilities	3.30	3.09
Interest expense on income tax	-	1.00
Other borrowing cost	1.14	3.05
	<b>4.50</b>	<b>7.41</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 29 - Depreciation and amortization expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	8.82	4.80
Amortization of intangible assets	2.93	0.82
Depreciation on right-of-use assets	12.13	9.20
	<b>23.88</b>	<b>14.82</b>

### Note 30 - Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Advertisement	35.98	117.38
Insurance	2.67	2.20
Communication expenses	1.76	1.93
Legal and professional fee	29.86	48.03
Rent	10.24	6.41
Travel and conveyance	17.57	11.54
Shifting and handling expenses	19.76	27.00
Security services	2.35	2.64
Loss allowance	0.25	0.62
Provision for doubtful advance	3.25	-
Commission and incentive	93.19	175.61
Packing expenses	11.19	13.51
Repairs and maintenance (Other)	1.98	3.35
Rates and taxes	1.82	4.59
Power and fuel	1.95	1.57
Freight charges	75.61	101.67
Donation	0.10	14.80
CSR expenditure	8.81	4.75
Business support service (refer note 33G)	9.05	15.13
Loss on derecognition of financial assets	2.55	7.16
Miscellaneous expenses	17.48	15.12
	<b>347.42</b>	<b>575.01</b>

### Payment to auditors (excluding goods and services tax)

As auditor:		
- Statutory audit	1.45	1.38
- Tax audit	0.38	0.35
- Limited review	1.08	0.90
- Reimbursement of expenses	0.07	0.12
<b>Amount debited to Consolidated Statement of Profit and Loss</b>	<b>2.98</b>	<b>2.76</b>
- Others services	0.52	0.21
<b>Total payments</b>	<b>3.50</b>	<b>2.96</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 32 - Tax expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>a. Amount recognized in Consolidated Statement of Profit and Loss:</b>		
<i>Current tax:</i>		
- Current year	1.16	155.70
<i>Deferred tax:</i>		
- Attributable to origination and reversal of temporary differences	(26.08)	4.51
<b>Total tax expense recognized</b>	<b>(24.92)</b>	<b>160.21</b>
<b>b. Reconciliation of effective tax rate</b>		
<b>(Loss)/profit before tax</b>	(107.42)	609.81
Tax at India's statutory tax rate of 25.17%	(27.04)	153.49
Tax effect of non-deductible expenses	1.90	9.02
Brought forward taxes on which deferred tax assets was not created earlier	(0.52)	-
Prior period tax expense	0.41	-
Share of loss from subsidiaries	-	(2.30)
Effect of different tax rate in subsidiary	0.23	-
Others	0.09	-
<b>Income tax expense recognized in the statement of profit and loss</b>	<b>(24.92)</b>	<b>160.21</b>
<b>c. Income tax expense recognized in other comprehensive income</b>		
Arising on income and expenses recognized in other comprehensive income		
Remeasurement of defined benefit obligation	0.19	(0.48)
<b>Total income tax recognized in other comprehensive income</b>	<b>0.19</b>	<b>(0.48)</b>
<b>Bifurcation of the income tax recognized in other comprehensive income into:</b>		
Items that will not be reclassified to profit or loss	0.19	(0.48)
	<b>0.19</b>	<b>(0.48)</b>
<b>d. Deferred tax balances reflected in the Balance Sheet:</b>	<b>For the year ended 31 March 2023</b>	<b>As at 31 March 2022</b>
Deferred tax asset	36.02	3.80
Deferred tax liability	(8.73)	(2.79)
<b>Deferred tax asset (net)</b>	<b>27.29</b>	<b>1.01</b>

## Notes to the Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

### e. Movement in deferred tax balances

Deferred tax asset	As at 1 April 2022	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2023
Provision for employee benefits	1.62	1.03	0.19	2.65
Income tax losses		30.51		30.51
Expected credit loss allowance on advances and trade receivables	-	0.84	-	0.84
Unrealised profit on inventory	-	0.17		0.17
Refund liability	1.65	(0.68)	-	0.97
Lease liabilities net of ROU	0.53	0.35	-	0.88
<b>Deferred tax asset (A)</b>	<b>3.80</b>	<b>32.22</b>	<b>0.19</b>	<b>36.02</b>
Deferred tax liability				
Excess depreciation as per Income tax Act, 1961 over depreciation as per books	(1.15)	0.38	-	(0.77)
Mutual fund gain (unrealized gain)	(1.64)	(6.32)	-	(7.96)
<b>Deferred tax liability (B)</b>	<b>(2.79)</b>	<b>(5.94)</b>	<b>-</b>	<b>(8.73)</b>
<b>Deferred tax asset (net) (A+B)</b>	<b>1.01</b>	<b>26.28</b>	<b>0.19</b>	<b>27.29</b>
Deferred tax asset	As at 1 April 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March 2022
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 net of ROU	-	(0.06)	-	0.53
<b>Deferred tax asset (A)</b>	<b>5.66</b>	<b>(2.45)</b>	<b>(0.48)</b>	<b>3.80</b>
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 (unrealized gain)		(1.64)	-	(1.64)
Deferred tax liability (B)	<b>(0.13)</b>	<b>(2.66)</b>	<b>-</b>	<b>(2.79)</b>
<b>Deferred tax asset (net) (A+B)</b>	<b>5.53</b>	<b>(5.11)</b>	<b>(0.48)</b>	<b>1.01</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(Amount in ₹ million, unless otherwise stated)

