



Windlas Biotech Limited

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CIN-L74899UR2001PLC033407

August 29, 2024

To
Listing / Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

To
Listing / Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

BSE CODE: 543329

NSE SYMBOL: WINDLAS

Dear Sir/ Madam,

Re: Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Annual Report for the financial year ended 31st March, 2023

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), please find enclosed herewith Annual Report of the Company for the Financial Year 2023-24, along with the Notice of 23rd Annual General Meeting being sent to those Members by e-mail whose e-mail addresses are registered with the Company/ Depository Participant(s), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

The Annual Report is also uploaded on the website of the Company at www.windlas.com.

This is for your kind information and record.

Thanking you,

Yours faithfully,

For Windlas Biotech Limited

Ananta Narayan Panda
Company Secretary & Compliance Officer

Encl: as above

Cc:

1. National Securities Depository Ltd. [E-mail: evoting@nsdl.co.in]
2. Central Depository Services (India) Ltd. [E-mail: helpdesk.evoting@cdslindia.com]
3. Link Intime India Private Limited [E-mail: rajiv.ranjan@linkintime.co.in]

www.windlas.com

BUILDING THE FUTURE
PERFORMANCE
PERSEVERANCE
PROGRESS

Windlas Biotech Limited
Annual Report 2023-24





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AGM NOTICE

INVESTOR INFORMATION

Market Capitalisation as at : ₹ 10656 Million
March 31st, 2024

CIN : L74899UR2001PLC033407

BSE Code : 543329

NSE Code : WINDLAS

Bloomberg Code : WINDLAS:IN

Dividend Recommended : ₹ 5.50/-

AGM Date : September 24, 2024

AGM Venue : Through VC/OAVM

Please find our online version at:

<https://windlas.com/financial-information/annual-report/>



Scan the QR code to view our Annual Report

Disclaimer

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion on future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

BUILDING THE FUTURE. PERFORMANCE, PERSEVERANCE, PROGRESS.

For over 24 years, Windlas has persevered as a leading force in the Indian CDMO industry. Our legacy is steeped in a unique business model that prioritize three key areas: a diverse product portfolio, efficient internal operations and anticipating client needs. This commitment to excellence is reflected in our consistent performance, with robust earnings and profitability growth over the past six quarters.

Our achievements are a testament to the progress achieved through our strategic vision. We partner with seven of India's top 10 pharmaceutical giants for Generic Formulations CDMO operations, possess a nationwide distribution network for our Trade Generics vertical and extend our reach to rural communities, addressing unmet healthcare needs. The Export vertical growth approach comprises its broadening into semi-regulated market. Just like meticulous planning precedes a winning cricket innings, our strategic approach ensures we capitalise on our strengths.

Windlas is committed to maintaining its winning streak, along with our focus extending beyond simply increasing the run rate. We are dedicated to pushing the boundaries of our strategy to cater to the evolving needs of the healthcare market. This strategic intent embodies our approach to 'building the future' whereby we drive sustained growth as we expand our footprint and strengthen our market presence.

By closely analysing emerging trends in healthcare and consumer behaviour, Windlas stays ahead of the curve. Backed by the dedicated endeavours of our accomplished leadership and skilled human capital, we develop innovative solutions to capture market segments demanding high-quality, niche drugs and dosage forms. This strategic approach will not only lead to successful innings, but also establish a remarkable track record of holistic success, benefiting all stakeholders – both internal and external.



Performance

₹ 6,310 Million
Revenue

₹ 782 Million
EBITDA & 12.4% EBITDA Margin

₹ 582 Million
PAT & 9.2% PAT Margin

24%
ROE

27%
ROCE

₹ 1,090 Million
Net Operating Cashflow

₹ 2,064 Million
Strong Liquidity as on March 31, 2024



Perseverance

5
Manufacturing facilities

7,322 Million
Tablets and Capsules Capacity

54 Million
Pouches and Sachets Capacity

61 Million
Liquid Bottles Capacity

6,849 Products
Licenced to Manufacture

1,154
Number of employees

161
Employees in Quality Control

State-of-the-Art
Injectables Facility
Commissioned in Q4 FY 2023-24

Department of
Scientific and Industrial
Research (Certified R&D)

64%
of Generic Formulations of
CDMO Products are Complex
Generics



Progress

From 1 Plant in 2001
to 5 in 2024

143 in FY20 to 583 in FY24
Customer base in Generic Formulations CDMO Vertical

3,190
Complex products portfolio
from 1,091 FY 2022-23

280
Brands under Domestic Trade
Generics and Institutional Vertical

69
Exported Products which includes Generic
Medicines & Health Supplements

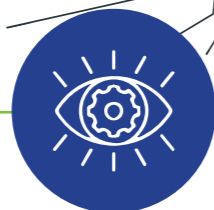
Note: All data presented as on March 31st 2024, unless mentioned otherwise

A LEGACY OF PROGRESS

With a laser-sharp focus on progress through perseverance and performance; Windlas proudly pronounces its presence across the key functions of the pharmaceutical value chain.

With a proud legacy of 24 years of high-quality drug manufacturing, Windlas is a leading generic formulations contract development and manufacturing organisation (CDMO) business. Windlas offers a wide-ranging portfolio of CDMO solutions, encompassing product development, licensing, and commercial manufacturing of complex drugs and dosage forms.

Apart from the thriving CDMO vertical, Windlas possesses two more equally flourishing strategic business verticals viz. Trade Generics & Institutional Sales vertical and Exports vertical. While we manufacture complex generics through our Generic Formulations CDMO vertical, we also cater to the rising need for trade generics in India through the Trade Generics and Institutional vertical aimed at realising our vision of providing Accessible, Affordable, and Authentic ('AAA') medication to underserved regions across India. We further aim to fulfil the healthcare and nutrition supplements and generic medicines requirements of global consumers via our exports vertical.



Vision

Our vision is to be regarded as a leading partner of choice in the Indian pharmaceutical contract development and manufacturing space. We shall also be recognized as one of the fastest growing generic medicines company with a Pan-India distribution network. With manufacturing facilities approved by regulated and emerging market authorities, we export medicines and health products outside India. We pro-actively invest in research and development and bring to market a portfolio of unique IP protected products that add lasting value to the under-served patients.



Mission

To serve the unmet healthcare needs of society by accelerating drug research of our customers, by manufacturing high-quality products and by creating innovative solutions that improve affordability of medicines.



Values

Our founding and governing principles keep us driving towards our team and individual objectives with a fair approach and productive engagement. Our values are:

Quality

- Pay attention to detail and ensure standards that we can be proud of
- Do the right things right
- Commit to a mindset of personal excellence

Results Orientation

- Set challenging goals and strive for achieving alignment and resonance
- Assume ownership and strive to execute flawlessly
- Confront constructively with solution mindset to solve problems

Working in Teams

- Encourage diversity of perspectives and foster creative thinking and innovation
- Share credit fairly and give honest and timely feedback where required
- Reward informed risk taking and challenge status quo

Customer Orientation

- Listen and respond to our stakeholders with a sense of urgency
- Make it easy to work with us
- Clearly communicate mutual intentions and expectations

Discipline

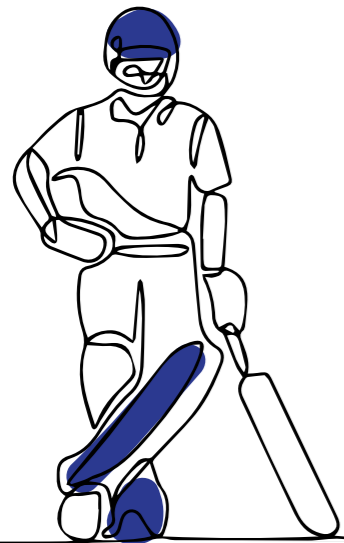
- Make and meet commitments
- Maintain uncompromising transparency, integrity and professionalism
- Plan, fund, staff and monitor projects properly and communicate with clarity



Strategic Capabilities

THE WINNING FORMULA FOR ENDURING SUCCESS

Like every cricket team that banks on its match winning players to perform and pull out a victory notwithstanding the pitch, the weather or the opposite team's strategy, Windlas also draws upon its inner strengths cultivated over years of industry experience and insights to propel itself to the higher echelons of performance.



World-Class Manufacturing Capabilities

- Five Schedule-M compliant OSD/OLD manufacturing facilities in Dehradun, Uttarakhand, India
- All the five plants are WHO-GMP compliant
- Underpin the key function within the pharmaceutical manufacturing value chain of full-scale, value-added, patent-expired generic drug formulation manufacturing with home-grown formulation technology
- Specialises in manufacturing:
 - Formulations,
 - Solid Pharmaceutical Dosage Forms
 - Liquid Pharmaceutical Dosage Forms
- Commissioning at the fifth manufacturing facility, focusing on injectables, attained in Q4 FY 2023-24.
- 161 employees in the Quality Control Department as of FY 2023-24

Dedicated Investments in Schedule-M Compliant Manufacturing Infrastructure

- Implementation of Schedule-M as part of Good Manufacturing Practices (GMP)
- Stringent quality audits conducted year-round
- Frequent sample testing and publication of results on Drug Controller General's website
- Presence of clients' quality representative personnel on factory site

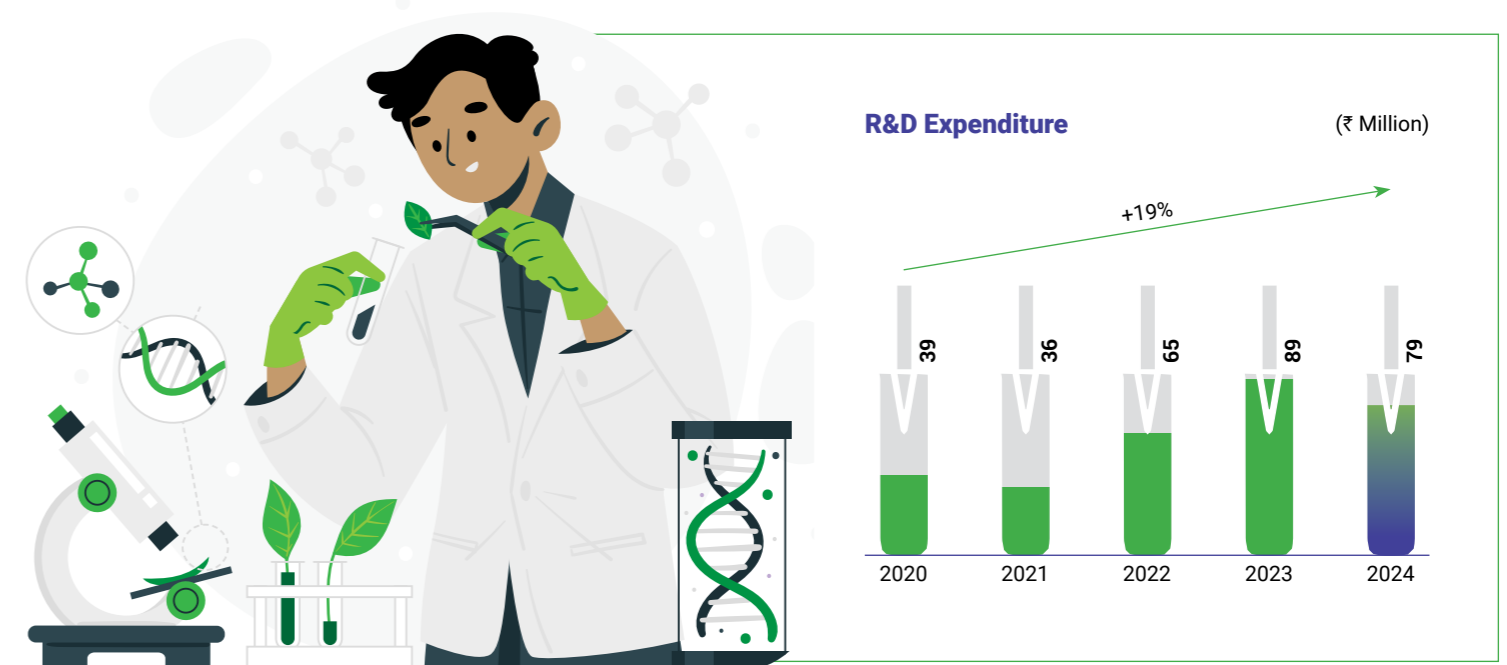
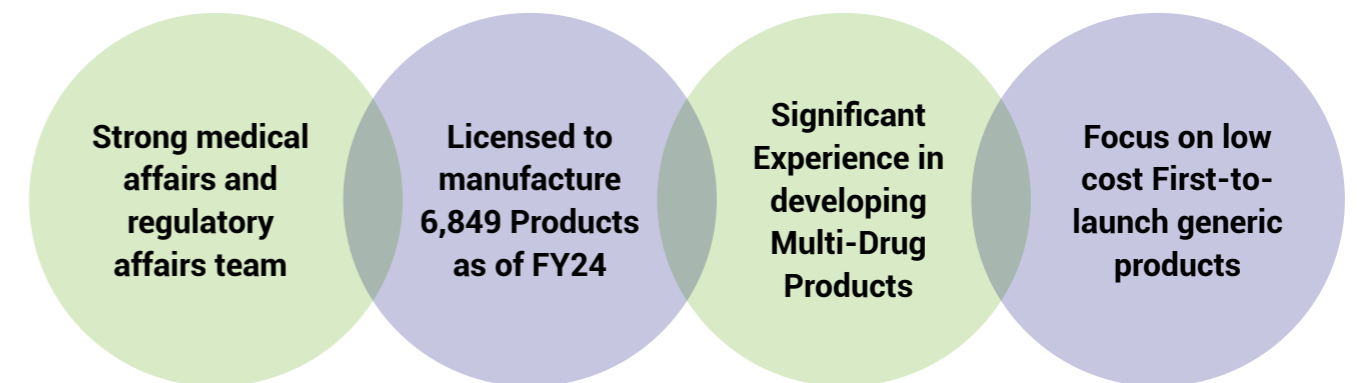
Time Honoured and Expansive Client Network

- Served Generic Formulations CDMO products to 7 of top 10 and 15 of top 20 Indian Pharmaceutical Formulations Companies
- Focus on evolving customer needs to enhance wallet-share
- Extension of the channel, product, and geographic reach for Trade Generics and Institutional SBV across 29 states of India

Pivotal Strategic Choices

- Formation of highly motivated human resource talent pool
- Development of a stabilised leadership team
- Building strong customer connections
- Selection of Dehradun as a manufacturing hub for harmonised product quality and improved transport connectivity

Research and Development Foundation



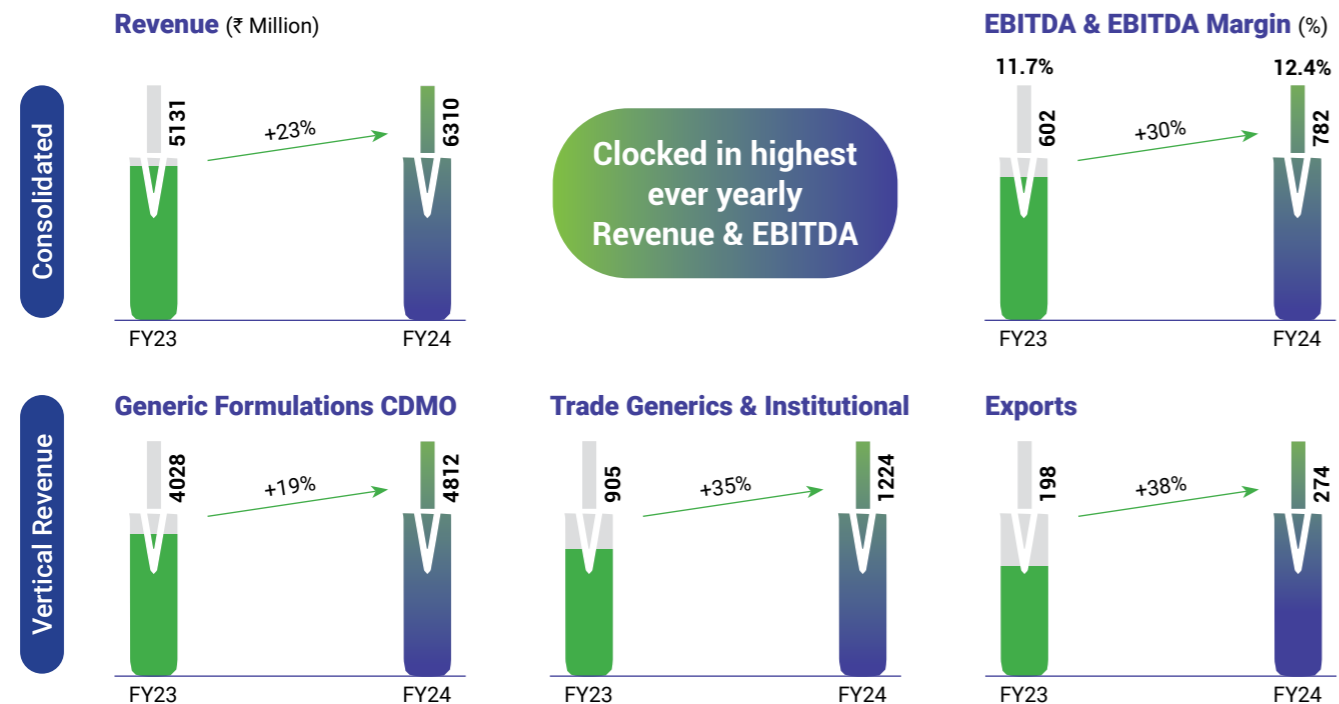
TRACKRECORD OF CONSISTENT INNINGS

Whether in cricket or life, performance is paramount. Every team and every player in cricket has a proud list of marvellous feats performed on the ground that reflect on their abilities, ambitions and achievements.

These achievements also lay a solid foundation for further endeavours and serve as vigorous motivation. Similarly, Windlas takes pride in the milestones achieved in its journey and views them as stepping stones for building a ladder of future progress.

Performance on the Financial Front

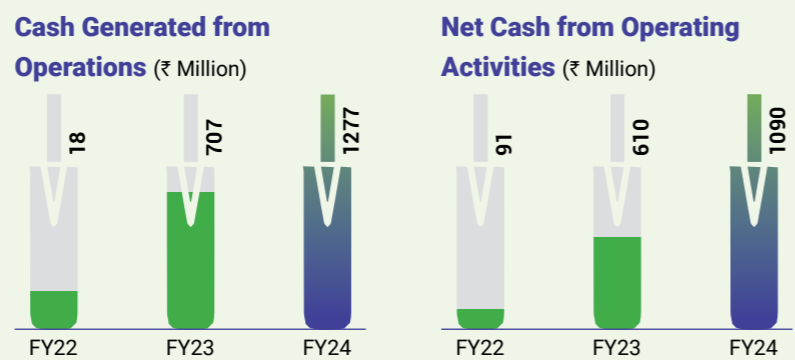
With a steady focus on adding high-value clients and niche formulations to the product portfolio, Windlas has been able to register splendid performance on the financial front. The progress is visible not only in the increased revenue figures across verticals but also in enhanced efficiency in the EBITDA and margins.



Clocked in highest ever yearly Revenue & EBITDA

Robust Liquidity Generation

At Windlas, progress isn't just about numbers in a maze of financial data. It's about crystal-clear growth, a holistic advancement across all key metrics. The robust cash flow generated from our operations speaks volumes. It's a resounding testament to the relentless perseverance that fuels our success.