### Note 33 - Earnings per share

	For the year ended 31 March 2023	For the year ended 31 March 2022
i. (Loss) / profit for basic/diluted earning per share of face value of INR 10 each (Loss)/ profit for the year	(82.50)	449.60
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	1,00,00,175
Weighted average number of equity shares outstanding during the year	1,00,00,175	1,00,00,175
<b>Basic and diluted earnings per share (face value of INR 10 each)</b>	<b>(8.25)</b>	<b>44.96</b>

### Note 34 - 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 2023	For the year ended 31 March 2022
Revenue from branded healthcare products	1,113.23	2,555.48
<b>Total</b>	<b>1,113.23</b>	<b>994.26</b>

#### 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 2023	For the year ended 31 March 2022
<b>i. Revenue from customers</b>		
India	1,112.97	2,555.48
Outside India	0.26	-
	<b>1,113.23</b>	<b>2,555.48</b>
	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
<b>ii. Trade receivables</b>		
India	42.95	28.94
Outside India	0.03	-
	<b>42.98</b>	<b>28.94</b>

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

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### iii) Non-current assets

There are no non-current assets outside india.

### Note 35- 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 2023	For the year ended 31 March 2022
Contribution to provident and other funds (refer note 25)	3.43	2.96

#### 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.

## Notes to the Consolidated Financial Statements

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The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2023	As at 31 March 2022
<b>i. Reconciliation of present value of defined benefit obligation</b>		
Balance at the beginning of the year	4.14	3.33
Interest cost	0.46	0.23
Current service cost	1.84	2.39
Past service cost	0.01	-
Benefits paid	(0.29)	(0.06)
Actuarial loss recognized in other comprehensive income		
- from changes in financial assumptions	0.05	(0.16)
- from changes in demographic assumptions	0.00	-
- from experience adjustments	0.72	(1.59)
<b>Balance at the end of the year</b>	<b>6.94</b>	<b>4.14</b>

	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>ii. Amount recognized in statement of profit and loss</b>		
Interest cost	0.46	0.23
Current service cost	1.84	2.39
Past service cost	0.01	-
	<b>2.31</b>	<b>2.62</b>
<b>iii. Remeasurements recognized in other comprehensive income</b>		
Actuarial loss/ (gain) for the year on defined benefit obligation	0.77	(0.12)
	<b>0.77</b>	<b>(0.12)</b>

### 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 2023	As at 31 March 2022
Discount rate (per annum)	7.2%	7.3%
Future salary growth rate (per annum)	15%	15%
Expected average remaining working lives (years)	24.65	28.46

#### (ii) Demographic assumptions

	As at 31 March 2023	As at 31 March 2022
Retirement age (years)	58	58
Mortality rate	IALM 2012-14Ult	IALM 2012-14Ult
Attrition rate (per annum)	10%	10%

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(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 2023	For the year ended 31 March 2022
<i>Increase</i>		
Discount rate (1% movement)	(0.65)	(0.48)
Future salary growth rate (1% movement)	0.48	0.42
<i>Decrease</i>		
Discount rate (1% movement)	0.77	0.58
Future salary growth rate (1% movement)	(0.43)	(0.38)

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 2023	As at 31 March 2022
Between 1 to 4 years	1.88	0.56
Beyond 5 years	24.71	12.19
<b>Total expected payments</b>	<b>26.59</b>	<b>12.76</b>

### vii. Weighted average duration of the defined benefit obligation:

	As at 31 March 2023	As at 31 March 2022
Weighted average duration of the defined benefit obligation (in years)	14.15	15.00

### Note 36 - 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
<b>Key management personnel ('KMP')</b>	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 10 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)
<b>Relatives of KMPs</b>	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)
	Mrs. Payal Goyal
	Mrs. Raman Goyal
	Mrs. Smita Goyal



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(Amount in ₹ million, unless otherwise stated)

Description of Relationship	Name of the Party
<b>Entities in which KMP and/or their relatives have significant influence</b>	Trumom Private Limited
	Mirasan Private Limited
	Nectar Life Sciences Limited
	Nectar Biopharma Private Limited
<b>Executive Directors</b>	Mr. Rajinder Sharma (appointed w.e.f 28 May 2022)
	Mr. Vijay Kumar Sharma
	Mrs. Smita Goyal
<b>Non Executive Directors</b>	Ms. Ruchita Agarwal
	Ms. Charu Singh
	Mr. Rajinder Sharma (upto 3 June 2021)
	Mr. Nitin R.Bidikar
	Mr. Vikram Chaudhary