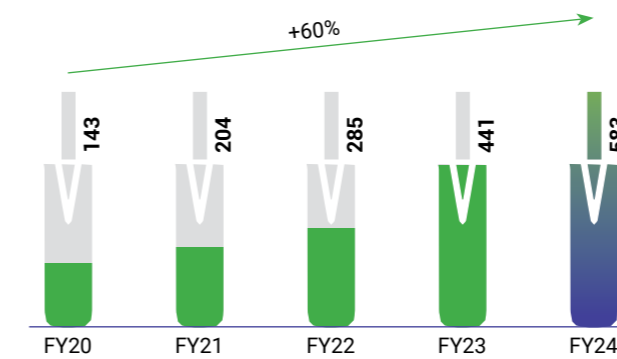


Smooth Progress Through Reliable Revenue Stream

Windlas has consistently streamlined its revenue streams, bolstered by the long-standing patronage and confidence of all its clients. Recognising the importance of a diverse and balanced client base, Windlas has proactively expanded its client portfolio, ensuring a wide distribution of revenue sources while retaining its valued, premium clients. This strategic approach strengthens our financial stability and positions us for sustained growth and resilience in the market.

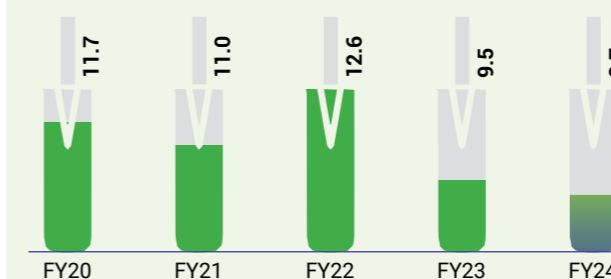
Steady expansion of customer base

Added New Customers at a rapid pace



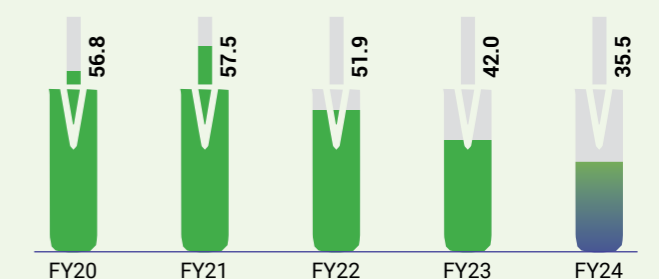
Spreading revenues across client portfolio, reducing dependence on a few key clients

Continuously reducing highest customer's contribution (%)



Lowering Client Concentration Risk

Lowering client concentration risk (%)

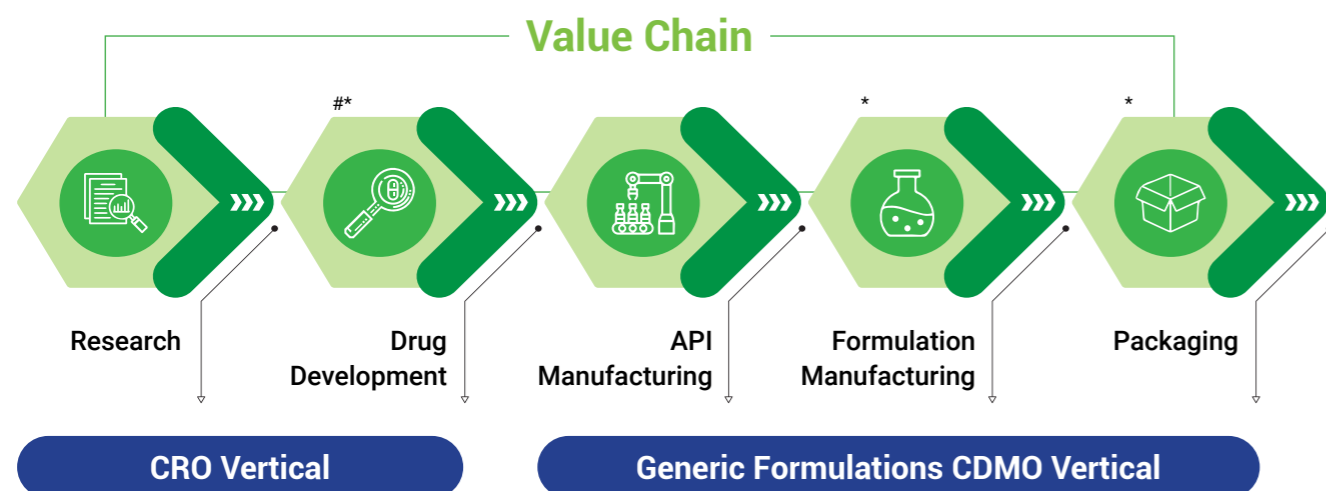


SETTING THE BATTING LINEUP

Having the right talent alone can't win the game, as most cricket stalwarts would agree. It is also the strategic selection of the right players for the right match and orchestrating their entry into the field that shall lead to a victory.

In the same manner, for successful business outcomes; setting up the operations and generating revenues is just the beginning. The eventual success pivots on creating a future-centric, strategic and progressive roadmap of expansion, diversification and implementation. Having established our competencies, improved performance and overall preparedness; we hereby showcase the strategies of the company that enable us to retain our momentum going ahead.

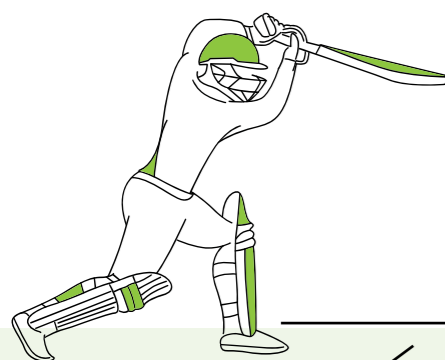
Windlas Biotech's Presence in Pharma Value Chain



*Signifies Presence of Windlas Biotech in the Respective Verticals

*Windlas focus is on value added and patent expired generic drug formulations

We invest in creating our own formulation technology for our products. Almost 100% of our CDMO supplies are based on products where we own the entire IP from initiation to regulatory permission.



Foray Into Injectibles

Windlas's business operations are spread across three verticals: Generic Formulations CDMO, Trade Generics & Institutional Sales and Exports. Leveraging its position as a leading Generic Formulations CDMO manufacturer, Windlas is expanding its product portfolio by envisioning and meeting evolving client needs. This includes venturing into the injectables domain like vials & ampules. The move is prompted by outdated injectable facilities in India failing to meet Schedule-M standards. Windlas's new injectable facility, which has commenced commercial production in Q4 FY2023-24, will provide a strategic edge, catering to rising demand for innovative drug delivery methods amid increasing incidence of chronic diseases.

through umbrella branding. Strategic partnerships with government hospitals and Jan Aushadhi stores further extend our reach to underserved communities, bridging the gap in healthcare access. Competitive pricing mitigates cost barriers, making essential medications truly accessible. This AAA strategy fosters a healthcare system where affordability isn't a hurdle, reflecting Windlas's commitment to social impact through its core business practices.

Expanding Exports to the Semi Regulated Countries

Windlas is strategically expanding its export reach by targeting semi regulated international market and selected regulated markets. These regions often lack robust domestic manufacturing capabilities, particularly for injectable medications. Windlas, with its recently established injectable manufacturing expertise and focus on high-quality generics, is well-positioned to become a reliable supplier. This export focus not only drives Windlas's own growth but also contributes to improved healthcare access in these regions by filling critical gaps in essential medication availability.

Expanding Therapeutic Areas Across the Generic Formulations CDMO Vertical

Windlas's Generic Formulations CDMO vertical adheres to a future-oriented strategy centered on continuous strategic portfolio and customer expansion. The core focus lies in developing new and complex generic formulations, particularly those targeting chronic and sub-chronic therapeutic areas. This aligns with the rising demand for intricate injectable therapies, prompting Windlas's recent venture into this space. The Company's established expertise in handling complex processes, coupled with investments in cutting-edge facilities, positions us as a niche player within the CDMO landscape. This strategic move enables us to capitalise on the growing demand for high-quality injectables driven by stricter regulations, while simultaneously addressing export needs in regions with limited domestic injectable manufacturing capabilities. Overall, our CDMO strategy fosters sustainable growth by ensuring we remain at the forefront of evolving pharmaceutical needs.

Emphasising AAA Across the Trade Generic and Institutional Vertical

Windlas's Trade Generics and Institutional Sales vertical prioritises a patient-centric 'Accessibility, Affordability, and Authentic' (AAA) strategy, ensuring essential medications reach a broader demographic. This is achieved through a diverse product portfolio exceeding 200 generics, catering to a wider range of patients at the bottom of the pyramid



WINNING HISTORY

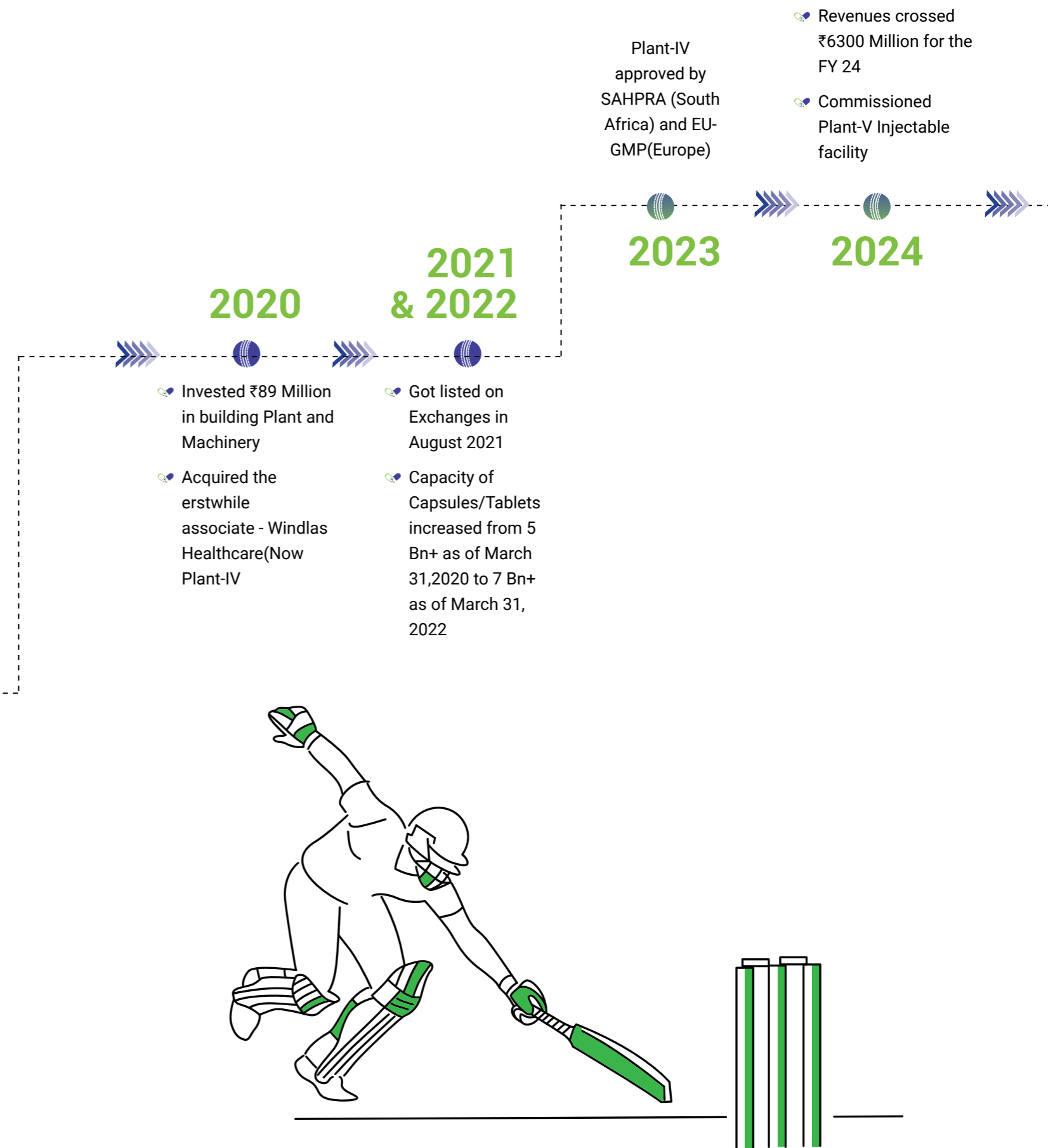
Windlas traces back its foundation to a momentous decision in 2001 when it first started its commercial production with the motto of manufacturing high-quality, competitively priced drugs in compliance with top-notch international production standards under its Generic Formulations CDMO vertical and rendering 'accessible, affordable and authentic' medicines to the rural hinterlands of India under its Trade Generics and Institutional vertical.

To date, Windlas has proudly anchored its operations and growth trajectory to this core value and established itself as a respected brand in the generics segments as well as a leading Generic Formulations CDMO partner to eminent names in the pharmaceutical industry.



- Commenced operations at Dehradun Plant -I and initiated commercial production
- Commenced operations at Dehradun Plant-IV
- Revenues crossed ₹1000 Million for FY2010

- Received first USFDA inspection clearance
- Revenues crossed ₹2000 Million for the FY 2013-14
- Commenced operations at Plant II
- Investment of ₹750 Million from Tano India Private Equity Fund II
- Revenues crossed ₹3000 Million for the FY 2016-17
- Launched first product in the United States from the Dehradun Plant-IV
- Commenced operations at Dehradun Plant - III
- Divestment of Windlas Healthcare to Cadila Healthcare



- Invested ₹89 Million in building Plant and Machinery
- Acquired the erstwhile associate - Windlas Healthcare(Now Plant-IV)
- Got listed on Exchanges in August 2021
- Capacity of Capsules/Tablets increased from 5 Bn+ as of March 31,2020 to 7 Bn+ as of March 31, 2022

- Plant-IV approved by SAHPRA (South Africa) and EU-GMP(Europe)
- Revenues crossed ₹6300 Million for the FY 24
- Commissioned Plant-V Injectable facility



MD'S COMMUNIQUE



We are filled with pride at how Windlas has not only recorded growth in its current endeavours but also laid a strong foundation for brighter future prospects along with discharging equally fulfilling social commitments.



Dear Stakeholders,

Warm greetings to all of you. It gives us immense pleasure to address you all as we conclude the financial year 2023-24. As we look back on the turn of events that have marked the business year gone by, we are filled with pride at how Windlas has not only recorded growth in its current endeavours but also laid a strong foundation for brighter future prospects along with discharging equally fulfilling social commitments. It is a testament to our motto of accomplishing growth and robust performance across various parameters.



In FY 2023-24, the Indian pharmaceuticals industry registered an overall growth of 7.6% on a year-on-year basis, including volume growth of 0.7%. Windlas, against this backdrop, is glad to register a phenomenal 23% growth in its revenues during the same period.

As the global economy slowly resurfaces after experiencing a little slowdown following the monetary tightening and elevated interest rates by major central banks, India has emerged as a robust emerging economy with a GDP growth rate of 8.2% in FY 2023-24 compared to 7.0% in FY 2022-23. More pharmaceutical giants are adopting leaner, flexible business models, outsourcing critical functions like research & development and manufacturing to the producers in the emerging economies. Additionally, there is an increased demand observed for high-quality, generic medicines across these economies and India, as a result of the expiry of patents on branded drugs as well as government thrust on healthcare expenditure.

Windlas has identified these levers of growth well ahead in time and is strategically poised to utilise these to its advantage. Our strategic initiatives involve expanding our customer base, enrich product portfolio and extend distribution network while focusing on strict quality control to meet international technical standards and modernisation. We have perceived robust growth across all the three of our Strategic Business Verticals viz. Generic Formulation CDMO, Trade Generics & Institutional and Exports. Under Generic Formulations CDMO vertical, we

cater to the Formulations manufacturing needs of the 15 out of the top 20 pharmaceutical companies in India. Our Trade Generics and Institutional vertical, focuses on providing Authentic, Affordable and Accessible medication to the underserved semi-urban and rural markets in India. Government policies such as Ayushman Bharat and Jan Aushadhi, which extend medical coverage to a vast number of economically disadvantaged Indians, further boost institutional purchases. We continue to build our export vertical by broadening into semi-regulated market and through filing of dossiers in different geographies.

We are happy to see that these strategic endeavours have started bearing fruits of our passion and persistence. Not only have we registered highest ever yearly revenue of ₹ 6,310 million but also generated substantial net operating cash flows ₹1,090 million. Our liquidity position end of period strengthens our ability to invest boldly in profitable growth. Furthermore, we commenced manufacturing at our state-of-the-art injectables facility in Q4 of this fiscal which is built to meet international cGMP standards.

Before we conclude, we would like to lay out the strategic goals for the coming fiscals for Windlas.

- With our highly modernised five manufacturing facilities, including the latest functional Injectables facility; we aim to tap increasingly larger opportunities presented across all the three SBVs.
- We continue to focus on operational efficiency and ensuring strict quality control
- We seek to ascend the growth trajectory further with our customer-centric approach and taking advantage of the near-term patent expiry of key molecules.
- With the said liquidity at hand, we are ready to make effective utilisation of funds and seize any opportunity for business enhancement.

In the end, we would like to offer our sincere gratitude to our Board of Directors for their valued guidance and industry acumen and show our genuine appreciation for all the members of Windlas Biotech family for their unwavering commitment, enthusiastic energy and diligent efforts. Also, we would like to thank our shareholders for their belief in our vision.

Best Regards,

Hitesh Windlass
Managing Director

Manoj Kumar Windlass
Jt. Managing Director

WORDS FROM THE CEO



Windlas's strong and steady financial performance, highlighted by revenue and profitability growth consistently for past six quarters, fills me with immense joy. With your ongoing trust in our capabilities, I am optimistic that Windlas will keep ascending the growth trajectory in the years ahead.



Dear Stakeholders,

I'm thrilled to commemorate FY 2024 as the new pinnacle in our journey. We've achieved prominent milestones, expanded strategically and stayed committed to creating value for our stakeholders. Windlas's strong and steady financial performance, highlighted by revenue and profitability growth consistently for past six quarters, fills me with immense joy. Our success at this pivotal moment would not have been possible without your steadfast trust and support. With your ongoing trust in our capabilities, I am optimistic that Windlas will keep ascending the growth trajectory in the years ahead.



The Indian pharmaceutical industry stands as the third-largest globally by volume. Windlas is strategically positioned to capture a larger share of this growing market with our diverse product portfolio across Generic formulation CDMO, Trade Generics & Institutional and Exports verticals, supported by our advanced manufacturing facilities in Dehradun.

Our solid financial performance in FY 2023-24 equips us to deliver considerable value and foster impactful results, as highlighted hereunder.

- Revenue: ₹6,310 million, up 23% YoY
- EBITDA: ₹782 million, reflecting 30% YoY growth
- PAT: ₹582 million, showing a 37% YoY increase
- EPS: ₹27.97, a 42% YoY growth
- Net Operating Cash Flow: ₹1,090 million and Liquidity Position: ₹2,064 million
- Dividend Proposal: ₹5.5 per share
- ROCE: 27%; ROE: 24%

The Company witnessed growth across all business verticals. The generic formulation CDMO generated ₹4,812 million in revenue (19% YoY growth) through strategic customer acquisition, increased wallet share with existing partners, staying focused on de-risking our client concentration and new product launches.

Our Trade Generics and Institutional Vertical delivered a 35% YoY increase in revenue, reaching ₹1,224 million fuelled by a continuously expanding product portfolio and a robust distribution network expansion across target markets. The government's ambitious plan to multiply Jan Aushadhi Stores and implementation of Ayushman Bharat, the flagship healthcare scheme further bolsters this vertical's future potential.

The exports vertical noted 38% YoY growth reaching ₹274 million in revenue.

The newly commercialised Injectables production facility deepens our focus on complex dosage forms and chronic/sub-chronic therapies and shall cater to all three of our business verticals.

I extend my heartfelt gratitude to all our stakeholders who have been with us on this journey. We deeply value our shareholders' continued trust and investment, continuously propelling us to become the best version of ourselves. Through our operational excellence and strategic initiatives perfectly aligned with the dynamic shifts and the growth surge within the industry, we are poised for sustained long-term growth and value creation for our stakeholders

Warm Regards,

Komal Gupta
Chief Executive Officer

Manufacturing Facilities

THE HOMEGROUND

Windlas proudly showcases its highly sophisticated manufacturing facilities that are equipped with cutting-edge technology and meet the stringent quality standards set by Schedule M as well as WHO-GMP.

Located in the region of Dehradun, these facilities get the natural advantage of a healthy environment that is clement for manufacturing such high-precision pharmaceutical solutions and heightened connectivity with the national capital i.e. Delhi through rail, road and air transport so as to expedite the functionality of critical business operations. Equipped with a robust capacity of 7.3 Billion+ tablets and capsules, the manufacturing capacity has leaped from 43% to 60% from FY 2022-23 to FY 2023-24, indicating the inbuilt strength to meet the current demand as well as capture newer opportunities without any delay.

Efficiency & Effectiveness in Regulatory & Quality Compliance act as solid Entry Barriers

Dehradun Plant 1 commenced operations in 2001



Dehradun Plant 2 commenced operations in 2014



Dehradun Plant 3 commenced operations in 2018



Dehradun Plant 4 commenced operations in 2009



Dehradun Plant 5 commenced operations in 2024

Total Installed operating capacity per annum

Categories	FY23	FY24*
Tablets & Capsules	7,322 Mn	7,322 Mn
Pouch & Sachet	54 Mn Packs	54 Mn Packs
Liquid Bottles	61 Mn	61 Mn

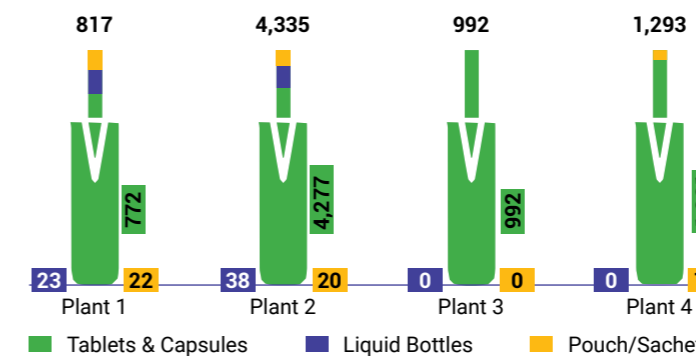
*Excluding Injectables

Key Highlights

Gross block of Fixed Assets ₹2,728 Million As on March 2024	Capex for FY24 stands at ₹787 Million	Successful Audits done by MNCs & Large Domestic Customers
₹1,993 Million Invested in building PPE & Other **Intangible Assets of Last 5 years	Total 161 Employees in Quality Control As of FY24	All 5 Plants are WHO-GMP compliant

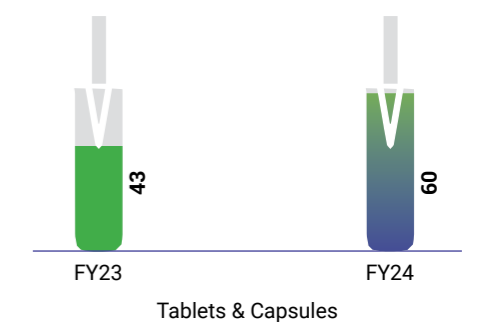
**Intangible Assets excluding CWIP/ROU/Intangible under development)

Plant wise operating capacity as on 31st March FY24*



*Capacity in Mn in terms of per annum; excluding injectables

Capacity Utilization % for FY23 & FY24



THE NET PRACTICE



Financial Capital

Our strong capital base, as well as diversified sources (Equity, Debt) of funding that are used to support our clients for credit extension

- Equity Share Capital: ₹ 103.99 Million
- Capital Employed: ₹ 4,548.10 Million

Manufactured Capital

Our capital consists of all the tangible assets we rely on, to conduct our operations and business activities

- 5 GMP-compliant manufacturing facilities in Dehradun, Uttarakhand
- 7,322 million tablets and capsules manufacturing capacity
- 54 million pouches & sachet manufacturing capacity
- 61 million liquid bottle capacity

Intellectual Capital

Our intangible assets include our brand, reputation, technology-based infrastructure, strategic partnerships with third-party payment interfaces, tie-ups with banks to process loans, manage risks and deliver effective customer service

- ₹ 79 million spent on R&D
- 1,901 complex products developed

Human Capital

Our team, with their experience and skills to develop and deliver our lending solutions to the customers

- 10 Training programmes and workshops conducted
- ₹874.57 Mn employee benefit cost

Social and Relationship Capital

The company is committed to making a positive impact on the communities we operate in

- ₹ 9.93 Mn spent on CSR activities focused on three critical areas of:
 - Health
 - Education
 - Environmental sustainability
- 996 dealers and distributors' network



Our Mission

To serve the unmet healthcare needs of society by accelerating drug research of our customers, by manufacturing high-quality products and by creating innovative solutions that improve affordability of medicines.



Business Activities

- Drug Development
- Formulation Manufacturing
- Packaging

World-class, Schedule-M Compliant Manufacturing Infrastructure

Stringent quality audits conducted year-round

Reliable network of esteemed clients and robust brand penetration

Strong financial profile with healthy and consistent liquidity position



Business Verticals

- Generic Formulations CDMO
- Trade Generics and Institutional
- Exports

Strategic Priorities

- Secure leadership in generic formulations: Leverage Generic Formulations CDMO advantage to undertake strategic acquisitions and become a frontrunner in the consolidating market
- Expand injectables: Ramp up injectables facility for complex dosage forms to strengthen Generic Formulations CDMO, Trade Generics & Institutional and Exports Verticals
- Accelerate growth in key markets: Focus resources on high-growth domestic Trade Generics & Institutional and high-growth export markets
- Leverage Generic Formulations CDMO leadership: Capitalise on 14% Generic Formulations CDMO market growth and outsourcing trend to attract new clients with complex product capabilities and PLI benefits
- Expand customer base: Utilise broad generic formulations CDMO offerings and customer-centric solutions to increase client base, while reducing client concentration
- Focus on innovation: Expand product development and manufacturing in complex generics to capitalise on near-term patent expiries

- Revenue from operations : ₹ 6,310 million (23% YoY)
- PAT: ₹ 582 million (37% YoY)
- Earnings per share: ₹ 27.97 (42% YoY)
- Return on capital employed: 27%




- 6,849 products licensed for manufacturing
- 280 Brands under Domestic Trade Generics and Institutional Vertical
- 10 Countries export presence




- 3,190 complex product portfolios
- 161 quality control personnel

- 1,154 employee strength
- Skilled and motivated talent pool, appreciated regularly through monthly 'Reward & Recognition' programs
- Cultivating and nurturing leadership potential amongst the employees through such recognition initiatives
- Ability to participate in the progress of the company through ESOP schemes such as ESOP 2021 and ESOS 2023

- 996 dealers and distributors' network
- Furtherance of worthy and impactful social causes such as:
 - Tuition fees for HIV Positive students
 - Setting up highly useful educational infrastructure such as school furniture and Chemistry Lab
 - Medicines and treatment expenses for critical diseases for the needy
 - Support for Enhancing water quality of Ganga in Uttarakhand
 - Education in night school

SELECTORS SPEAK: IN THE ROOM WITH STAKEHOLDERS

 Investors and shareholders	 Customers	 Supplier/ Vendor
Areas of Interest		
<ul style="list-style-type: none"> Overall Company performance Cost competitiveness Corporate governance ESG Regulatory compliance Responsible supply chain management Product responsibility 	<ul style="list-style-type: none"> Product quality Timely supply Pricing 	<ul style="list-style-type: none"> Smooth flow of the supply chain Operational decisions and concerns
Frequency of Engagement		
Quarterly Need based	Ongoing	Ongoing
Mode of Engagement		
<ul style="list-style-type: none"> Annual/quarterly reports and earning calls Issuing specific event-based press releases Investor Presentations 	<ul style="list-style-type: none"> In-person meetings E-mail Customer feedback sessions 	<ul style="list-style-type: none"> Supplier meetings Supplier audit
Value Creation		
<ul style="list-style-type: none"> Dividend Pay-out Buy Back of shares 	<ul style="list-style-type: none"> Real time feedback and insights about market requirements Niche, high-value drugs Long-term, mutually beneficial business associations Long term patronage of leading clients Constant expansion of the customer base 	<ul style="list-style-type: none"> Uninterrupted and sustainable supply chain

 Employees	 Local communities and NGOs	 Government and regulatory authorities
Areas of Interest		
<ul style="list-style-type: none"> Employee onboarding, training and skill development Periodic updates about rewards, recognition and development opportunities Setting and assessing performance roadmap and career growth 	<ul style="list-style-type: none"> Betterment of the communities Addressing needs and resolving the grievances 	<ul style="list-style-type: none"> Proactive communication and response for compliance requirements
Frequency of Engagement		
Ongoing	Need-based	Need-based
Mode of Engagement		
<ul style="list-style-type: none"> Communication through the HR Department Employee engagement initiatives Inhouse award functions 	<ul style="list-style-type: none"> CSR initiatives Volunteering activities Meetings with specific agenda 	<ul style="list-style-type: none"> Personal meetings Industry associations and conferences <ul style="list-style-type: none"> Site visits Official communication
Value Creation		
<ul style="list-style-type: none"> Well-rounded, updated and motivated talent pool Enhanced the ownership stake in the business through ESOP 2021 & ESOS 2023 Perfect sync between performance priorities of the human capital and the organisation Variable linked incentive scheme 	<ul style="list-style-type: none"> Creation of symbiotic environment for growth through mutual cooperation 	<ul style="list-style-type: none"> Streamlined and timely compliance with all the regulatory requirements Adherence to all the legal mandates Using Lexcomply - a compliance management software to manage and update the compliance status as well as documents of the compliances applicable to the Company

THE PLAYING ELEVEN

At Windlas Biotech, we believe our employees are not just assets, but the driving force behind our success. Their well-being and professional growth are paramount to achieving our goals and creating a brighter future for both our company and the communities we serve. Windlas accords them highest priority when it comes to strategising our social initiatives and shaping our vision for a brighter future.

Understanding that our company's success is intrinsically linked to the professional advancement of our talent pool, we prioritise the upskilling of our human resources. We foster a cohesive and healthy work environment, enabling seamless evolution in alignment with technological advancements. Additionally, with 1,154 employees, we collaborate with third-party personnel companies to provide contract labour as needed for specific assignments to ensure a healthy work-life balance and timely availability of skilled personnel required to execute the tasks efficiently.

To unlock our employees' potential, enhance productivity, achieve operational excellence, and maintain high-

quality and safety compliance standards, regular training and development programs are conducted. These training workshops equip our personnel with diverse skills, fostering teamwork and personal growth. Furthermore, to retain our talented workforce, we have introduced the Employee Stock Option Schemes, ESOP 2021 and ESOS 2023 to motivate them for the future and elevate performance. To celebrate the extraordinary performance and various milestones achieved by our employees throughout the year, we organise Reward & Recognition (R&R) on monthly basis. This initiative not only lauds the high-achievers but boosts the enthusiasm and morale of the entire team significantly.



Social Contributions

PLAY FOR A CAUSE

Windlas operates within a high-impact sector such as pharmaceuticals, the reach and responsibility of its Corporate Social Responsibility (CSR) initiatives hold immense importance for the business as well as the society at large. We recognise that our responsibilities extend beyond the production of pharmaceutical solutions, encompassing a positive contribution to the well-being of an extended community of internal as well as external stakeholders. Engaging in meaningful CSR initiatives not only aligns with our ethical principles but also enhances our reputation as a socially responsible company within the industry. By actively participating in CSR programs, we demonstrate our commitment to:

- Addressing healthcare challenges
 - Promoting access to education
 - Supporting sustainable natural resources management
- Through collaboration with relevant organisations, we strive to make meaningful contributions that improve the quality of life for individuals and communities, reinforcing our role as a socially conscious leader in the pharmaceutical sector.

Helping to Heal

Windlas always strives to reach out to those in need for medical assistance through different means and initiatives so as to address the pressing health-related issues faced by people and promote the overall well-being of the surrounding community on an ongoing basis. A few of such initiatives are listed hereunder:

- Help of ₹ 1 lakh for treatment of baby Garima Verma suffering from Spinal Muscular Atrophy (SMA) type 1 disease in collaboration with Impact Guru Foundation.
- Hand sanitizer distribution to the general public
- Medicines worth ₹ 3.13 million for free distribution in various hospitals run by Swami Vivekanand Health Mission Society across Uttarakhand



GRANT TO THE UNIVERSITY OF CHICAGO TRUST FOR WATER TO CLOUD (W2C) PHASE II PROJECT

In today's world, data is the key to unlocking critical insights and driving informed decision-making. Recognising this, a grant has been awarded to the University of Chicago Trust for the crucial Water to Cloud (W2C) Phase II Project. This project aims to revolutionise our understanding of water resources and empower better management strategies.

The objective of grant under this program is to

- Finalise the W2C Uttarakhand Portal
- Seamlessly integrating the portal with the existing Thoreau platform by developing processes and systems to automate data mining efforts
- Enhance understanding of structural river change through image analysis
- Develop a low-cost sensor-based water quality monitoring method to identify potentially polluting areas

In addition to the goals mentioned above, the grant seeks to enable users to access the Pan-India water portal and view W2C data alongside public data such as drainage maps, treatment plants, land use and industrial zones. This integration shall provide valuable context and insights for pollution hotspots identified in W2C data and the underlying causes of water pollution.



Empowering Education: Project Masoom

Established in 2008, Project Masoom is an educational initiative actively supported by Windlas. It began with a mission to improve the quality of education in Mumbai's night schools. Over 15 years, its impactful work has expanded to multiple regions across Maharashtra, including Pune, Ahmednagar, Nagpur, Satara, Sangli, Tuljapur, Nashik, Ichalkaranji, and Solapur.

Recognising the need for alternative education models beyond Mumbai, Project Masoom, with Windlas's backing, launched the Evening Learning Centre (ELC) program. This initiative specifically targets out-of-school students, dropouts, or those who haven't passed the SSC exam (aged 14+) in areas lacking night schools. Gujarat and Uttarakhand are the first states to benefit from ELCs, which run parallel to the Night School Transformation Program (NSTP).

A prime example of this collaboration is the Mohabewala ELC in Dehradun, Uttarakhand. With Windlas's support, the project provided infrastructure aid to the center. Additionally, a survey has been commenced under the project to identify potential areas for expanding ELCs in the Dehradun district. Presently, they are implementing the Evening Learning Centre program in Mohabewala ELC and three other ELCs in Dehradun with Windlas's assistance.

Many of the youth enrolled here work during the day to support their families and aim to complete their education by attending the ELC at night. Project Masoom, with Windlas's help, arranges a range of programs to support these students, including enrolment drives, foundation courses, NIOS classes, and e-learning sessions. A total of 176 students enrolled and appeared for the NIOS exam in April 2024.

278 underprivileged youth

enrolled in Mohabewala Evening Learning Center, Dehradun



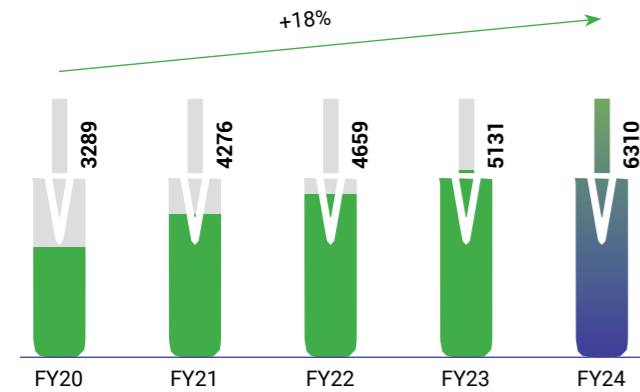
FINANCIAL PERFORMANCE

Particular (₹ in Million)	FY24	FY 23	FY 22	FY 21	FY 20
Net Revenue from Operations	6,310	5,131	4,659	4,276	3,289
COGS	3,962	3,254	3,028	2,744	2,116
Gross Profit	2,348	1,876	1,631	1,532	1,173
Gross Margin (%)	37.2%	36.6%	35.0%	35.8%	35.7%
Employee Expenses	875	703	634	583	436
Other Expenses	692	571	473	404	397
EBITDA	782	602	524	545	340
EBITDA Margin (%)	12.4%	11.7%	11.3%	12.7%	10.3%
Other Income	135	100	67	31	25
Finance Costs	11	08	14	13	25
Depreciation	134	124	121	130	93
PBT before exceptional items	771	570	456	434	247
Taxes	189	144	75	62	85
Reported PAT	582	426	381	156	162
Exceptional (Expense)/Gain	-	-	-	(216)	-
Tax benefit due to merger with Windlas Healthcare	-	-	-	83	-
Adjusted PAT	582	426	381	289	162
Adjusted PAT Margin (%)	9.2%	8.3%	8.2%	6.8%	4.9%
Adjusted Earnings Per Share (EPS)	27.97	19.70	18.58	15.99	8.90

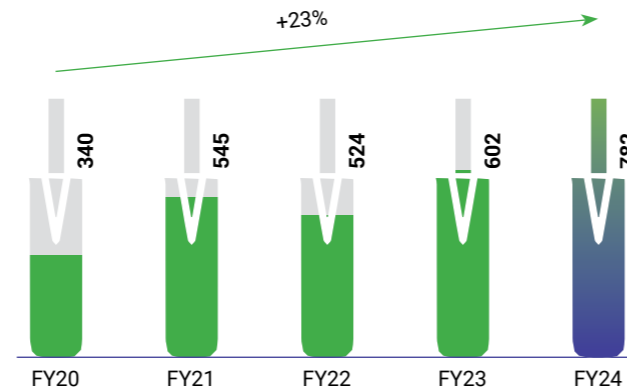
THE STRIKE RATE

Financial Snapshot

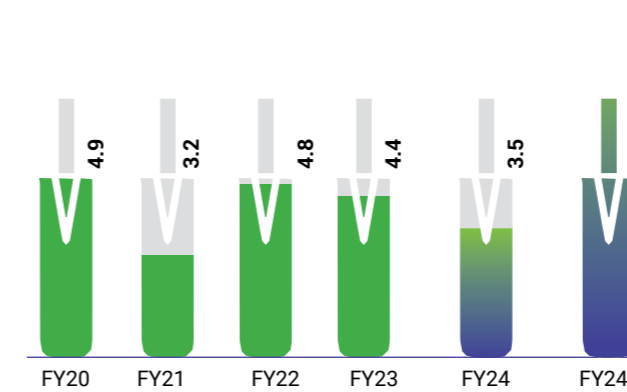
Revenue (₹ Million)



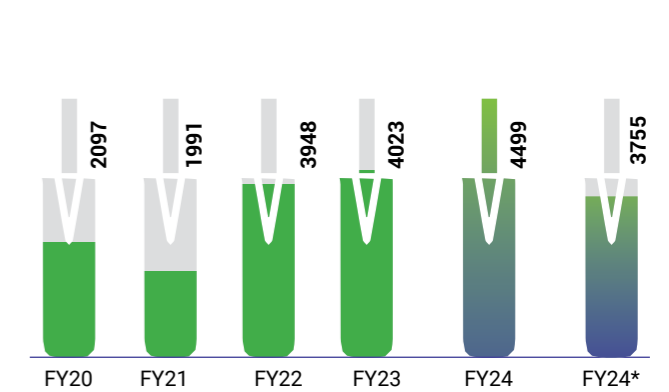
EBDITA (₹ Million)