### 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 2023	For the year ended 31 March 2022
1 Reimbursement of expense paid by the Group	Nectar Biopharma Private Limited	-	7.06
2 Expenses Incurred by Entity on Behalf of Company	Nectar Biopharma Private Limited	-	0.91
3 Borrowings repaid	Mrs. Payal Goyal	-	3.90
	Mr. Saurabh Goyal	-	3.90
	Trumom Private Limited	-	1.46
4 Interest accrued during the year	Mrs. Payal Goyal	-	0.09
	Mr. Saurabh Goyal	-	0.09
	Trumom Private Limited #	-	0.00
5 Managerial remuneration *	Mr. Saurabh Goyal	18.00	15.26
6 Salary to KMPs and their relatives *	Mrs. Payal Goyal	13.68	11.40
	Mr. Aryan Goyal	15.86	11.43
	Mr. Gurvikram Singh	-	0.26
	Ms. Sakshi Mittal	-	0.16
	Mr. Nishant Garg	3.25	2.06
	Ms. Chetna Anand	1.28	0.50
	Mr. Santosh Kumar Srivastava	-	0.12
	Mr. Sushil Kumar Bhardwaj	-	0.03
	Mr. Rajinder Sharma	0.20	-
	Mr. Aryan Goyal	0.01	-
	Mr. Saurabh Goyal #	0.00	-
7 Sale of products	Mr. Vijay Kumar Sharma	0.40	0.50
	Mrs. Smita Goyal	-	0.02
	Ms. Ruchita Agarwal	0.04	0.06
8 Sitting Fee	Ms. Charu Singh	0.05	0.07

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

(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 (Contd...)

Nature of transaction	Name of related party	For the year ended 31 March 2023	For the year ended 31 March 2022
	Mr. Rajinder Sharma	-	0.02
	Mr. Nitin R.Bidikar	0.02	0.04
	Mr. Vikram Chaudhery	0.03	0.03
9 Commission and incentive	Nectar Biopharma Private Limited	-	2.62
10 Business support services	Nectar Biopharma Private Limited	-	11.47
11 Rent Income	DrTrust Charitable Trust	0.04	-
12 Rent Expenses	Mrs. Raman Goyal	0.96	0.19
13 Purchase of Fixed Asset	Nectar Life Sciences Limited	-	10.81
	Nectar Biopharma Private Limited	-	2.50
14 Contribution to corpus fund	Dr. Trust Charitable Trust	0.10	-

#Amount is immaterial

\* Break-up of compensation of key managerial personnel of the Company

	For the year ended 31 March 2023	For the year ended 31 March 2022
Short-term employee benefits	52.27	41.21
Post-employment benefits	3.36	1.91
Other long-term employee benefits	1.80	-
<b>Total compensation paid to key management personnel</b>	<b>55.63</b>	<b>43.12</b>

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 2023	As at 31 March 2022
1 Expenses recoverable	Nectar Biopharma Private Limited	-	0.08
2 Payable to employees	Mr. Saurabh Goyal	0.79	0.68
	Mr. Aryan Goyal	1.04	0.00
	Ms. Payal Goyal	0.76	0.58
	Mr. Nishant Garg	0.21	0.18
	Ms. Chetna Anand	0.10	0.07
	Mr. Rajinder Sharma	0.02	-
5 Trade payables	Nectar Biopharma Private Limited	-	1.55
6 Trade receivables	Dr. Trust Charitable Trust	-	-
7 Corpus fund	Dr. Trust Charitable Trust	0.10	-
8 Investments	Nureca INC	0.46	0.46
	Nureca Healthcare Private Limited	0.10	0.10
	Nureca Technologies Private Limited	30.00	30.00

\*\* During the year ended 31 March 2022, purchase of stock-in-trade from Nectar Life Sciences Limited of INR Nil (31 March 2021: INR 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 INR Nil (31 March 2021: INR (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 INR Nil (31 March 2021: INR Nil) further payable towards Nectar Life Sciences Limited for the aforesaid purchase of stock-in-trade.

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(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. 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.

### Note 37 - 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 2023	As at 31 March 2022
(i) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the each year		
- Principal	2.91	3.61
- Interest	-	0.09
(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	0.15
(iv) The amount of interest accrued and remaining unpaid at the end of each year	0.15	0.15
(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	0.15

## Notes to the Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

### Note 38 - 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 2023		As at 31 March 2022	
			Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L
<b>Financial assets</b>						
Investments						
-Investments in mutual fund	a	1	-	590.85	-	331.86
Trade receivables	c		42.95	-	28.94	-
Cash and cash equivalents	c		5.04	-	82.49	-
Other bank balances	c		704.62	-	761.03	-
Other financial assets	c		40.98	-	67.38	-
			<b>793.59</b>	<b>590.85</b>	<b>939.84</b>	<b>331.86</b>
<b>Financial liabilities</b>						
Borrowings	b		0.82	-	0.76	-
Lease Liability	b		32.45	-	43.29	-
Trade payables	c		49.90	-	47.21	-
Other financial liabilities	c		0.36	-	0.22	-
			<b>83.53</b>	<b>-</b>	<b>91.48</b>	<b>-</b>

#### 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.
- 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. There has been no financial assets of financial liabilities that has been fair valued through OCI.