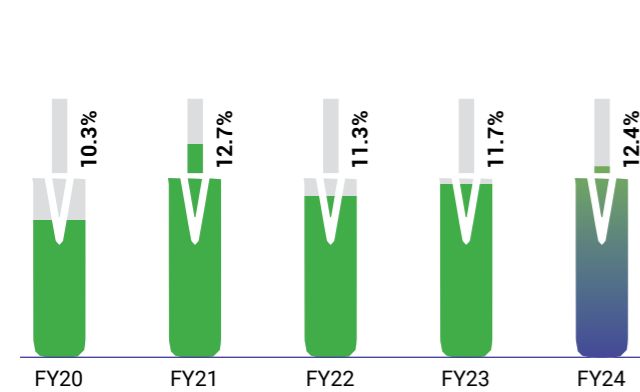
Asset Turnover Ratio



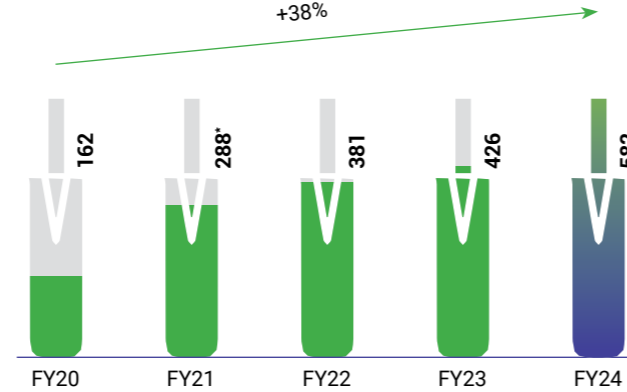
Net worth (₹ Million)



EBDITA margin

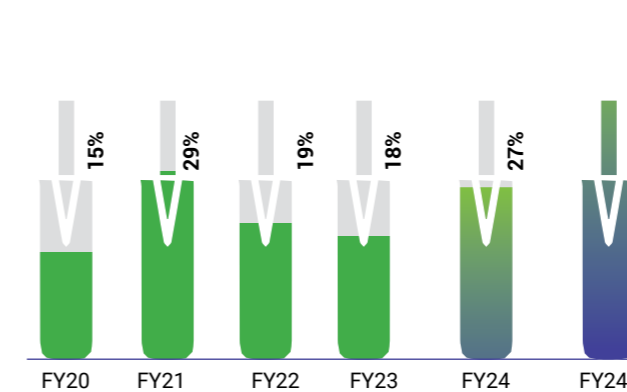


PAT (₹ Million)



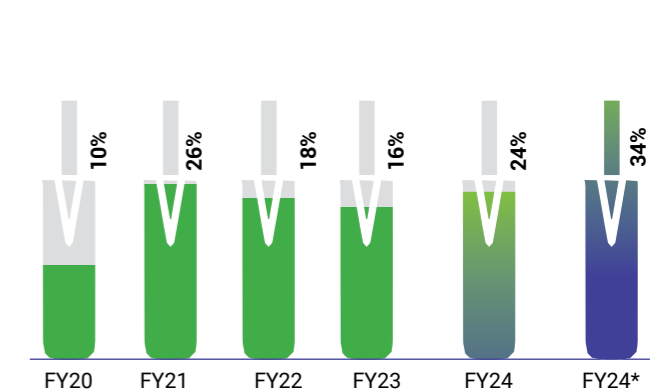
*Adjusted for exceptional items in FY21 (Negative Impact of Rs. 216 Million)

ROCE



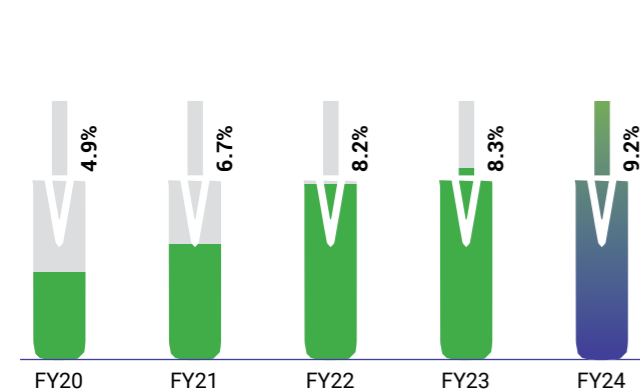
*Excluding injectables

ROE

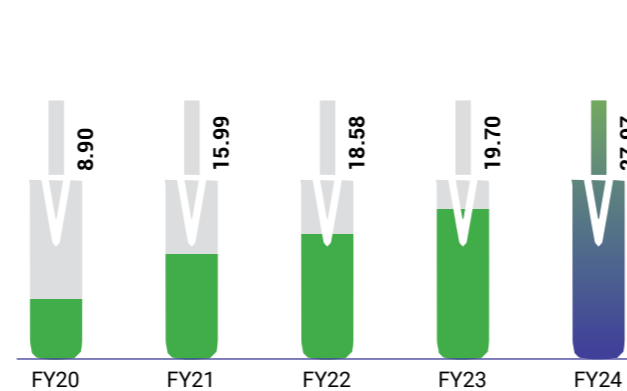


*Excluding injectables

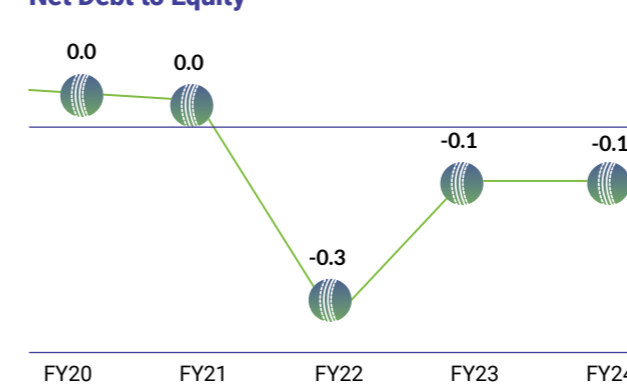
PAT Margin



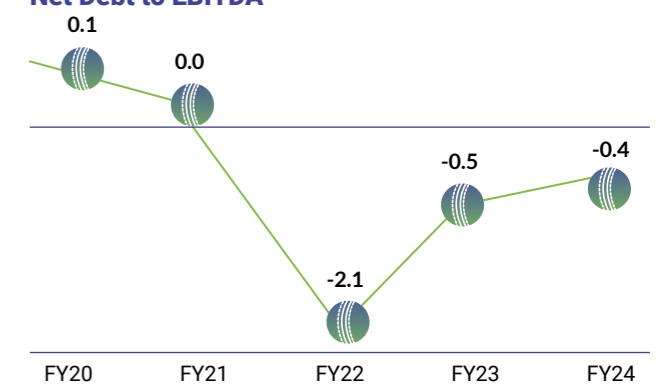
EPS



Net Debt to Equity



Net Debt to EBITDA



MEETING THE BOARD OF DIRECTORS



Vivek Dhariwal
Chairman and Independent Director

Mr. Vivek Dhariwal serves as the Chairman of the Board and Independent Director. With more than 22 years of industry experience, he brings expertise in manufacturing and supply chain operations. Mr. Dhariwal has held positions at prominent companies such as ICI India Ltd, Baxter India Private Ltd, and Pfizer Ltd. He holds a Bachelor's degree in Chemical Engineering from IIT-Bombay and a Master's degree in Chemical Engineering from the University of Kentucky, U.S.



Ashok Kumar Windlass
Whole Time Director

Mr. Ashok Kumar Windlass, a Promoter and Founder of our Company, holds a diploma in civil engineering from Government Polytechnic, Ambala City. With over 54 years of experience in the manufacturing and pharmaceutical sectors in India, he has been instrumental in the growth of our organisation. Mr. Windlass assumed the role of Managing Director on April 1, 2001, and subsequently became the Whole-time Director on May 3, 2021. His contributions extend across administration, legal, and engineering functions within the company. Recognised for his significant contributions, he was honoured with the Uttarakhand Ratan award at the 38th Annual All India Conference of Intellectuals organised by the All India Conference of Intellectuals in 2018.



Hitesh Windlass
Managing Director

Mr. Hitesh Windlass, equipped with a bachelor's degree in ceramic engineering from the Indian Institute of Technology, Banaras Hindu University, and a master's degree in business administration from the University of Chicago's Graduate School of Business, brings a wealth of knowledge to our organisation. With over 21 years of management experience, he has played a pivotal role in establishing our Domestic Trade Generics, OTC Brands, and Exports SBVs. Mr. Windlass spearheads technical operations, quality assurance, R&D, manufacturing strategy, and financial planning within the company. Prior to joining Windlas Biotech Ltd., he served as a process engineer at Intel Corporation, USA. Since joining our Company on January 21, 2008, as Director, he was appointed as Managing Director on April 30, 2020, further solidifying his commitment to our growth and success.



Manoj Kumar Windlass
Joint Managing Director

Mr. Manoj Kumar Windlass serves as the Joint Managing Director of our Company, bringing extensive expertise in product development, operations, procurement, and portfolio management within the pharmaceutical industry. Holding a bachelor's degree in business administration from Georgia State University, Atlanta, he has amassed over 17 years of experience in the medicine business. Mr. Windlass was instrumental in establishing our CDMO Services and Products SBV, playing a pivotal role in shaping product portfolio decisions and overseeing commercial operations, including business development, supply chain, and procurement. Joining our Company on April 1, 2006, as a Director, he assumed the position of Joint Managing Director on April 30, 2020, further enhancing our strategic leadership team.



Pawan Kumar Sharma
Executive Director

Mr. Pawan Kumar Sharma, an esteemed member of the Board of Directors at Windlas Biotech Limited, serves as the Executive Director. Since April 1, 2001, Mr. Sharma has been an integral part of Windlas Biotech Limited, bringing with him over 22 years of invaluable experience in the pharmaceutical sector. Holding a bachelor's degree in Law from Hemwati Nandan Bahuguna Garhwal University, Srinagar (Garhwal), Mr. Sharma's legal acumen significantly contributes to the company's compliance and legal affairs, reinforcing its commitment to regulatory excellence and ethical conduct.



Prachi Jain Windlass
Non-Executive Director

Ms. Prachi Jain Windlass holds the esteemed position of Non-Executive Director on the Board of Windlas Biotech Limited. Her academic journey includes a Bachelor's degree in Technology from IIT Delhi, a Master's degree in Science from the University of Southern California, and an MBA from the University of Chicago. With a diverse professional background, she currently lends her expertise to the Michael & Susan Dell Foundation, having previously contributed her talents to the renowned Boston Consulting Group. Ms. Windlass's multifaceted experience and educational prowess enrich the strategic direction and governance of the company, driving its continued success in the biotech industry.



Srinivasan Venkataraman
Independent Director

Mr. Srinivasan Venkataraman brings his wealth of expertise to Windlas Biotech Limited as a Non-Executive Independent Director on the Board. A distinguished Chartered Accountant and Fellow member of the Institute of Chartered Accountants of India, Mr. Venkataraman has a rich professional history. He has lent his financial acumen to esteemed organisations such as Wealth Tree Advisors, Hines, Aon Global Insurance Services, and Lovelock & Lewes. With his extensive background and strategic insights, Mr. Venkataraman plays a pivotal role in ensuring governance and financial stewardship within the company, bolstering its position in the biotech sector.



Gaurav Gulati
Independent Director

Mr. Gaurav Gulati serves as a Non-Executive Independent Director on the Board of Windlas Biotech Limited, bringing a unique blend of academic excellence and industry experience. Holding a Bachelor's degree in Science with a focus on Computer Science from the University of Illinois, Mr. Gulati further honed his skills by obtaining an MBA from the prestigious Booth School of Business in the United States. Prior to his current role, he made significant contributions to Oyo Hotels and Homes Private Limited. With his solid educational background and diverse professional experience, Mr. Gulati contributes invaluable insights to the strategic direction and governance of Windlas Biotech, reinforcing its position as a leader in the biotech industry.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ashok Kumar Windlass

Whole Time Director

Mr. Hitesh Windlass

Managing Director

Mr. Manoj Kumar Windlass

Jt. Managing Director

Mr. Pawan Kumar Sharma

Executive Director

Mrs. Prachi Jain Windlass

Non-Executive Director

INDEPENDENT DIRECTORS

Mr. Vivek Dhariwal, Chairman

Mr. Srinivasan Venkataraman

Mr. Gaurav Gulati

CHIEF EXECUTIVE OFFICER &

CHIEF FINANCIAL OFFICER

Mrs. Komal Gupta

COMPANY SECRETARY

Mr. Ananta Narayan Panda

STATUTORY AUDITORS

S.S. Kothari Mehta & Co LLP

Chartered Accountants

REGISTERED OFFICE

40/1, Mohabewala Industrial Area

Dehradun, Uttarakhand 248 110

India

Tel.: +91-135-6608000-30

CORPORATE OFFICE

705-706, Vatika Professional

Point, Sector-66,

Golf Course Ext. Road, Gurgaon,

Haryana 122 001, India

Tel.:+91- 124-2821030

FACTORIES

Plant I

40/1, Mohabewala Industrial

Area, Dehradun Uttarakhand

Plant II

Khasra no. 141 to 143 and 145,

Mohabewala Industrial Area,

Dehradun Uttarakhand

Plant III

Plot no. 39, Pharma City Selaqui

Industrial Area, Dehradun

Uttarakhand,

Plant IV

Plot no. 183 and 192,

Mohabewala Industrial Area,

Dehradun Uttarakhand.

Plant V

Khasra No. 167GHA, 166GA &

172DA,

Mohabewala Industrial Area,

Dehradun Uttarkhand

R&D

40/1, Mohabewala Industrial Area,

Dehradun in Uttarakhand

STOCK EXCHANGES WHERE

SHARES OF THE COMPANY

ARE LISTED

National Stock Exchange of India

Limited (NSE)

BSE Limited (BSE)

REGISTRAR AND TRANSFER

AGENT

Link Intime India Private Limited

C-101, 1st Floor, 247 Park Lal

Bhadur Shastri Marg Vikhroli

(West) Mumbai, Maharashtra

WEBSITE & E-MAIL

www.windlas.com

grievance@windlasbiotech.com

info@windlasbiotech.com

CORPORATE

IDENTIFICATION NUMBER

CIN:L74899UR2001PLC033407

MANAGEMENT DISCUSSION AND ANALYSIS



Leadership is the capacity to translate vision into reality

— *Mahendra Singh Dhoni*
(Former Captain, India Men's Cricket Team)

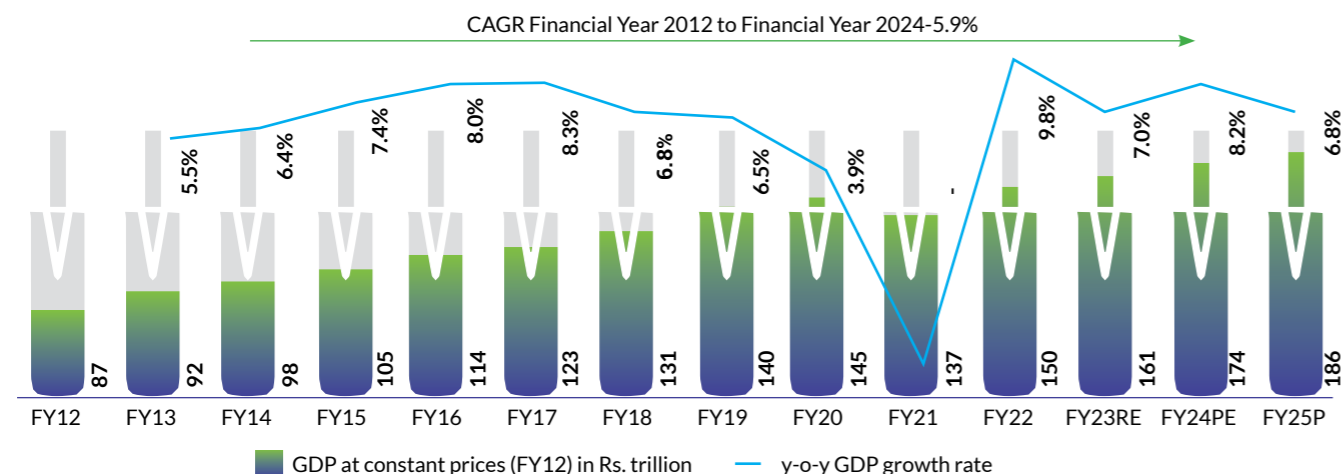
These simple yet profound words are embedded with eternal wisdom. Coming from the most successful captain in Indian cricket, they aptly encapsulate the secret of success and the spirit of leadership. A true leader shall win not only for himself but also for his people. A leader can inspire and transform the dreams of his stakeholders into reality. Nowhere is this ethos more paramount than in the pharmaceutical sector, where the welfare of society hinges upon the integrity and vision of its leader. We at Windlas Biotech Limited (referred to as 'we' or 'the company' hereinafter) navigate this crucial domain, the essence of this timeless wisdom serves as a guiding light, illuminating the path towards collective prosperity and well-being of not only the company and the stakeholders but also the nation at large.

Macroeconomic perspective

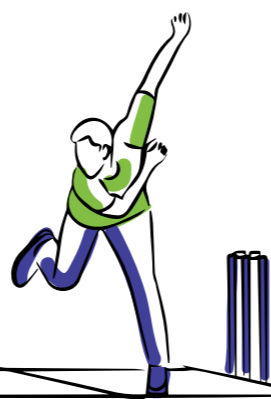
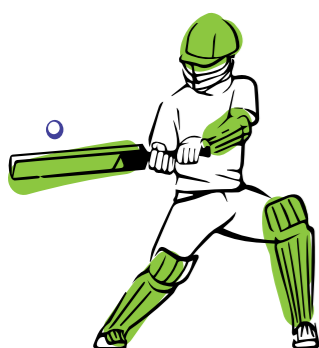
The global economy has been on a rollercoaster ride all throughout 2023. It has been a year marked by geopolitical upheavals, skewed GDP expansion across various economies and persistent inflationary pressures. According to the International Monetary Fund's (IMF) April 2024 update, Global Gross Domestic Product (GDP) growth has been estimated at 3.2% for 2023 and is projected to maintain the same growth rate in 2024, 2025, and 2026, as the economic recovery in Europe and China picks up. The US Fed aims to successfully tame the inflation near the target range of 2% and the geopolitical concerns are expected to ease. Headline inflation at the global level is expected to be at 5.9% in 2024 and 4.5% in 2025 creating a much more conducive environment for economic growth.