### Note 39 - 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.

## Notes to the Consolidated Financial Statements

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(Amount in ₹ million, unless otherwise stated)

### (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 Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows:

	Currency	As at 31 March 2023		As at 31 March 2022	
		Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivables #	AED	0.00	0.03	-	-
Trade Payables	USD	0.32	26.37	0.16	11.73

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

#immaterial

### 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.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>As at 31 March 2023</b>				
USD 5% movement	1.32	(1.32)	0.99	(0.99)
AED 5% movement #	0.00	(0.00)	0.00	(0.00)
<b>As at 31 March 2022</b>				
USD 5% movement	0.59	(0.59)	0.44	(0.44)

#Amount is immaterial

## Notes to the Consolidated Financial Statements

for year ended 31 March 2023

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### (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 2023	As at 31 March 2022
Not due	41.16	26.65
Less than 90 days	1.52	1.99
More than 180 days	0.27	0.30
<b>Total</b>	<b>42.95</b>	<b>28.94</b>

#### Movement in expected credit loss allowance of trade receivable

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	-	0.56
Balance written of during the year	-	(0.56)
Additions during the year	0.25	-
<b>Balance at the end of the year</b>	<b>0.25</b>	<b>-</b>

#### (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

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The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings (excluding lease liabilities)	0.95	-	1.03	-	-	1.03
Other financial liabilities (excluding lease liabilities)	0.36	-	0.36	-	-	0.36
Trade payables	49.90	-	49.90	0.44	-	50.34
Lease liabilities	32.45	-	14.53	12.59	11.63	38.75
<b>Total</b>	<b>83.66</b>	<b>-</b>	<b>65.82</b>	<b>13.03</b>	<b>11.63</b>	<b>90.48</b>

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)	0.15	-	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
<b>Total</b>	<b>91.41</b>	<b>-</b>	<b>61.95</b>	<b>27.25</b>	<b>17.54</b>	<b>106.74</b>

### (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.

### Note 40 - Capital risk management

#### (i) 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.

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables (Refer note 19)	49.90	43.60
Borrowings (Refer note 14)	0.95	44.05
Less: cash and cash equivalents (Refer note 9)	5.04	82.49
<b>Net debt</b>	<b>45.81</b>	<b>5.16</b>
Equity share capital (Refer note 12)	100.00	100.00
Other equity (Refer note 13)	1,848.82	1,931.98
<b>Total capital</b>	<b>1,948.82</b>	<b>2,031.98</b>
Capital and net debt	1,994.63	2,037.14
<b>Gearing ratio</b>	<b>2.30%</b>	<b>0.25%</b>

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.

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(Amount in ₹ million, unless otherwise stated)

### Note 41- Contingent liabilities and commitments (to the extent not provided for)

#### (a) Claims against Company not acknowledged as debts

Particulars	As at 31 March 2023	As at 31 March 2022
Income tax matters	0.21	-

#### Income tax matters

No tax expense has been accrued in financial statements for the tax demand raised. The Group is contesting the demand and the management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operations.

# Pursuant to 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 Company will not be material.

**Note 42-** 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 2023

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	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
Nureca Limited	100.17%	1,952.10	102.72%	(84.75)	86.71%	(0.58)	102.60%	(85.33)
<b>Subsidiary</b>								
Nureca Inc, U.S.A.	-0.08%	(1.57)	0.97%	(0.80)	13.45%	(0.09)	1.07%	(0.89)
Nureca Healthcare Private Limited, India	0.00%	(0.06)	0.07%	(0.06)	0.00%	-	0.07%	(0.06)
Nureca Technologies Private Limited, India	1.50%	29.14	-4.03%	3.32	-	-	-3.99%	3.32
<b>Elimination</b>	-1.58%	(30.79)	0.26%	(0.21)	-0.16%	0.00	0.26%	(0.21)
<b>Total</b>		<b>1948.82</b>		<b>-82.50</b>		<b>(0.67)</b>		<b>-83.17</b>

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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	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
Nureca Limited	100.27%	2,037.43	100.78%	453.09	100.71%	1.42	100.78%	454.51
<b>Subsidiary</b>								
Nureca Inc, U.S.A.	0.04%	0.76	0.16%	0.74	0.71%	0.01	0.17%	0.75
Nureca Healthcare Private Limited, India	0.00%	0.01	0.01%	0.05	0.00%	-	0.00%	0.05
Nureca Technologies Private Limited, India	0.43%	8.32	-0.57%	(2.57)	0.00%	-	-0.57%	(2.57)
Elimination	-0.64%	(13.02)	-0.03%	(0.13)	0.08%	0.00	0.03%	0.13
<b>Total</b>		<b>2,031.98</b>		<b>449.60</b>		<b>1.41</b>		<b>451.01</b>

### Note - 43 Other statutory information

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Group does not have any transactions with companies struck off in current financial year.
- The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Group does not have borrowings from banks and financial institutions on the basis of security of current assets. Accordingly, there is not requirement to file quarterly returns or statements of current assets with banks and financial institutions.
- None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

## Notes to the Consolidated Financial Statements

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- The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- The Group including the "Companies in the Group" (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) do not have any Core Investment Company ("CIC")

### Note 44 - Ratios

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Change	Reason for variance >25%
Current Ratio	Total Current Assets	Total Current Liabilities	21.00	16.85	24.7%	Current ratio has increased for year ended 31 March 2023, since Business scale has increased and subsequently liability has decreased.
Debt-Equity Ratio	Total debt (lease liability)	Total shareholder equity	0.02	0.02	-21.2%	NA
Debt Service Coverage Ratio	Earning available for debt service	Debt service	(3.27)	18.02	-118.1%	Debt service coverage ratio has decreased for year ended 31 March 2023, due to decrease in earning available for debt services.
Return on Equity Ratio	Net profit after tax	Average shareholder equity	-4%	25%	-116.6%	Return on equity is lower for year ended 31 March 2023, since profit has been decreased in current years whereas there has been decrease 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	1.55	0.66	134.4%	Inventory turnover ratio has decrease because of increase in average inventory level in comparison to cost of goods sold.
Trade Receivables turnover ratio	Net credit revenue	Average accounts receivable	30.97	40.99	-24.4%	Trade Receivables turnover ratio have decreased due to decrease in sales.
Trade payables turnover ratio	Net credit purchase + other expense	Average trade payable	16.02	6.16	160.0%	The purchases has declined during current year however the balance of trade payable has not change.
Net capital turnover ratio	Net revenue	Working capital	0.63	1.43	-56.19%	Net Capital turnover ratio is lower for year ended 31 March 2023, because in March 2023 the working capital base of the company was significantly low.
Net profit ratio	Net Profit after tax	Net revenue	-7%	18%	-142.1%	Net profit ratio has declined because the sales have reduced substantially in the current year.
Return on Capital employed	Earning before interest and taxes	Tangible net Worth+ Total debt (Lease Liability)	-5%	30%	-117.7%	Return on capital employed ratio has declined because the Company has incurred loss in the current year as compared to previous year when the Company had earned profits
Return on investment	Income generated from investment	Average investment	5%	4%	32.4%	Investment in mutual fund has increase as compared to previous year as a result of which gain on sale of investment have increased.

## Notes to the Consolidated Financial Statements

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### Note 45-Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

**Ankush Goel**  
Partner  
Membership Number : 505121

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

Place: New Delhi  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

### AOC- 1

(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

#### Part "A" Subsidiaries

Name of the Subsidiary	Nureca Technologies Private Limited		Nureca Healthcare Private Limited		Nureca INC	
	As at March 31		As at March 31		As at March 31	
	2023	2022	2023	2022	2023	2022
<b>Reporting period for the subsidiary concerned, if different from the holding company's reporting period</b>	INR (in Millions)	INR (in Millions)	INR (in Millions)	INR (in Millions)	USD Dollar and Exchange rate is ₹ (82.18) for 1USD	
Share Capital	30.00	12.50	0.10	0.10	0.46	0.46
Reserve & Surplus	(1.08)	(4.18)	(0.16)	(0.09)	(2.11)	(1.22)
Total Assets	36.73	9.48	0.06	0.03	0.79	0.78
Total Liabilities	7.81	1.17	0.12	0.02	2.44	1.53
Details of Investments	-	-	-	-	-	-
Turnover	58.24	1.32	-	-	-	-
Profit / (Loss) before Taxation	3.72	(2.53)	(0.06)	(0.06)	(0.80)	(0.74)
Provision for Taxation						
(1) Current Tax	0.75	-	-	-	-	-
(2) Deferred Tax	(0.13)	0.04	-	0.00	-	-
Profit / (Loss) after Taxation	3.10	(2.57)	(0.06)	(0.06)	(0.80)	(0.74)
% 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

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

**Saurabh Goyal**  
Managing Director  
DIN : 00136037  
Place: Chandigarh  
Date: 23.05.2023

**Aryan Goyal**  
Whole-time Director & CEO  
DIN : 00002869  
Place: Chandigarh  
Date: 23.05.2023

**Nishant Garg**  
Chief Financial Officer  
Place: Chandigarh  
Date: 23.05.2023

**Chetna Anand**  
Company Secretary  
Membership No.: 31099  
Place: Chandigarh  
Date: 23.05.2023

**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	<b>NONE</b>
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 %	
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

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

**Saurabh Goyal**  
 Managing Director  
 DIN : 00136037  
 Place: Chandigarh  
 Date: 23.05.2023

**Aryan Goyal**  
 Whole-time Director & CEO  
 DIN : 00002869  
 Place: Chandigarh  
 Date: 23.05.2023

**Nishant Garg**  
 Chief Financial Officer  
 Place: Chandigarh  
 Date: 23.05.2023

**Chetna Anand**  
 Company Secretary  
 Membership No.: 31099  
 Place: Chandigarh  
 Date: 23.05.2023

# Notice of AGM

**NOTICE**

**NURECA LIMITED**

**CIN :** L24304MH2016PLC320868

**Registered Office :** Office No.101, 1<sup>st</sup> 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 **Seventh Annual General Meeting of NURECA LIMITED** will be held on **Thursday, July 20, 2023 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 Registered Office of the Company situated at Office No.101, 1<sup>st</sup> Floor, Udyog Bhavan, Sonawala Lane, Goregaon East, Mumbai, Maharashtra – 400063, to transact the following business.