Amidst a bleak backdrop of subdued global growth, India emerged as a shining ray of hope and the next global economic powerhouse. As per the Press Note released by the Ministry of Statistics and Programme Implementation, the real GDP growth in India for Q4 in FY 2023-24 has been estimated at a robust 7.8%. The estimated GDP growth rate for the FY 2023-24 has been pegged at 8.2%, as against 7% for FY 2022-23. The International Monetary Fund (IMF) has revised its growth forecast for India upwards, projecting GDP growth of 6.8% for FY 2024-25 which is a testament to the country's economic resilience and potential. India's robust growth momentum as against the other global economic giants is evident in the IMF's World Economic Outlook Update in July 2024

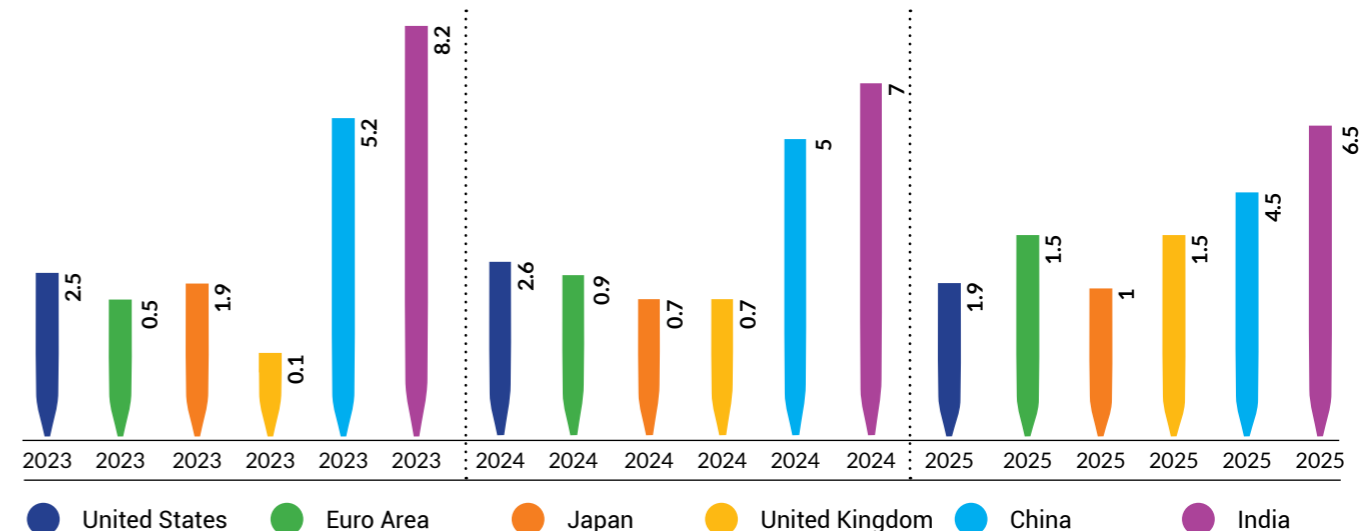
India real GDP growth at constant prices (new series)



RE-revised estimates, PE - Provision estimates, P - Projection
Source: <https://www.axiscapital.co.in/wp-content/uploads/Emcure-Pharmaceuticals-Limited-RHP.pdf>



World economic outlook growth projections

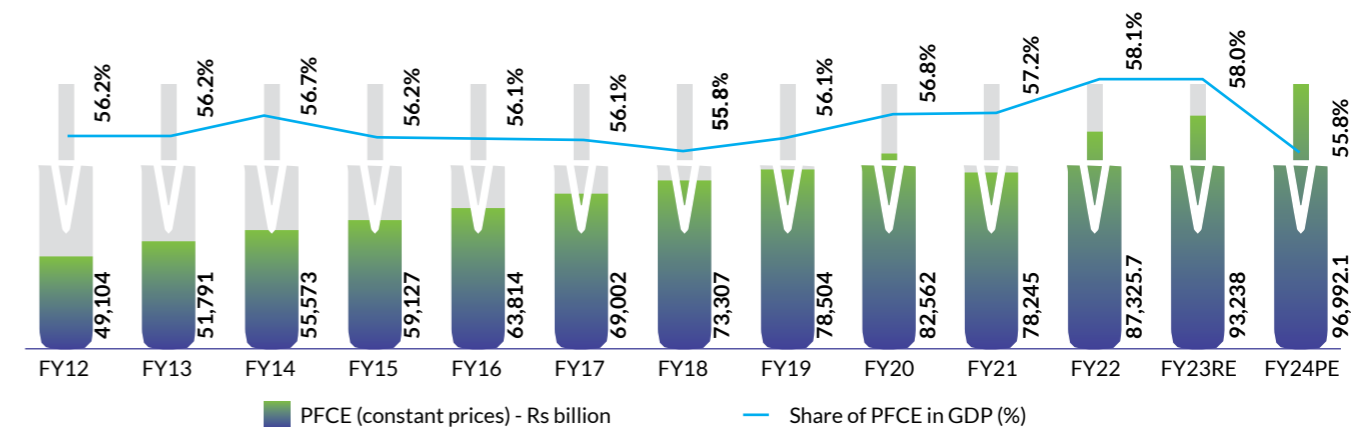


India's economic achievements extend beyond GDP growth figures. The current account deficit (CAD) has narrowed to 1.9% of GDP in FY 2023-24, reflecting improved foreign trade balance. Additionally, foreign exchange reserves have nearly doubled to an impressive \$568 Billion, bolstering India's power to withstand any external economic shocks. As per the press note released by the Ministry of Statistics and Programme Implementation (MoSPI) as on 29th February 2024 about the Second Advance Estimates (SAE) of National Income (at current prices), 2023-24; the Gross National Income (GNI) in India is estimated to be ₹ 289.58 Lakh Crore which shows 9% increase over the previous year. Further, this press release presents the following estimates:

- per capita GNI at ₹ 2,07,587 – rising by 8% over the previous year
- per capita Gross National Disposable Income (GNDI) at ₹ 2,12,461 - an increase of 7.9% over the previous fiscal
- per capita Private Final Consumption Expenditure (PFCE) at ₹ 1,27,126 – a gain of 7% over that in previous year

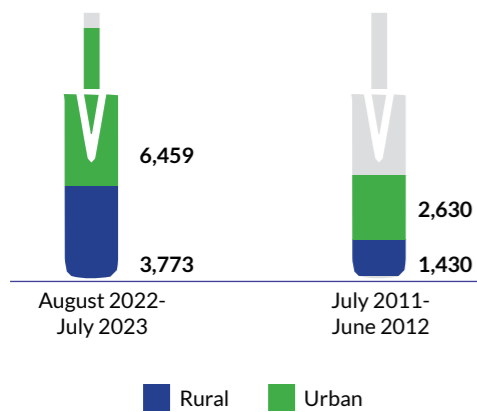
Private final consumption expenditure (PFCE) at constant prices clocked 6% CAGR between FY 2012 to 2023. As per the Household Consumption Expenditure Survey (HCES) conducted by The National Sample Survey Office (NSSO), Ministry of Statistics and Programme Implementation during August 2022 to July 2023, the household Monthly Per Capita Consumption Expenditure (MPCE) for the rural and urban areas during this period at current prices as compared to those in July 2011 to June 2012 have grown nearly 2.5x.

PFCE at constant prices



Note:
RE: revised estimates; PE: Provisional estimates
Source: MoSPI, CRISIL MI&A
Source: <https://www.axiscapital.co.in/wp-content/uploads/Emcure-Pharmaceuticals-Limited-RHP.pdf>

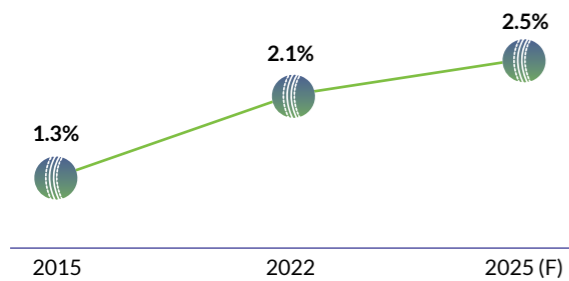
Estimates of household monthly per capita consumption expenditure (MPCE)



Source: <https://pib.gov.in/PressReleaseFramePage.aspx?PRID=2008737>

India aims to achieve Universal Health Coverage (UHC) by 2030 as part of its Sustainable Development Goals (SDGs) agenda

Healthcare expenditure as a % of GDP



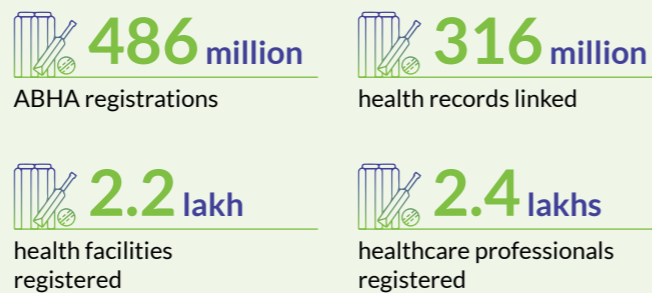
This changing landscape of the healthcare sector in India emits very healthy growth signals for the pharmaceutical industry, especially the organised players within the space. The industry is making a gradual shift from the dominance of unorganised businesses to the wider presence of well-integrated, large-scale companies. For instance, regulatory norms such as Schedule M insist that the CDMO players adopt Good Manufacturing Practices (GMP) as recommended by the Drug Controller General of India (DCGI) and WHO. A wider scale of operations and capital base allow larger CDMO companies to adopt state-of-the-art technologies and build Schedule M-compliant manufacturing facilities. Such large-scale operations not only require huge financial resources but also updated technical know-how, experienced human resources, impeccable execution capability and a strong brand value. Windlas Biotech is poised for a sizable growth momentum due to the presence of the growth drivers mentioned above as well as internal focus in execution.

This robust rise in consumption expenditure coupled with a rise in income levels and population growth in India has led to the creation of a virtuous cycle of elevated consumption among the masses; especially for essential services such as healthcare.

- In the Union Interim Budget of FY 2024-25, the National Health Mission has been allotted ₹38,183 crore (\$ 4.60 billion). India's public healthcare expenditure is 2.1 % of the GDP in FY 2023, as against 2.2% in FY 2022 and 1.6% in FY 2021, as per the Economic Survey 2022-23.
- The National Health Policy document of 2017 recommended increasing the government's healthcare expenditure to 2.5% of GDP by 2025.
- Additionally, the Fifteenth Finance Commission's report advised that the combined public health expenditure of the union and states be progressively increased to reach 2.5% of GDP by 2025.
- Health insurance penetration in India has improved in recent years. According to the Insurance Regulatory and Development Authority (IRDA), nearly 550 million people had health insurance coverage as of FY 2023, compared to 288 million in FY 2015.

This brisk rise in healthcare expenditure can be attributed to an overall strengthening of healthcare infrastructure in the country, penetration of the internet and resultant rise in health and hygiene awareness amongst the masses

ABDM adoption



Source: Reimagining pharma and healthcare for India@100, November 2023, EY Parthenon



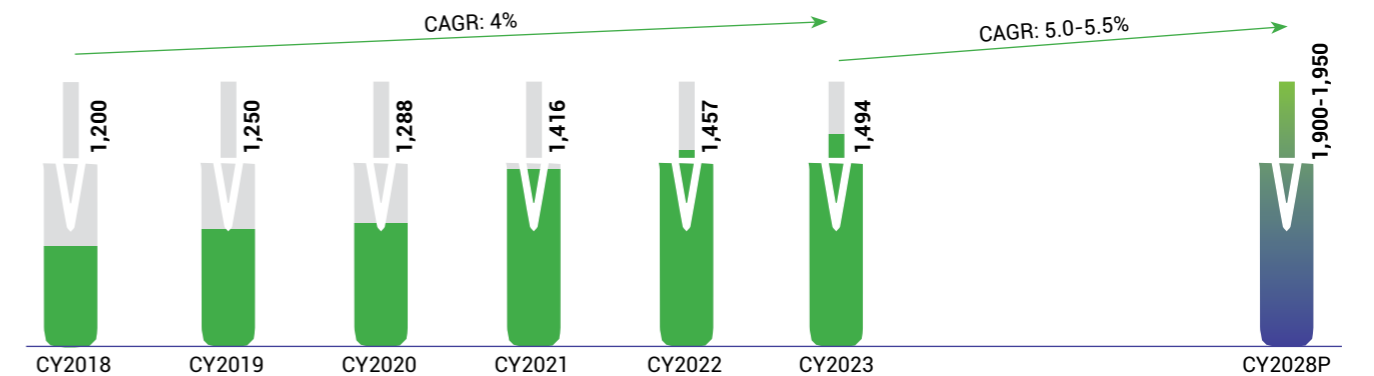
Source:

- Sources: <https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>
- Press Note, MoPSI, 31st May 2024; Economic Forecasts for India, Asian Development Bank
- <https://pib.gov.in/PressReleaseFramePage.aspx?PRID=2010223>
- <https://www.axiscapital.co.in/wp-content/uploads/Emcure-Pharmaceuticals-Limited-RHP.pdf>
- <https://pib.gov.in/PressReleaseFramePage.aspx?PRID=2008737>
- <https://www.worldbank.org/en/publication/global-economic-prospects>
- <https://www.imf.org/en/Publications/WEO/#:~:text=World%20Economic%20Outlook%2C%20April%202023%3A%20A%20Rocky%20Recovery&text=In%20a%20plausible%20alternative%20scenario,growth%20falling%20below%201%20percent>
- <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>
- https://dea.gov.in/sites/default/files/The%20Indian%20Economy%20-%20A%20Review_Jan%202024.pdf
- [https://www.reuters.com/world/india/imf-raises-indias-gdp-forecast-68-2024-25-2024-04-16/#:~:text=NEW%20DELHI%2C%20April%2016%20\(Reuters,a%20rising%20working%20Dage%20population](https://www.reuters.com/world/india/imf-raises-indias-gdp-forecast-68-2024-25-2024-04-16/#:~:text=NEW%20DELHI%2C%20April%2016%20(Reuters,a%20rising%20working%20Dage%20population)
- <https://pib.gov.in/PressReleasePage.aspx?PRID=2010223#:~:text=The%20growth%20rate%20of%20GDP,growth%20rate%20of%209.1%20percent>
- <https://www2.deloitte.com/xen/en/insights/economy/asia-pacific/india-economic-outlook.html>

Industry snapshot: exploring the terrains of global and indian pharmaceuticals industry and key segments

The global pharmaceuticals market registered a compound annual growth rate (CAGR) of 4% from approximately \$ 1,200 billion (approximately ₹82 trillion) in 2018 to approximately \$ 1,494 billion (approximately ₹123 trillion) in 2023. After experiencing strong growth in 2021 and 2022 due to pent-up demand, the market is estimated to have moderated in 2023. However, it is expected to sustain a 5.0-5.5% CAGR between 2023 and 2028, reaching approximately \$ 1,900 to \$ 1,950 billion (approximately ₹157-161 trillion) by 2028 because of the rising the global healthcare spending on account of precision drugs and customised treatments, huge leaps in pharma research and development for treatment of various diseases and increased health awareness and consumption of healthcare services across emerging and developing economies.

Global pharmaceutical market



Source: <https://www.axiscapital.co.in/wp-content/uploads/Emcure-Pharmaceuticals-Limited-RHP.pdf>

Globally, healthcare spending as a percentage of GDP rose from 9.4% in 2011 to 10.9% in 2020, driven by increased prevalence of chronic illnesses across age demographics, improved medical infrastructure, advancements in pharmaceuticals, and rising individual incomes.

Source: Assessment of Indian Pharmaceutical and CDMO Market, Crisil, October 2023

The emerging economies such as Brazil, China and India, are also witnessing rapid growth in this market as a result of rising sophistication in their respective economies in terms of incomes levels, awareness and healthcare facilities available to the masses. There has been a gradual shift of pharma manufacturing and research functions from developed markets of North America and Europe to these fast-growing markets as a result of tech-readiness, availability of skilled talent pool and cost advantages.



The Indian pharmaceutical industry is the world's third-largest by volume and commands a valuation of ₹ 3.6-3.8 trillion or \$ 50 billion (including bulk drugs and formulation exports) as of the Financial Year 2024. The market size of this industry is expected to reach \$ 65 billion by 2024, ~\$ 130 billion by 2030 and \$ 450 billion by 2047. Major segments of the Indian Pharmaceutical Industry include generic drugs, OTC medicines, bulk drugs, vaccines, contract research & manufacturing, biosimilars and biologics. The market size of Contract Research and Manufacturing Services is expected to reach \$ 14.08 billion by 2028, registering a CAGR of 10.8% between 2023-2028.

Source: Indian Pharmaceuticals Industry, IBEF; Contract Research and Manufacturing Service (CRAMS) Market Analysis India - India, Asia - Size and Forecast 2024-2028, Technavio

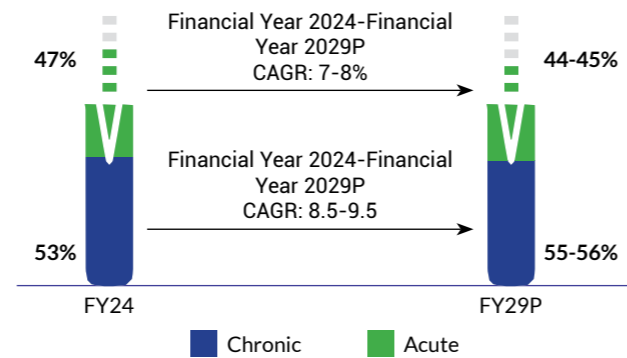
India, known as the 'pharmacy of the world' has rightfully bagged this title because of an all-encompassing ecosystem for the development and manufacturing of pharmaceuticals, state-of-the-art manufacturing facilities, skilled/ technical manpower and eminent pharmaceutical educational and research institutes for upskilling and innovations.

Source: <https://www.axiscapital.co.in/wp-content/uploads/Emcure-Pharmaceuticals-Limited-RHP.pdf>

Growth Trajectory: Overview of The Factors Charting Progression for the Indian Pharma Sector

A growing population and income levels, rising healthcare expenditure and growth push by the government in terms of policy initiatives shall further buttress the growth of the domestic pharmaceutical industry. The Indian domestic formulation industry can be divided into two main segments: chronic therapies and acute therapies. The chronic segment primarily includes treatments for conditions such as diabetes, cardiovascular diseases, and cancer. On the other hand, the acute segment mainly consists of treatments for infections, gastrointestinal issues, pain, and analgesics. The chronic therapies and acute therapies constituted 53% and 47% of the total domestic formulation market respectively as of FY 2023-24. While the chronic therapies segment is expected to register a CAGR of 8.5-9.5% from FY 2024 to FY 2029; the acute therapies segment is expected to witness a CAGR of 7.0-8.0% during the same period.

Chronic versus acute split in Indian domestic formulation market



Source: CRISIL MI&A

Vital Emerging Trends

As the Indian pharma industry matures and aims to achieve its ambitions target of attaining \$130 billion market size by FY 2030-31, the following leading trends are dominating the development path ahead:

Outsourcing as a Significant Revenue Generator

In order to capitalise on the economies of scale rendered by contract pharmaceutical developer companies in terms of drug innovation, development, and time-to-market (TTM), outsourcing is emerging as a dominant recourse adopted by more and more pharmaceutical companies in the world. Outsourcing allows sponsor organisations to access technology, capacity, resources and expertise of the developer companies that may not otherwise be readily available in-house. Faster TTM is ensured as the development of a molecule is expedited especially in the cases of drugs where patent is about to expire. The extent of outsourcing in India is estimated to be around 35%-40% in the pharmaceutical industry in FY 2023.

Flexible Business Models

More and more pharma players around the globe are preferring asset-light business models where complex Research and Development (R&D) initiatives such as molecule research and commercial drug development for manufacturing as well as storage and logistics are outsourced under flexible contracts with various contract manufacturers in order to increase efficiencies and reduce operational costs.

Pradhan Mantri Bhartiya Jan Aushadhi Pariyojana (PMBJP)

Amongst the leading public healthcare initiatives, the prominent ones are Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP) and Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJK). PMBJK is a scheme where quality generic medicines are made available at affordable prices to all through dedicated outlets known as PMBJK. Prime Minister Shri Narendra Modi ji during his Independence Day 2023 speech said that the government has plans to increase the number of 'Jan Aushadhi Kendras' from 10,000 to 25,000. As per the Year-End review of the Department of Pharmaceuticals released in December 2023, 10,006 PMBJKs have been opened across the country as on 30th November, 2023 with the intention to reduce out-of-pocket expenditure of patients and popularise generic medicines among the masses.

Ayushman Bharat Digital Mission (ABDM)

Under the ABDM, citizens may create their Ayushman Bharat Health Account (ABHA) numbers linking their digital health records accessible across various healthcare providers, thereby improving clinical decision-making. As of September 4, 2023; 45,01,64,619 Ayushman Bharat

Health Accounts have been created and 2,24,967 doctors and 2,18,602 health facilities have been registered in ABDM.

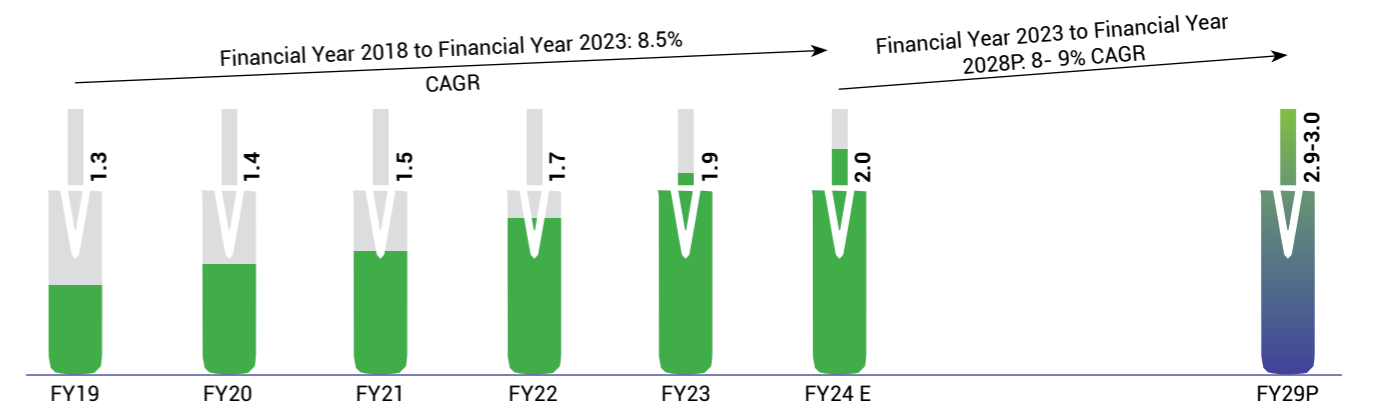
Growing Awareness about ESG Compliance

Pharma as a sector poses significant ESG challenges especially with respect to the business operations such as R & D impacting local communities, use of natural resources such as water and waste management practices. Increasing number of companies in this sector in India are taking steps towards ecological enhancement initiatives such as energy conservation and reduction in carbon emission.

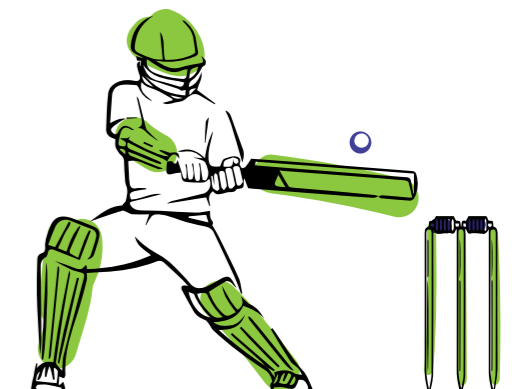
Robust Growth Rate of Formulations Market

Indian formulations market comprises 2% to 3% of the total global pharmaceutical market. A substantial value generator for the entire industry, it is estimated to demonstrate a robust CAGR of approximately 9-10% CAGR over FY 2023-24 to FY 2028-29 to reach approximately ₹2.8 to ₹3 trillion spurred by strong demand because of rising incidence of chronic diseases, increased awareness and access to quality healthcare.

Review and outlook of Indian domestic formulation market



Note: P-Projected
 Source: AIOCD AWACS, CRISIL MI&A
 Source: <https://www.axiscapital.co.in/wp-content/uploads/Emcure-Pharmaceuticals-Limited-RHP.pdf>



Product Segment-wise Distribution in Indian Formulation Market:

Percentage (%) Share of products in Indian pharma sector - domestic formulations segment



- Oral Solids (including complex dosage forms) | 63%
- Injectables | 15%
- Liquids | 10%
- Inhalants | 2%
- Others | 10%

Note:
(Data in Value Terms as of FY 2023)
Source: Assessment of Indian Pharmaceutical And CDMO Market, Crisil, October 2023

Growth Catalysts for the Pharmaceutical

1 Demographic Shifts: Rise in Ageing Population

As per the 'World Population Prospects: The 2019 Revision' by the United Nations, the elderly population (aged 65 years or above) shall rise from 703 million in CY 2019 to 1.5 billion in CY 2050. In India, the percentage of the population above the age of 60 years is expected to grow from 8% in 2011 to 11% by 2026 and 13% by 2031. This demographic shift shall lead to an increase in chronic diseases among the elderly, serving as an important growth catalyst for the pharmaceutical industry.

2 Rising Frequency of Chronic Conditions

Chronic diseases such as cancer, cardiovascular ailments, obesity, and diabetes are rising at an alarming rate across all age groups, causing heavier healthcare burden on all the economies across the globe. According to the Report on the Status of the Elderly in Select States of India, published by the United Nations Population Fund (UNFPA) in September 2023, chronic ailments such as arthritis, hypertension, diabetes, asthma, and heart diseases are highly common among the elderly in India. This shall give rise to the demand for a range of life-saving and general drugs for a wide variety of therapeutic segments.

3 Higher Pharmaceutical Access in Emerging Markets

The rising levels of national income and GDP growth in India are leading to an upswing in the demand for quality

healthcare and better medicines. This proves to be an important growth driver for the pharmaceutical industry in India, matching the growth trend observed worldwide. With the global population nearing eight billion in CY 2023, there's a notable increase in per capita medicine usage. This rise in consumption, particularly visible in emerging pharmaceutical markets such as China, India, Brazil, Indonesia, and African and Commonwealth countries shall be an important growth factor for the global pharmaceutical players.

4 Focus on Complex Generics and Specialty Molecules

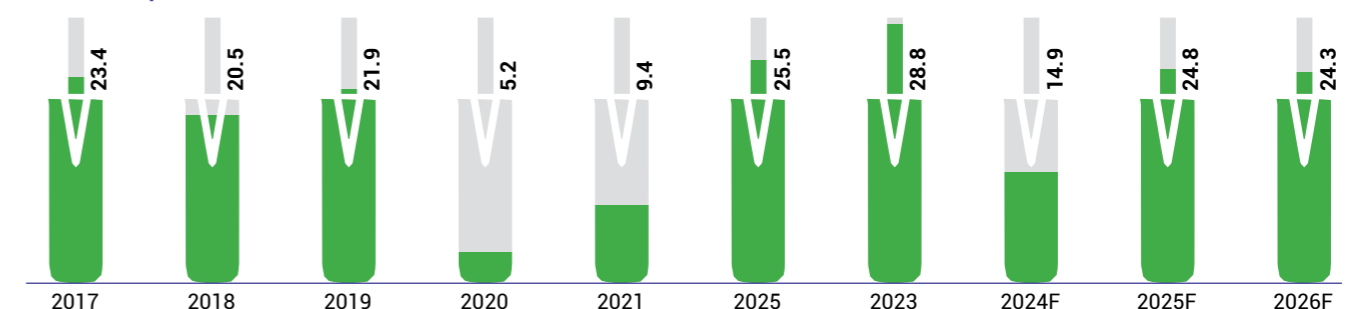
Complex generic drugs are medicines with a complex active ingredient, complex formulation, complex route of delivery, or complex drug-device combinations, meant to treat critical health conditions such as cancer, rheumatoid arthritis, and multiple sclerosis. The rising occurrence of such illnesses around the globe has incentivised more and more pharma players to foray into this niche, high-value segment.

CDMO market overview

Contract Development and Manufacturing Organisation (CDMO) is gaining popularity as a feasible business model for the global pharmaceutical industry and a reliable solution to reduce TTM, the capex commitment, access niche technology including those required for R&D for drug development and reduce costs of manufacturing. Global pharma players are partnering with manufacturers in emerging countries as they provide skilled, low-cost manpower, quality inputs and end-to-end service and technical specialities.

Global formulation CDMO market grew at an approximately 7% CAGR from \$22 billion in CY 2017 to \$31 billion in CY 2022. This highlights the strong appetite for outsourcing amongst leading industry players as the pharma sector as a whole grew at CAGR of 5% along the same timeline. The patent protection expiration of effective drugs is one of the factors driving the formulation development outsourcing market's growth. The global CDMO formulations market is expected to reach \$ 40-45 billion by CY 2027. The forthcoming patent expiries of key products such as Vyvanse, Tasigna, Vimpat, Galvus, and Xarelto are set to propel the generics market's growth, especially in underpenetrated regions like India. This trend will significantly boost the demand for outsourcing. Patented biopharmaceuticals of value of nearly \$190-200 billion are set to expire over 2024 to 2028 globally.

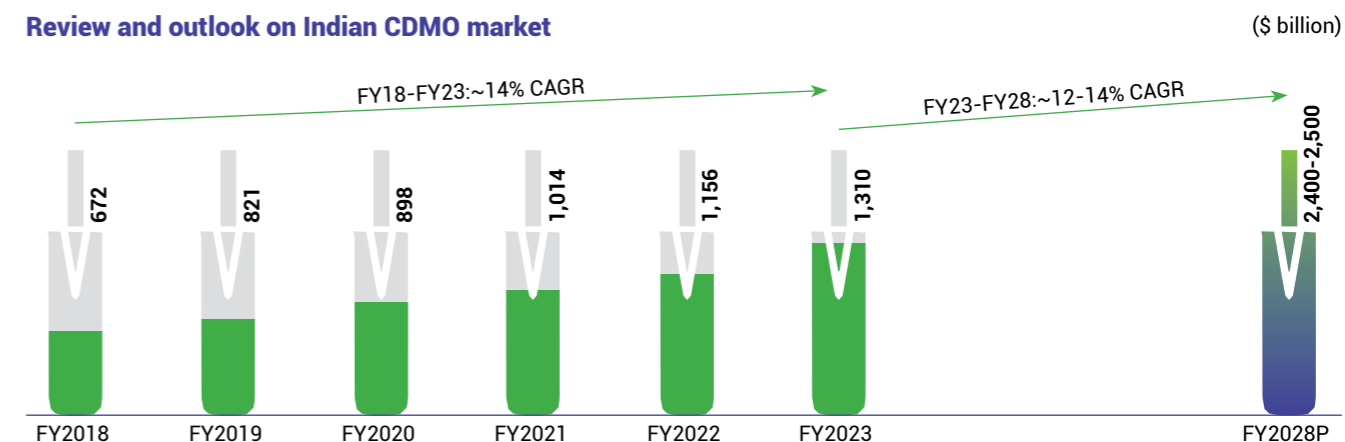
Exhibit 3.2: Impact of patent expiry on sales at risk Due to Upcoming Patent Expiries of Small Molecules, 2017 - 2026F (\$ billion)



Note:
Data shows the impact of patent expiry in developed markets, and sales at risk are annual US sales in the year before patent expiry
Source: sebi.gov.in

The Indian CDMO market has registered a CAGR of 14% from FY 2018-19 to FY 2023-24. Sustained and further augmented by the emerging industry trends towards outsourcing and 'China Plus One strategy' being explored on a global macroeconomic front, it is estimated that the Indian CDMO market (including domestic and exports) will grow at a CAGR of approximately 12% to 14% from ₹ 1,310 billion in FY 2022-23 to ₹ 2,400 - 2,500 billion in FY 2027-28. As of FY 2022-23, approximately 35-40% of the Indian pharmaceutical production is catered to by the CDMOs in India and such market share is expected to rise to approximately 40-45% by FY 2027-28. Apart from cost and research efficiencies, CDMOs in India are developing capabilities to cater to the ultimate consumer requirements of newer product combinations, dosages and packaging innovations; enabling them to partner with the pharma company for end-to-end services from development to commercialisation without even the need for technology transfer. Many patented biopharmaceuticals are set to expire over the next 5-10 years, especially in the US and Europe. Further, even among those drugs where patents have already expired, the penetration of biosimilars is low but slowly picking up. This further gives an extra headroom to enter and grow in regulated markets.

Review and outlook on Indian CDMO market



Note:
P-Projected, CDMO market is inclusive of Domestic as well as export values of APIs and Formulation
Source: CRISIL MI&A Research
Source: Assessment of Indian Pharmaceutical And CDMO Market, Crisil, October 2023

Similar to the global CDMO market, the Indian CDMO sector also features numerous small, fragmented players. It is expected to consolidate due to cost optimisation efforts by major pharmaceutical companies and to provide a broader range of integrated services. Regulatory norms such as Schedule M insist that the CDMO players adopt Good Manufacturing Practices (GMP) as recommended by the Drug Controller General of India (DCGI) and WHO. Wider scale of operations and capital base allow larger CDMO companies to adopt state-of-the-art, complex technologies for drug delivery such as Nanomaterials, Nano-drug delivery systems (NDDSs) and modified release dosage forms.



Some of the major changes which will happen with the introduction of the revised Schedule M are:

- Introduction of pharmaceutical quality system
- Quality risk management
- Product quality review
- Qualification and validation of equipment
- Change control management
- Self-inspection
- Quality audit team
- Suppliers audit and approval
- Stability studies as per recommended climate condition
- Validation of GMP-related computerised system
- Specific requirements for manufacturing of hazardous products

Key growth drivers for the Indian CDMO market

1 Rising Trend of Outsourcing

In recent years, pharmaceutical companies have adopted a strategic shift of outsourcing the discovery, development, and manufacturing of new products in order to save on fixed or capital costs and gain access to specialised capabilities not typically available in-house. CDMOs have leveraged this trend by offering niche services such as product development, clinical and commercial API and drug manufacturing, including a range of ancillary services including clinical, logistical, distribution and regulatory support.

2 Rising Demand for Generics

As patents for innovative drugs continue to expire, pharmaceutical companies are increasingly exploring the generic market. This avenue is being increasingly explored by the Indian pharmaceutical players as seen in India holding a significant share of ANDA approvals globally. CDMOs have accumulated extensive process research and development experience, along with large-scale production capabilities. This shall further establish them as key partners to the global pharma giants in the critical processes of drug discovery and manufacturing.

3 Strong Growth in Indian Pharmaceutical Exports

India's formulation exports are expected to grow at a CAGR of 6-8% from fiscal 2023 to fiscal 2025, as against the growth rate of 8-9% over the previous five years. This growth in formulation export markets will boost the CDMO segment in India as more companies outsource development and manufacturing activities to meet export demands.

4 CDMOs as Key Partners in the Pharmaceutical Value Chain

Pharmaceutical companies are increasingly seeking long-term engagements with CDMOs that can support them throughout the entire drug development process.

CDMOs are expanding their capabilities across all development and commercialisation phases to eliminate the need for technology transfer and provide end-to-end services, including co-development of the molecules and manufacturing of finished dosages and formulations. This ability to offer integrated services across the drug lifecycle makes CDMOs key strategic partners, allowing pharmaceutical companies to reduce fixed and operational costs. By providing one-stop solutions, CDMOs reduce supply chain complexities and the need for multiple service providers.

5 Healthy Demand Boost for Generic Medicines

The growth of the formulations and API sectors has supported the CDMO sector's expansion in India. The domestic formulations industry is expected to grow healthily, driven by new product launches and an increase in chronic disease prevalence. In export markets, semi-regulated markets are driven by low-cost generic medicines. As these markets witness increasing healthcare awareness, rising consumer incomes, and a large patient base in acute and chronic disease segments, there shall be a significant rise in demand for Indian drugs. India would be able to capitalise on this opportunity given its low-cost base, well-developed API industry, and similar disease profiles between India and these semi-regulated markets. Consequently, CDMOs in India are expected to experience strong demand growth for exports.

6 Rising Patent Expiries and Growing Market for Biosimilars

With many patented biopharmaceuticals nearing expiry in the US and Europe, the demand for generics as well as biosimilars of these drugs is picking up. In core pharmaceuticals, generic launches do not require all-phase clinical trials, leading to higher generic penetration and growth in the overall pharmaceutical market. These patent expiries will present lucrative opportunities for CDMO players in the biologics segment to serve regulated as well as semi-regulated markets.

Indian Trade Generics market overview

Generic medicines comprise a significant chunk of the Indian pharmaceutical industry. These are divided into two sub-categories: branded generics and Trade Generics. Where branded generic products are the affordable copies of the drugs for which the patents have expired and are marketed through sales channel of the companies; trade generic products are those generic medicines which are sold directly to the retailer by the companies and not marketed through medical representatives. As of FY 2023, branded generics and Trade Generics constitute 95% and 5% of the overall generics industry in India, respectively.

Having demonstrated a robust CAGR of 7.4% and growing from a market size of ₹63 billion in FY 2018 to ₹91 billion in FY2023, the Indian Trade Generics industry is expected to register a CAGR of 9.5-10.5% from FY 2023 to grow into a market worth ₹140-150 billion by FY 2028 driven by a strong push for drugs in this category into the distribution channels by the pharmaceutical companies. Also, The Government of India aims to boost the number of Jan Aushadhi stores by 2.5 times, reaching nearly 25,000 by March 2026. This expansion is poised to deepen the reach for this segment in rural areas and spur the growth potential in the coming fiscals.

Source:

- Assessment of Indian Pharmaceutical And CDMO Market, Crisil, October 2023
- <https://pib.gov.in/pressreleasesdetailm.aspx?PRID=1991501#:~:TEXT=FDI%20INFLOWS%20IN%20PHARMACEUTICAL%20SECTOR,4%2C456%20CRORE>
- <https://pharmaceuticals.gov.in/schemes>
- <https://www.investindia.gov.in/sector/pharmaceuticals>
- <https://www.ibef.org/industry/indian-pharmaceuticals-industry-analysis-presentation>
- <https://www.ibef.org/industry/pharmaceutical-india>
- https://assets.ey.com/content/dam/ey-sites/ey-com/en_in/news/2023/11/ey-re-imagining-pharma-and-healthcare-for-india-100-report.pdf
- <https://prsindia.org/budgets/parliament/demand-for-grants-2023-24-analysis-health-and-family-welfare#:~:TEXT=IN%202023%2D24%2C%20THE%20MINISTRY,97%25%20OF%20THE%20MINISTRY'S%20EXPENDITURE>

Indian exports market overview

As we have seen, the Indian pharmaceuticals industry can be broadly classified into formulations and bulk drugs. Formulations are further divided into domestic and export formulations, each holding almost an equal share in the market. Currently, low-value generic drugs make up a significant portion of Indian exports. India accounts for approximately 3.5% of global drugs and medicines exports, supplying pharmaceuticals to over 200 countries and territories, including highly regulated markets such as the US, the UK, the European Union, and Canada.

Injectables market overview

Injectables enable enhanced user control over drug delivery to a specified location in a safe and convenient manner. Examples of recent innovations in injectables segment are pen injectors and auto injectors Growth of the injectable drugs market at an elevated pace during CY 2017 to CY 2022 has been driven by various factors such as rising R&D focus, development of biotechnology-engineered anti-cancer drugs, rapid growth in the usage of pre-filled syringes for biologic products, dispensing of chemotherapy drugs through injectables, and increased outsourcing activities across value chain.

The growing demand for safe self-administering of drugs, dispensing of drugs through NDDS and rising incidence of newer ailments such as rheumatoid arthritis, multiple sclerosis, cancers and autoimmune disorders are further expected to boost the demand for injectable products. Global Injectable segment expanded at an approximate CAGR of 8-9% during this period to reach the market size of around \$ 576 billion in CY 2022. Leading market research and intelligence firm CRISIL expects this market to grow at 6-7% CAGR to reach \$ 750-800 billion by CY 2027.

Region-wise segmentation of global injectables market (CY 22)WSW

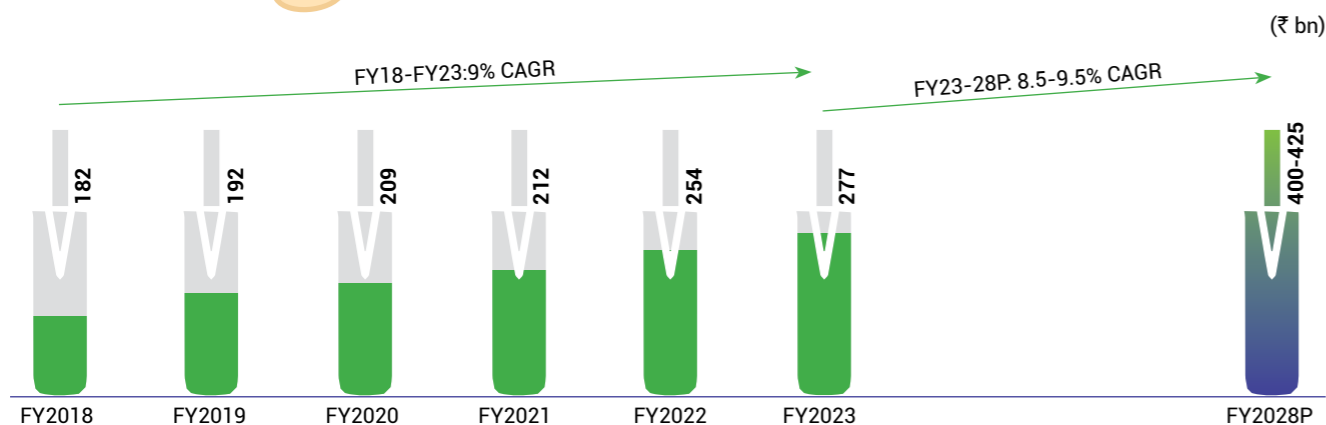


North America | 44% Europe | 26% RoW | 30%

Source: CRISIL MI&A Research



As of FY 2022-23, injectables are the second largest dosage form in the Indian domestic formulation market with share of approximately 14-15%; rising to prominence with increasing use of NDDS and development of complex injectables. This market witnessed a CAGR of 9% from ₹ 182 billion in FY 2017-18 to ₹ 277 billion in FY 2022-23. It is expected to register a CAGR of 8.5% to 9.5% from FY 2022-23 to FY 2027-28 and attain the market size of ₹ 400-425 billion. Rising afflictions of chronic diseases, novel drug delivery systems and rising popularity of self-administered injectables is expected to boost the demand in the Indian domestic injectables segment.