**Ordinary Business**

**1. To receive, consider and adopt the Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 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, 2023 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, 2023, 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, 2023 and the Report of Auditors thereon, circulated to the Members and laid down before this meeting be and are hereby received, considered and adopted."

**2. To appoint a Director in place of Mr. Aryan Goyal (DIN 00002869), 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. Aryan Goyal (DIN 00002869), who retires by rotation and, being eligible for re-appointment, be and is hereby appointed as Director of the Company."

**Special Business**

**3. Reappointment of Mr. Saurabh Goyal (DIN 00136037) as Managing Director of the Company for a period of three years.**

To consider and, if thought fit, to pass the following as a **Special Resolution :**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and read with Schedule V and any 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) (hereinafter referred to as, "the Act") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Memorandum and Articles of Association and subject to the approval of Central Government, if necessary, the consent of the Members be and is hereby accorded to the re-appointment of Mr. Saurabh Goyal (DIN 00136037) as Managing Director of the Company for a period of three years w.e.f. September 3, 2023 on the terms and conditions and remuneration including to pay remuneration in case of inadequate profits or no profits in any financial year, as are set out herein below :

1. **Salary:** INR 1,80,00,000/- (Rupees One Crore Eighty Lacs only) per annum and be broken into various components as per HR Policy of the Company.
2. He shall be entitled to increment in salary of not more than 20% in the month of April every year over the previous financial year's salary.
3. **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 INR 25 Lakh per annum.
4. He shall be entitled to on actual basis :
  - a) company maintained car with driver for official purpose.

- b) official travel expenses including business class air tickets, five-star hotel stay and food charges.
- c) 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.
- d) all other facilities, as may be required, to ensure that he will be able to discharge his duties smoothly.

**RESOLVED FURTHER THAT** in addition to the perquisites referred to above, he will be eligible to the following perquisites which shall not be included in the computation of the ceiling on remuneration:

- a) Leave Encashment at the end of the tenure.
- b) Contributions to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these, either singly or put together, are not taxable under the Income-Tax Act, 1961.
- c) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- d) 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** 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 Remuneration Committee of the Board, may pay 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.

**RESOLVED FURTHER THAT** Mr. Saurabh Goyal shall have all the requisite powers and authority to enable him to manage the Company on a day to day basis.

**RESOLVED FURTHER THAT** 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: 23.05.2023

Place: Chandigarh

By order of the Board of Directors  
**Nureca Limited**  
**(Saurabh Goyal)**  
**Chairman & Managing Director**  
**DIN - 00136037**



**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 Nos. 2 and 3 of the accompanying Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 23.05.2023 considered that the special business under Item No. 3, being considered unavoidable, be transacted at the 7<sup>th</sup> 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, 2/2022 and 10/2022 dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020, 5<sup>th</sup> May 2020, 13<sup>th</sup> January 2021, 8<sup>th</sup> December 2021, 14<sup>th</sup> December 2021, 5<sup>th</sup> May, 2022 and 28<sup>th</sup> December 2022, respectively, ("MCA Circulars") allowing, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio- Visual Means ("VC/ OAVM") facility on or before 30<sup>th</sup> September, 2023, 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 7<sup>th</sup> 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 7<sup>th</sup> 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](mailto:cs@nureca.com) with a copy marked to [ajaykcs@gmail.com](mailto:ajaykcs@gmail.com) and [helpdesk.evoting@cdslindia.com](mailto: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](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL i.e. [www.evotingindia.com](http://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](mailto:rta@alankit.com) , Website : [www.alankit.com](http://www.alankit.com).
7. The Register of Members and Share Transfer Books of the Company will be closed from **Friday, July 14, 2023 to Thursday, July 20, 2023 (both days inclusive)** for the purpose of Annual General Meeting for Financial year ended March 31, 2023.
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 7<sup>th</sup> 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 final dividend amount for the Financial Year 2020- 21 remaining unclaimed shall become due for transfer on November 4, 2028 and the

Interim dividend amount for the Financial Year 2021-22 remaining unclaimed shall become due for transfer on March 20, 2029 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](http://www.nureca.com).