Note:
P-Projected
Source: CRISIL MI&A Research
Source: Assessment of Indian Pharmaceutical And CDMO Market, Crisil, October 2023

Company Overview

Windlas Biotech Limited (also referred to as 'Your Company' or 'the Company' hereinafter) is a leading Generic Formulations CDMO player. Redefining the pharmaceuticals manufacturing arena with single-minded focus on quality, efficiency and affordability; Windlas caters to the requirements of leading industry players in terms of formulations development, licensing and commercial manufacturing as well as the end consumers/patients in terms of Trade Generics and Institutional Sales and Exports. With a wide ranging product portfolio and distribution network in Chronic and Sub-chronic segment of Complex Generics vertical; the Company aims to deliver superior-quality, affordable drugs to the underserved markets of our country.

Propelled by an unwavering objective of serving the unmet healthcare needs of humanity, Windlas Biotech Limited has been relentlessly pursuing to craft niche solutions with enhanced affordability so that even the citizens at the lower-most level of economic hierarchy shall benefit from the healthcare solutions created with state-of-the-art technology.

The following milestones corroborate the company's commitment to excellence:

- Leading domestic Generic Formulations CDMO in terms of revenue
- License to manufacture 6,849 products (as of March, 2024) across 4 plants with more than 7 billion tablets/capsules capacity
- Provided Generic Formulations CDMO products services to 7 of the top 10 (15 of top 20) Indian pharmaceutical formulations companies
- Complex products portfolio grown from 1,901 to 3190 in FY 2023-24 vs FY 2022-23
- Increase in distribution network in Trade Generics to 996 stockists and distributors
- No of customers increased in CDMO from 441 in FY 2022-23 to 583 in FY 2023-24
- Commissioning of State-of-the-Art Injectable Facility (Plant V) at Dehradun

Mission of the Company

To serve the unmet healthcare needs of society by accelerating drug research of our customers, by manufacturing high-quality products and by creating innovative solutions that improve affordability of medicines.



Financial Performance Snapshot/ Key Highlights

Guided by its core business principles of innovation, efficiency and affordability, the company has registered consistent growth in terms of gross revenues as well as operational and overall profitability for FY 2023-24.

Revenue Growth:

For FY 2023-24, the gross revenue on consolidated Year-on-Year (Y-o-Y) basis has grown from ₹5,131 Million for the same period last year to ₹6,310 Million showing a rise of 23%. Speaking about vertical-wise revenues on Year-on-Year basis, the Generic Formulations CDMO vertical shows revenue growth of 19%, up from ₹4,028 Million in FY 2022-23 to ₹4,812 Million in FY 2023-24. The revenue growth of Trade Generics and Institutional vertical stands at 35%, up from ₹905 Million in FY 2022-23 to ₹1,224 Million in FY 2023-24. Similarly, Exports vertical has registered a growth of 38%, from ₹198 Million in FY 2022-23, up to ₹274 Million in FY 2023-24.

Progress in Profitability:

The consolidated Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and EBITDA margin stand at ₹782 Million and 12.4% respectively; up from FY 2022-23's ₹602 Million and 11.7%. The EBITDA has registered a growth of 29.8%. Net Profit after Tax (PAT) has shown a growth of 36.5%, up from up from ₹426 Million in FY 2022-23 to ₹582 Million in FY 2023-24.

Robust Liquidity Position:

The company demonstrates a strong liquidity position as of March 31, 2024, with ₹2,064 Million Cash in hand. This reflects a robust working capital cycle and a healthy current ratio, bolstering its creditworthiness with trade partners and short-term creditors. Speaking about working capital cycle, the total working capital days that Windlas enjoys have decreased from about 33 in the second quarter to 15 as of 31st March, 2024; further highlighting the increased efficiency.

Positive Net Operating Cashflows:

The net operating cash flow for the year amounts to ₹1,090 Million, indicative of a sound business model. A positive net operating cash flow suggests that the company is effectively managing its day-to-day operations, generating sufficient cash to cover its operating expenses. Additionally, it indicates that the company is able to reinvest in its business for future growth and development.

Moreover, a positive cash flow signifies the company's ability to meet its financial obligations, such as debt payments and dividends, while still retaining funds for potential expansion. Windlas being a debt-free company, this assumes even greater importance as all the net cash available can be used for expansion or be distributed as reward to the shareholders.

Generating Returns Efficiently:

Return on Capital Employed (ROCE) and Return on Equity (ROE) are the metrics that gauge how well a company utilises the total capital and the shareholders' funds to generate returns. Windlas continues to rank higher on these efficiency indicators where its ROCE and ROE are 27% and 24% respectively.

Rewards to the Shareholders

Earnings per Share (EPS) for the shareholders of Windlas has been for FY 2023-24 ₹27.97 showing a growth of 42% Y-o-Y. Also, Windlas believes in the principle of wealth maximisation for its shareholders. Standing true to our Dividend policy, the company paid dividend of ₹4.0 per share amounting to ₹83 Million related to FY23 and proposed dividend of ₹5.5 per share, amounting to the total of ₹114 Million, as on 31st March 2024.

Building Blocks of Excellence: Core Competencies at Windlas

Setting new benchmarks in the pharmaceuticals manufacturing value chain, Windlas is supported in its endeavour to reach every nook and corner of India through these formidable business capabilities developed over years of industry experience and fierce drive for excellence.

State-of-the-Art Manufacturing Facilities

The company's four fungible, Schedule-M compliant OSD/OLD manufacturing facilities located in Dehradun, Uttarakhand, India are capable of handling production requirements of the entire value chain of the pharmaceutical manufacturing including formulation development, technology set-up and full-scale production. Windlas specialises in manufacturing:

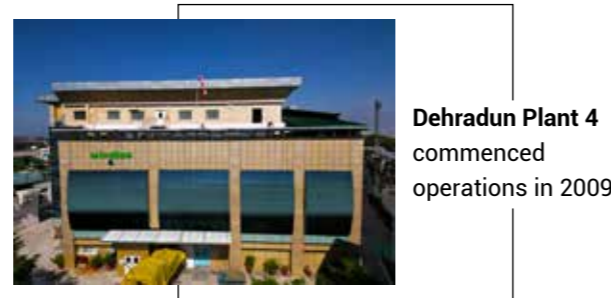
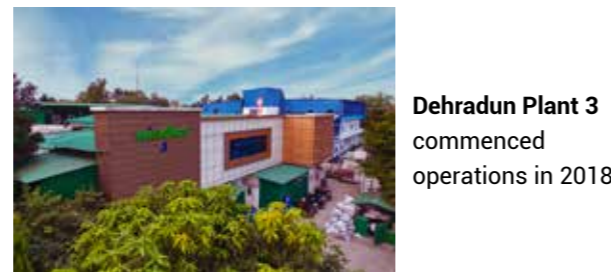
- Formulations,
- Solid Pharmaceutical Dosage Forms
- Liquid Pharmaceutical Dosage Forms
- Injectables (ampoules, vials, lyophilised)

The company's fifth manufacturing facility – the injectables plant in Dehradun – is commercialised in March, 2024.

Maintaining a strict compliance to superior quality standards of production is of paramount importance at Windlas. All the five plants are WHO-GMP compliant. There are total 161 employees in Quality Control Department as of FY 2023-24. The company firmly believes in expanding its capital investments to build a sizable, world-class manufacturing facilities so as to keep ahead of the curve to exploit any business opportunity that emerges on the horizon. The Gross Block of Fixed Assets (including intangibles assets, excluding intangible asset under development and work-in-progress) as on 31st March 2024 is ₹2,728 Million.

With an ultimate objective of signing up to the PIC/S standards, the government has implemented Schedule-M as a part of Good Manufacturing Practices (GMP) which has become a game-changer element for the Pharma CDMO players. With stringent quality audits happening round-the-year, frequent sample testing and publication of results on the Drug Controller General's website, and presence of the quality representative personnel on the factory site shall enable the organised, large-scale players to gain an edge over the fragmented, small-scale manufacturers and the market shall consolidate in favour of the organised businesses meeting the rigorous quality standards.

Efficiency & Effectiveness in Regulatory & Quality Compliance act as solid Entry Barrier



Total Installed operating capacity per annum		
Categories	FY23	FY24*
Tablets & Capsules	7,322 Mn	7,322 Mn
Pouch & Sachet	54 Mn Packs	54 Mn Packs
Liquid Bottles	61 Mn	61 Mn

*Excluding injectables

Long Standing, Reputable and Expanding Client & Product Portfolio

Extremely proud to have served as Generic Formulations CDMO products to seven of top 10 and 15 of the top 20 Indian Pharmaceutical Formulations Companies, Windlas believes in focusing the evolving needs of its customer base and offering the desired products by these customers to increase their wallet-share. As far as Trade Generics and Institutional Strategic Business Vertical (SBV) is concerned, we have adopted the expansion strategy across 29 states of India by extending distribution channel, product and geographic reach.

Critical Business Policy Decisions

Critical Business Policy Decisions such as forming a highly motivated human resource talent pool, developing a stabilised leadership team, building customer connect, aiming for incremental expansion.

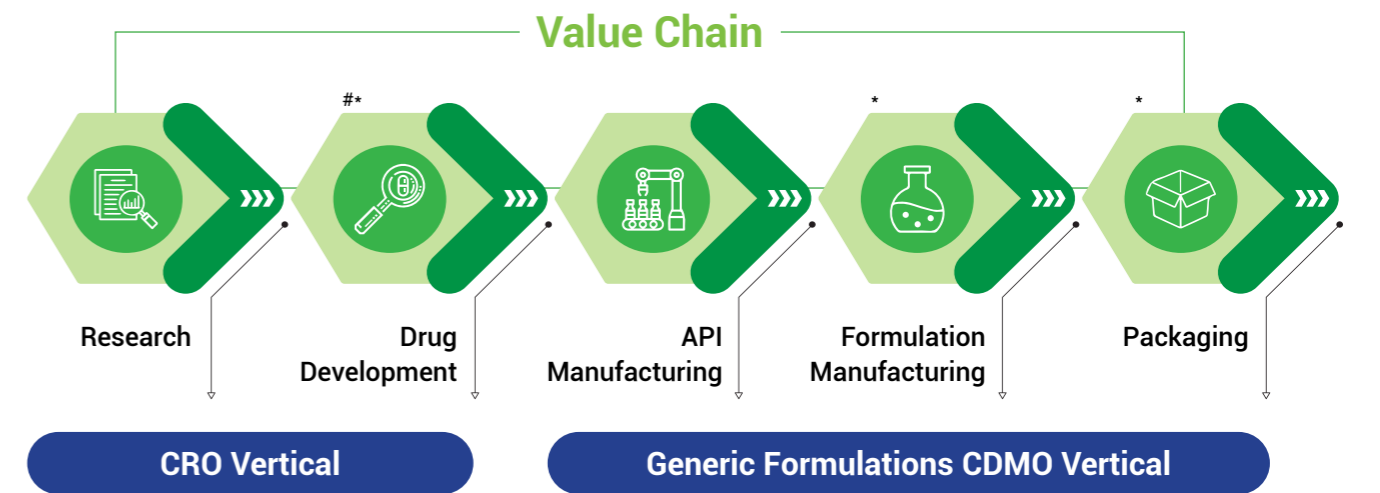
Well-entrenched Research & Development (R&D) Capabilities

The Company is firmly dedicated to launching full-scale commercial production of innovative, high-quality complex generic products at economical prices. Windlas has specialised capabilities to manufacture solid and liquid pharmaceutical dosage forms particularly for high potency, controlled substances, and low-solubility products by optimising and standardising formulations and manufacturing processes. Additionally, the company regularly conducts stability testing and clinical studies through reputable third-party contract research organisations (CROs). These efforts are geared towards securing the necessary regulatory approvals for manufacturing complex generic products. The company's R&D Laboratory has been recognised as an in-house R&D unit by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India.

Creating Value: End-To-End Value Chain Presence

Developing niche yet affordable medicines for all the strata of society is a mission that lies at the core of Windlas business operations. As a leading Contract Development and Manufacturing Organisation (CDMO), we seamlessly integrate every aspect of the pharmaceutical manufacturing value chain, beginning right from drug development (signifying identification of generic drug formulation post expiry of patents) to licensing and commercial manufacturing. This holistic overview enables the company to be a 'partner of choice' for leading pharmaceutical businesses at every step of the way.

Windlas Biotech's Presence in Pharma Value Chain



*Signifies Presence of Windlas Biotech in the Respective Verticals

*Windlas focus is on value added and patent expired generic drug formulations

We invest in creating our own formulation technology for our products. Almost 100% of our CDMO supplies are based on products where we own the entire IP from initiation to regulatory permission.

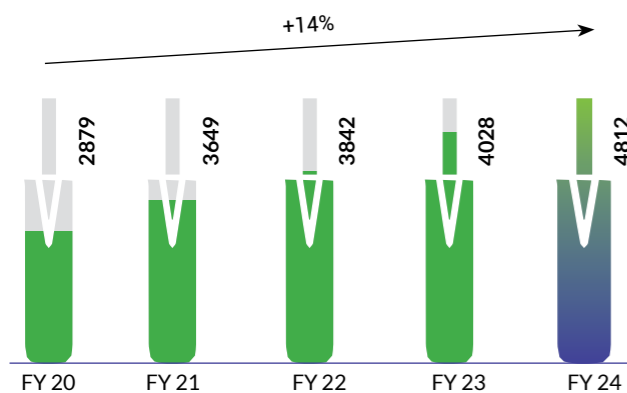
Glimpse of Strategic Business Verticals (SBV)

The company has witnessed phenomenal growth across all the three of its SBVs viz. Generic Formulation CDMO, Trade Generics & Institutional and Exports. Factors such as focusing on continuous overall process improvements, launching innovative, high-quality products, and creating internal efficiencies have generated a comprehensive positive impact for the business as a whole. Based on the company's distinctive value proposition and substantial customer engagement, Windlas is strategically positioned to effectively pursue its long-term objectives in a sustainable manner.

Generics Formulations CDMO

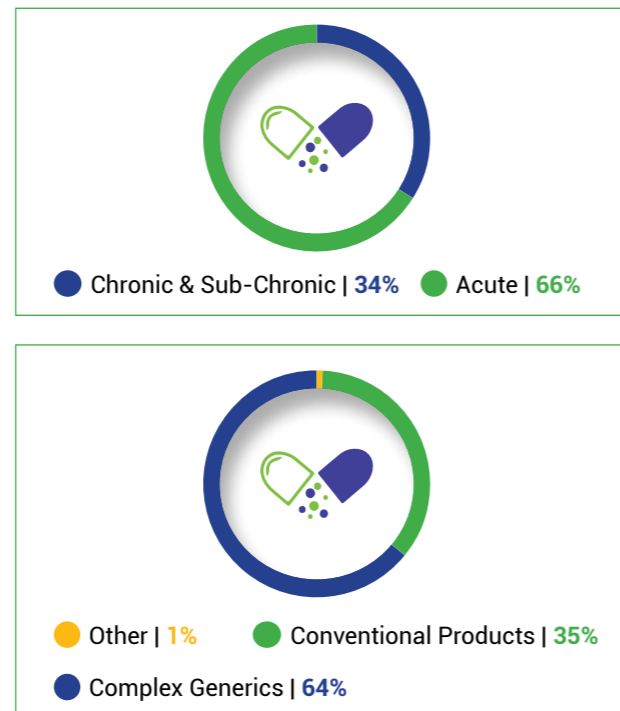
Serving 583 eminent clients in the pharmaceutical industry, Windlas prides itself in catering to the needs of its customers through a well-structured, diversified product portfolio of fixed dosage, fixed dosage plus modified release, customised generics, chewable/ dispersible and plain oral solids across pharmaceutical and nutraceutical generic medicines. Such products are sold to Indian or international Pharma MNCs who market products under their own brand names. Intellectual Property Rights of 99% of products sold are owned by Windlas. The company caters to the fast-growing, high-margin market for chronic and sub chronic diseases from the therapeutics angle. From the dosage forms perspective, Windlas manufactures formulations, complex generics including solid, liquid and injectables as well as other conventional products. The total revenues for this vertical as on 31st March 2024 stood at ₹ 4812 Million, comprising 77% of the total business revenues.

Generics Formulations CDMO Revenue Grew With A CAGR of 14% (₹ Million)



Company's Product Portfolio Predominantly Overlaps With Fast Growing Chronic Vertical And High Margin Complex Generic Vertical

Portfolio Bifurcation As % Of Total Revenue From Operations FY24



(i) chronic and sub-chronic, such as, anti-diabetic, cardiovascular, neuropsychiatry, respiratory health and nutraceuticals; and (ii) acute, such as, gastroenterology, vitamins, minerals and supplements ("VMS"), analgesic, dermatological and cough/cold



Internal Strengths

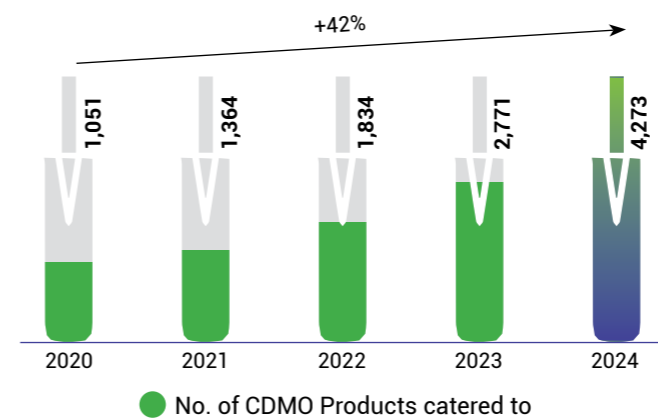
Methodical Approach for Client Acquisition and Retention

Windlas believes in following step-by-step approach for client acquisition. Rather than developing a generic, wide product portfolio, the company believes in assessing the needs of its high-value clients in niche segments such as complex generics. Thereafter, committing cutting-edge research resources, capital and manufacturing technology, a product is delivered adhering to a strict timeline and quality standards. This approach helps in garnering a larger wallet share of the existing customers, fostering long-term partnerships with the clients in addition to attaining new clients.

New Product launches to create a comprehensive product portfolio

In addition to rapid client acquisition, Windlas also has been adding new products to its portfolio at an accelerated rate. Number of products comprising complex generics and other conventional products across chronic and sub-chronic as well as acute segments have risen four-fold from above 1,000 in FY 2019-20 to above 4,200 in FY 2023-24. Launches of new products and addition of new customers during the past couple of years has started bearing fruits.