12. General instructions for accessing and participating in the 7<sup>th</sup> 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 7<sup>th</sup> AGM and facility for those Members participating in the 7<sup>th</sup> AGM to cast vote through e-Voting system during the 7<sup>th</sup> AGM. For this purpose, CDSL will be providing facility for voting through remote e-Voting, for participation in the 7<sup>th</sup> AGM through VC/ OAVM facility and e-Voting during the 7<sup>th</sup> 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. **Thursday, July 13, 2023**, 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 7<sup>th</sup> AGM by email and holds shares as on the cut-off date i.e. **Thursday, July 13, 2023**, 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 **Monday, July 17, 2023 at 9:00 A.M. and will end on Wednesday, July 19, 2023 at 5:00 P.M.** During this period, the Members of the Company holding shares as on the cut-off date i.e. **Thursday, July 13, 2023**, 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. **Thursday, July 13, 2023**.
- 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/myeasinew/Home/Login> or visit [www.cdslindia.com](http://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/myeasinew/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](http://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.nsd.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.nsd.com/>. Select "Register Online for IDeAS" Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>.
- c) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> 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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. Now enter your User ID –

**S. Manner of holding No. 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](http://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"> <li>• Enter your 10 digit alphanumeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>• 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.</li> </ul>
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Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• 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.</li> <li>• 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.</li> </ul>
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7. After entering these details appropriately, click on "SUBMIT" tab.
8. 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.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the Company which is 230621005.
11. 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.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
13. 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.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
16. 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**

- 1) Non-Individual members (i.e. other than individuals, HUF, NRI etc.) and custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- 2) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 3) 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.
- 4) The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote(s).
- 5) 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.
- 6) 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](mailto:ajaykcs@gmail.com) and to the Company at the e-mail address viz; [cs@nureca.com](mailto: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**

- 1) 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](mailto:cs@nureca.com).
- 2) For Demat shareholders - Please update your e-mail id and mobile no. with your respective Depository Participant (DP).
- 3) 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 :**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, 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.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

**Instructions for Members for attending AGM through VC / OAVM are as under :**

- 1) Member will be provided with a facility to attend the AGM through VC/OAVM. Members may access the same at [www.evotingindia.com](http://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.
- 2) Members are encouraged to join the Meeting through Laptops for better experience.
- 3) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 4) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- 5) 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](mailto:cs@nureca.com)) mentioning their name, DPID/Client ID, email id and mobile number.
- 6) 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.
13. 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.
14. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.nureca.com](http://www.nureca.com) and on the website of CDSL [www.evotingindia.com](http://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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
15. 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**.
16. '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](mailto:cs@nureca.com) till the date of AGM.
17. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act")**

**Item No. 2**

*The Statement for item no. 2 is provided, though strictly not required, as per Section 102 of the Act.*

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 re-election at such meeting. Independent Directors are not subject to retirement by rotation.

Accordingly, Mr. Aryan Goyal, Whole-time Director & CEO is required to retire by rotation at this AGM and being eligible, has offered himself for re-appointment. Considering Mr. Aryan 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. Aryan Goyal as set out in Item No. 2 for approval of the Members by way of an Ordinary Resolution.

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**.

Mr. Aryan Goyal is interested in the resolution set out at Item No. 2 of the Notice. Mr. Saurabh Goyal, Chairman & Managing Director, being related to Mr. Aryan Goyal, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice.

The other relatives of Mr. Aryan Goyal may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

**Item No. 3**

Members of the Company, at the Extra-Ordinary General Meeting (EGM) held on September 4, 2020, had approved the appointment of Mr. Saurabh Goyal, as a Chairman & Managing Director of the Company for a period of three years w.e.f. September 3, 2020. As a result, his tenure as a Chairman & Managing Director will be expired on September 2, 2023.

Therefore, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 23, 2023, has resolved to re-appoint Mr. Saurabh Goyal as Chairman & Managing Director of the Company for a period of 3 years with effect from September 3, 2023 on the terms and conditions as set out in the proposed resolution in item no.3, subject to the approval of the Members.

Mr. Saurabh Goyal is not disqualified from being re-appointed as Director in terms of Section 164 of the Act and has given his consent in writing to act as Director of the Company.

The period of office of Mr. Saurabh Goyal shall be liable to determine by retirement of directors by rotation.

The Notice read with Explanatory Statement should be considered as written Memorandum setting out the terms of appointment of Mr. Saurabh 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 re-appointment of Mr. Saurabh Goyal as Chairman & Managing Director of the Company as set out

in item No. 3 for approval of the Members by way of Special Resolution in terms of the Companies Act, 2013, Schedule V of the Companies Act, 2013 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**.

It is the considered view of the Board that Mr. Saurabh Goyal's re-appointment as Chairman & Managing Director would be of immense value to the Company. Accordingly, the Board recommends passing of the Resolution at Item No. 3 of the Notice as a Special Resolution.

Mr. Saurabh Goyal is interested in the resolution set out at Item No. 3 of the Notice. Mr. Aryan Goyal, Whole-time Director & CEO, being related to Mr. Saurabh Goyal, may deemed to be interested in the resolution set out at Item No. 3 of the Notice.

The other relatives of Mr. Saurabh Goyal may deemed to be interested in the resolution set out at Item No. 3 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

By order of the Board of Directors  
of **Nureca Limited**  
(**Saurabh Goyal**)  
**Chairman & Managing Director**  
**DIN - 00136037**

Date: 23.05.2023

Place: Chandigarh

**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 :**

<b>Name of Director</b>	<b>Mr. Aryan Goyal</b>	<b>Mr. Saurabh Goyal</b>
Director Identification Number (DIN)	00002869	00136037
Date of Birth (Age)	40 yrs	37 yrs
Qualification(s)	Bachelor's degree in Science (Chemical Engineering) from Purdue University, USA	BBA, Master of Science in International Management from King's College, London.
Original date of appointment	May 28, 2022 (appointed as Chief Executive Officer w.e.f. September 3, 2020)	February 11, 2017
Experience (including expertise in specific functional area)	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. Saurabh Goyal is the Chairman & Managing Director of the Company since September 03, 2020. He holds a bachelor's degree in business administration from Amity University and a master's degree in science in International Management from King's College, London. Mr. Saurabh Goyal has over a decade of experience in the healthcare & life sciences industry.
Terms & Conditions of appointment	As set out at Resolution No. 5 and 6 of the Notice of AGM for the year 2022.	As set out at Resolution No. 3 of this Notice of AGM
Details of remuneration last drawn (FY 2022-23)	Rs. 1.59 crores	Rs. 1.80 crores
Board Membership of other Companies (excluding Nureca Limited) as on March 31, 2023	1. Nectar Biopharma Private Limited 2. Trumom Private Limited 3. Nureca Technologies Private Limited 4. Nureca Healthcare Private Limited 5. Mirasan Private Limited 6. Rhinobeet Private Limited	1. Nectar Biopharma Private Limited 2. Trumom Private Limited 3. Nureca Technologies Private Limited 4. Nureca Healthcare Private Limited 5. Rhinobeet Private Limited
Chairman / Member of the Committee of the Board of Directors of the Companies in which he is a Director as on March 31, 2023	<b>Nureca Limited</b> 1. Management Committee - Chairperson 2. Risk Management Committee - Member <b>Nectar Biopharma Private Limited</b> 1. Corporate Social Responsibility Committee - Member	<b>Nureca Limited</b> 1. Stakeholder Relationship Committee - Member 2. Risk Management Committee - Member 3. Corporate Social Responsibility Committee - Chairperson <b>Nectar Biopharma Private Limited</b> 1. Corporate Social Responsibility Committee - Chairperson
No. of Board Meetings attended during FY 2022-23	4	4
No. of shares held in the Company as on March 31, 2023	7 equity shares	3,499,979 equity shares
Relationship with other Directors / KMPs	Brother of Chairman & Managing Director of the Company	Brother of Whole-time Director & CEO of the Company

**Annexure B**

**Statement as required under Schedule V of the Companies Act, 2013**

(with reference to Resolution at Item No. 3)

**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 31<sup>st</sup> March, 2023**

(₹ Crores)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21
Net Turnover & Other Income	119.06	263.27	216.15
Net Profit / (Loss) as per Statement of Profit & (Loss) After Tax	(8.42)	45.31	46.53
Profit / (Loss) as computed under Section 198 of the Act	(13.40)	60.79	62.34
Net Worth	195.26	203.74	163.29

**(5) Foreign investments or collaborations, if any**

Nil

**II. Information about the appointee**

**(1) Background details**

**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. He holds a bachelor's degree in business administration from Amity University and a master's degree in science in International Management from King's College, London. Mr. Saurabh Goyal has over a decade of experience in the healthcare & life sciences industry.

**(2) Past remuneration during the financial year ended 31<sup>st</sup> March, 2023**

Name of the Director	Amount
Mr. Saurabh Goyal	₹1.80 crores

**(3) Recognition or awards**

Nil

**(4) Job Profile and his suitability**

**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.

**(5) Remuneration proposed**

As set out in proposed resolution No. 3 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 Mr. Saurabh Goyal, the responsibilities assigned to him and the industry benchmarks, the remuneration proposed to be paid to him 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 holds 34,99,979 Equity Shares in the Company. Mr. Saurabh Goyal and Mr. Aryan Goyal are related to each other.

**III. Other Information**

**(1) Reasons of loss or inadequate profits:**

After quite an exceptional FY22 owing to a surge in online sales for home healthcare devices consequent to the pandemic and lockdowns, FY23 experienced a drop in online sales of healthcare products as Covid-19 pandemic-related tailwinds that drove significant growth in online shopping in earlier years waned considerably. As a result, Revenue from operations of the Company dipped by 56% from ₹2,555.5 million in FY22 to ₹1,113.2 million in FY23.

**2) Steps taken or proposed to be taken for improvement:**

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve sales and reduce costs such as launch of new products, expansion of offline operations, setup of manufacturing facility for home healthcare devices, etc.

**3) Expected increase in productivity and profits in measurable terms:**

The aforesaid steps taken/ being taken by the Company are expected to improve the Company's sales and profitability.

**IV. Disclosures**

Additional information in respect of Mr. Saurabh Goyal 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**  
(**Saurabh Goyal**)  
**Chairman & Managing Director**  
DIN - 00136037

Date: 23.05.2023

Place: Chandigarh



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**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 similar expressions related 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 based on any new information, assumption, expectations, future event, subsequent development, or otherwise.



**NUREÇA**

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