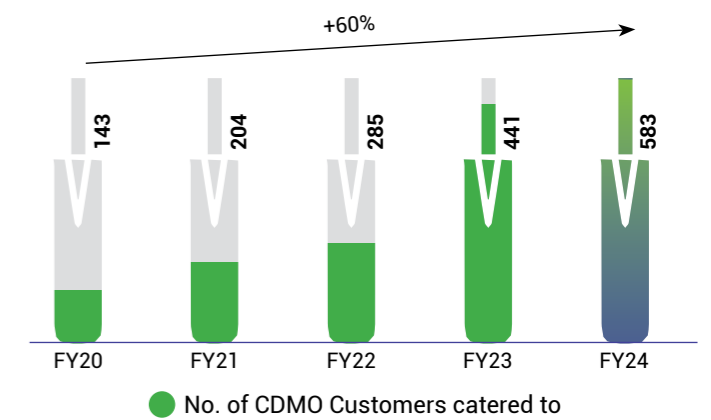
No. of Generic Formulation CDMO Products Catered Every Year



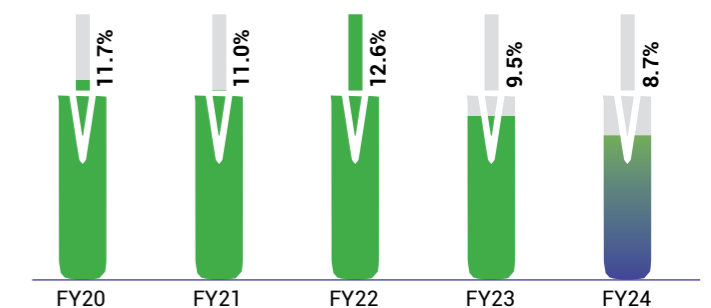
Strategic Expansion of Customer Base to Eliminate Client Concentration Risk

In order to reduce its revenue dependence on a few key clients, the company has gradually expanded its product offerings and client base to cater to a wider segment of pharma industry players as evident here:

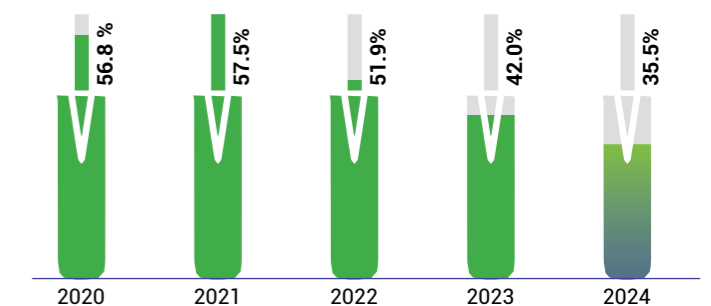
Added New Customers At A Rapid Pace



Continuously Reducing Highest Customer's Contribution



Lowering Client Concentration Risk



Domestic Trade Generics and Institutional Business

According to industry experts, Domestic Trade Generics constitutes about 15% of the Indian pharmaceutical industry. These drugs are those for which the patent has expired and are substitute of such expensive, branded drugs. This market segment possesses huge growth potential as the modern medicines aren't still available to the remotest corners of our country including many parts of the densely populated states of UP, Bihar, Uttarakhand, West Bengal among others.

Armed with the motto of providing 'Accessible, Affordable, and Authentic medication to the rural hinterlands of India', Windlas seeks to grow its presence in the Trade Generics & Institutional Business vertical through channel, product and geographic expansion. Currently, Windlas is reaching number of villages and kasbahs through umbrella branding to create a recognition for our "AAA" approach. Also, there is a consistent focus upon serving various government institutions and hospitals under this vertical. The Indian government's ambitious expansion of the Jan Aushadhi Yojana is set to revolutionise the generics market. By targeting a 2.5-fold increase in Jan Aushadhi stores, aiming for nearly 25,000 outlets by March 2026, this initiative will dramatically enhance access to affordable medications in rural areas. This strategic move is poised to unlock significant growth opportunities in the institutional business over the coming years. Our product portfolio consists of 280 brands focusing on medicinal needs for Respiratory, Anti-diabetic, Gastroenterology & other chronic + sub-chronic therapeutic areas. This strategic business vertical contributes 19% to the current revenue mix of the company. The total revenues for this vertical as on 31st March 2024 stood at ₹ 1,224 Million, comprising 19% of the total business revenues.

Internal Strengths

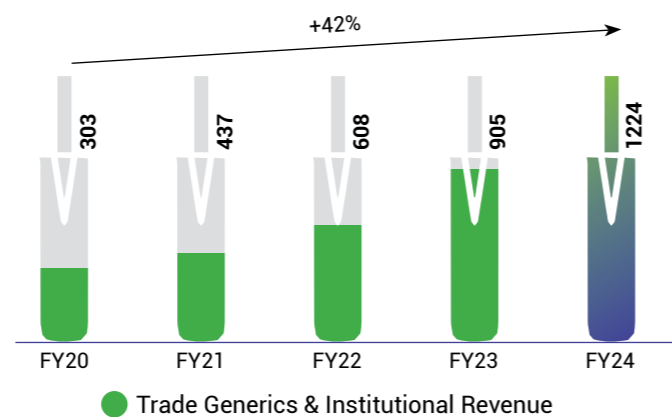
Building a Direct Reach to Masses

Windlas is subverting the marketing channel of large distributors and Medical Representatives and building a direct reach to its target customers through 996 stockists and distributors spread across 29 states. This is highly beneficial as the company gets critical inputs as to the exact medicinal needs of each geographic region and can leverage that knowledge to cater to that market segment with the correct combination of drugs. Windlas is also reaching last-mile customers through its presence in institutional sales such as hospitals and government institutions.

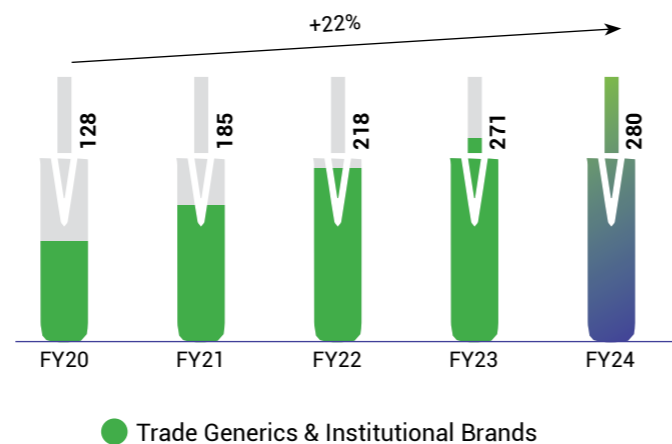
Building Synergistic, Enhanced Product Portfolios

As the manufacturing facilities at Windlas are fungible and have a room inbuilt for expansion, seizing the growth opportunities from across the verticals whenever they emerge is a cinch. Availability of the latest production technology and ability to meet all the quality standards builds a natural advantage for the company in terms of manufacturing Trade Generics. The growth momentum built by Windlas in this vertical is demonstrated here:

Fastest Growing SBV in the last five years chart (₹ Million)



With number of Brands growing at a healthy pace



Cost-Effective Products

Windlas Biotech's Trade Generics offer a cost-effective alternative to branded generics. By maintaining lower prices, we ensure that essential medications remain accessible to a broader population without compromising on quality. This strategic approach helps us reach underserved markets and fulfil our commitment to affordable healthcare.

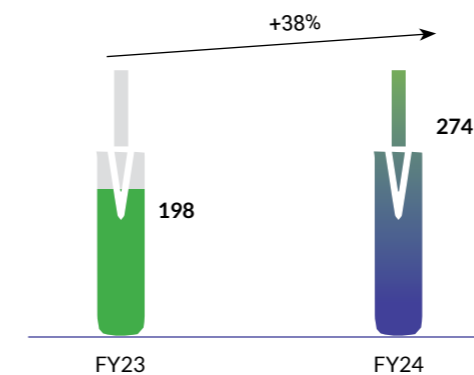
Superior Quality

At Windlas, superior quality is paramount, ensuring our products meet the same high-quality standards as branded generics. Our advanced manufacturing facilities and rigorous quality control processes guarantee that every product meets the international quality parameters. By offering top-tier quality at affordable prices, we bridge the gap between premium healthcare and accessibility.

Exports

Gradually unlocking the growth potential of the emerging and semi-regulated market, Windlas is steadily building its presence across this market by exporting around 69 products under generic medicines and health supplements category. Windlas persists in its efforts to cement its position within the export sector, with a focus on expanding its product application filings and obtaining marketing authorisations venturing into emerging and semi-regulated markets under both its own brand and those of its customers/partners. The total revenues for this vertical as on 31st March 2024 stood ₹ 274 Million, comprising 4% of the total business revenues.

Exports (₹ Million)



Entry into Injectables: Tapping an Emerging Opportunity

Continuing to capitalise on its position as one of the leading CDMO manufacturer in the country, Windlas seeks to expand its current product portfolio as per the evolving needs of its expanding client base. Apart from the conventional dosage forms, one significant expansion move is in the area of injectables such as Ampules, Vials & Lyophilized Vials which will complement the existing all three business verticals and achieve higher margins. The injectables plant in Dehradun – the fifth Schedule-M compliant manufacturing facility at Windlas, has commenced commercial operation in March 2024.

The reason behind this foray is the state of the art injectable facilities in the country which are run-down and unable to sufficiently meet the new quality standards set by Schedule-M.

Equipped to fulfil the latest production and quality standards, this facility shall bestow a sizable strategic advantage upon the company as the rise in chronic diseases in the country is opening up newer therapeutic segments and newer modes of drug delivery within these segments.

Quality, Health, Safety And Environment

Windlas Biotech Limited maintains a robust electronic Quality Management System throughout its manufacturing facilities. We ensure that all our products meet the necessary standards for safety, identity, strength, quality, and purity. Compliance with regulatory directives and cGMP (Current Good Manufacturing Practices) is rigorously upheld. Our continuous efforts focus on innovative technologies for efficient waste management. Waste materials are segregated and disposed of by authorised vendors in accordance with State Pollution Control Board regulations within ninety days.

Reducing emissions and advocating cleaner environmental solutions remain paramount for us. To minimise environmental impact, we utilise eco-friendly boiler briquette fire boilers and other utilities, thereby lessening our carbon footprint. Innovative production processes have significantly decreased water consumption, further supplemented by rainwater harvesting systems on-site.

Installation of fuming hoods with filtration systems in our laboratories helps control volatile organic carbon. Air conditioning and heat ventilation systems have been installed to mitigate industrial emissions. Continuous innovation in effluent management techniques has led to a reduction in effluent generation. The introduction of UF plants aid in treating effluent discharge water for recirculation within the system.

Efforts to minimise waste and maintain high yields are ongoing through process innovation. Training programs on personal protective equipment, safety awareness and safety protocols are conducted regularly across all units. Fire threat monitoring is ensured with the installation of fire hydrant systems, fire extinguishers, smoke detectors and heat detectors in all units. Maintenance and monitoring of fire safety equipment adhere to specified maintenance frequencies.

Material Developments In Human Resources/ Industrial Relations Front, Including Number of People Employed.

Our workforce plays a vital role in driving our business forward. As of March 31, 2024, we employed 1,154 permanent staff members. Additionally, we engage third-party personnel companies to provide contract labour, with the number of contract workers fluctuating based on project requirements.

Regular training initiatives are undertaken to enhance operational efficiency, boost productivity, and ensure

compliance with quality and safety standards. we conduct workshops to develop various skill sets among our employees and foster teamwork and personal development. Our adoption of the "ESOP 2021" and "ESOS 2023" aims to incentivise and retain key talent, aligning their performance with corporate objectives to enhance overall growth and profitability. Notably, our workforce is not unionised, and we have experienced no significant work stoppages or labour disputes in the past three years.





Information Technology

A robust Information Technology (IT) infrastructure is integral to supporting our business growth. We have established an IT policy to guide our operations in this regard. Our IT team is tasked with various responsibilities including setting up and maintaining enterprise information systems and infrastructure services tailored to meet our business needs. Ensuring secure enterprise

operations remains a priority, with emphasis on risk assessment, planning, and mitigation strategies. We have deployed an enterprise resource planning (ERP) solution to streamline various aspects of our operations, including procurement, inventory management, supply chain, invoicing, accounting, and regulatory compliance. Additionally, a sales personnel management system has been implemented, enabling comprehensive data recording and analysis at both headquarters and individual employee levels. This system seamlessly integrates with our ERP, facilitating efficient reporting and management. Integration of IT systems with our sales and distribution network allows us to standardise processes, reduce costs, enhance productivity, streamline workflows and improve communication channels. Automation tools have been deployed to bolster quality management, promote paperless documentation, and minimise manual errors. Compliance monitoring and control are also automated, ensuring adherence to regulatory requirement

RISKS AND CONCERNS

Addressing challenges within the pharmaceutical industry necessitates recalibrating the following strategic responses:

Responses, by strategic domain	From	To
 Network and resilience	Reactive and Cost-conscious approach	Weaving in elements of resilience, proactiveness, agility and prompt responsiveness
 Digital	Targeted, single use cases	Fully scaled and ready for ecosystem leadership
 Operating Model and Ecosystem	Traditional hub Configuration centered on originators	Cultivating an end-to-end ecosystem of partners
 Talent	Focused on recruitment and training efforts driven by HR department	Proactive and strategic human resource planning, reskilling and automation

The pharmaceutical industry faces significant challenges stemming from global trends that impact performance and growth outlook in FY 2023-24 and beyond:

1. Escalating Costs and Government Policies:

Rising inflation, interest rates, and new tax regimes contribute to increased costs across the P&L. Simultaneously, government welfare policies in various countries are driving down prices for widely used drugs. Pharma companies are strategising to mitigate the adverse effects of these policies on their bottom line.

2. Geopolitical Tensions and Technological Shifts:

Persistent geopolitical tensions and domestic and global political uncertainties, particularly during election periods may disrupt planned strategic initiatives. Additionally, investments in Artificial Intelligence (AI) result in workforce reductions, necessitating adaptation within the industry.

3. Intensified Competition and Technological Advancements:

Increased R&D spending and technological advancements heighten competition among industry players. Pharma companies must innovate and deliver superior returns to patients and investors alike. Expanding product portfolios and redefining business models are essential for achieving favourable outcomes. Moreover, the adoption of AI is anticipated to drive operational efficiencies, accelerating drug development timelines and enhancing critical market intelligence through advanced analytics.

4. Emphasis on Cost Management and Organizational Efficiency:

Effective cost management is paramount amidst higher R&D and marketing expenses. Pharma companies are transitioning towards flatter organisational structures and leveraging technology-enabled managed services to optimise costs. Eliminating duplication of activities and low-value processes ensure value enhancement across the chain.

Source: <https://www.pwc.com/us/en/industries/pharma-life-sciences/pharmaceutical-industry-trends.html>

RISK MANAGEMENT AT WINDLAS

At Windlas, our approach to risk management is proactive and continuous, with each functional area tasked with assessing, articulating, and mitigating relevant risks. Here's how we address key risk categories:

Industry Risk:

We recognise that industry dynamics can significantly impact our prospects. With operations spanning multiple geographies, we regularly monitor developments across countries to identify and promptly address any potential risks.

Operational Risk:

Maintaining the highest standards in manufacturing and quality control is imperative to safeguard our reputation and financial health. Our facilities adhere to GMP standards, supported by rigorous quality checks conducted by

our dedicated Quality team. Electronic tools such as QMS, LIMS, ERP, and eLMS enhance efficiency and ensure adherence to customer standards.

Competition Risk:

To mitigate competition risk, we focus on enhancing economies of scale and nurturing long-term relationships with key customers. R&D initiatives aimed at cost reduction, efficiency improvement, and faster turnaround times bolster our competitive position.

Suppliers Risk:

The volatility in prices of raw materials and operational costs can directly impact our profitability. To mitigate this risk, we have diversified our supplier base, ensuring a robust raw material supply chain even in the face of significant price fluctuations.

Financial Risk:

Given the spread of revenues across various currencies, we are exposed to currency fluctuations. However, we have implemented a robust hedging strategy and framework to mitigate the impact of such fluctuations on our financial performance.

By proactively addressing these risks and implementing appropriate mitigation measures, we strive to ensure the sustained growth and resilience of Windlas Biotech Limited.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Windlas maintains a robust internal controls framework aimed at continuously evaluating the adequacy, effectiveness, and efficiency of our internal processes. We view internal controls as fundamental to good governance and are committed to fostering an environment that ensures compliance with internal policies, applicable laws and regulations, while also promoting operational efficiency and safeguarding our resources and assets.

To facilitate compliance management, we utilise an automated tool that centralises and manages all applicable compliances. Documents are uploaded for each compliance requirement and verified by management. Quarterly compliance certificates are presented to the Board, with an annual third-party audit conducted at the close of each fiscal year to provide further assurance.

The Audit Committee of the Board oversees these systems, which record transactions, assets, and timely reporting of developments. Internal audits are conducted by Grant Thornton Bharat LLP, an independent firm of Chartered Accountants. The Audit Committee regularly reviews reports from both internal and external auditors, addressing any issues or concerns raised. By maintaining stringent oversight and adherence to best practices, we strive to ensure the integrity and reliability of our internal controls framework.

INTERNAL FINANCIAL CONTROLS

The company maintains a robust internal financial controls framework, dedicated to continually evaluating the adequacy, effectiveness, and efficiency of our financial controls. Management is deeply committed to fostering an environment of effective internal financial controls, tailored to the scale and intricacy of our operations. This framework ensures the reliability of financial reporting and the accurate preparation of financial statements for external purposes, in strict adherence to generally accepted accounting principles.

CHANGES IN KEY FINANCIAL RATIOS

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

Sr. No.	Ratio	Value in FY 23	Value in FY 24	Increase/ Decrease	Percentage Change	Reasons for Significant* Change
1	Debtors Turnover Ratio	4.51	4.99	0.48	10.58%	
2	Inventory Turnover	4.88	5.79	0.91	18.64%	
3	Interest Coverage Ratio	0.01	0.02	0.01	6.06%	
4	Current Ratio	2.92	2.52	(0.40)	(13.95%)	
5	Debt Equity Ratio	0.00	0.00	0.00	-	
6	Operating Profit Margin (%)	11.7%	12.4%	0.7%	5.55%	
7	Net Profit Margin (%) or sector-specific equivalent ratios, as applicable	8.3%	9.2%	0.9%	11.00%	
8	Return on Net Worth As compared to the immediately previous financial year along with a detailed explanation thereof	10.69	13.63	2.94	27.53%	Increased due to increase in PAT during the year FY 2023-24

*Significant Change: In excess of 25% (Increase/ Decrease)

CAUTIONARY STATEMENT

The Management Discussion and Analysis contains 'forward-looking statements', identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and on within the meaning of applicable securities laws and regulations concerning WBL's future business prospects and business profitability. All statements that address expectations or projections about the future, the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. All these prospects are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, ability to manage growth, competition (both domestic and international), economic growth in India and the target countries worldwide, ability to attract and retain highly skilled professionals, time and cost overruns on contracts, ability to manage international operations, Government policies and actions with respect to investments, fiscal deficits, regulations, interest and other fiscal costs generally prevailing in the economy, etc. Past performance may not be indicative of future performance. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future nor shall the Company update any forward-looking statements made from time to time by or on its behalf.

DIRECTORS' REPORT

To,

The Members,

Your directors have pleasure in presenting the 23rd Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended March 31, 2024.

FINANCIAL RESULTS

The Audited Financial Statements of your Company as on March 31, 2024, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the provisions of the Companies Act, 2013 ("Act"):

Financial performance of the Company is summarised in the table below:

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations including other Income	6444.24	5,230.48	6444.24	5,230.48
Less Expenses:				
Cost of goods sold	3961.75	3,254.47	3961.75	3,254.47
Employee benefits Expenses	874.57	703.21	874.57	703.21
Finance cost	11.03	7.86	11.05	7.88
Depreciation and Amortisation expenses	134.44	123.64	134.44	123.64
Other Expenses	692.22	570.73	691.52	570.89
Total Expenses	5674.01	4,659.91	5673.33	4,660.09
Profit before exceptional items and tax	770.23	570.57	770.91	570.39
Profit before tax	770.23	570.57	770.91	570.39
Tax expense	188.79	144.13	189.04	144.13
Net Profit for the year	581.44	426.44	581.87	426.26
Net profit attributable to -				
Owners of the Holding Company	581.44	426.44	581.87	426.26

The standalone revenue from operations increased from ₹ 5230.48 million to ₹ 6444.24 million, an increase of 23% over the previous financial year notwithstanding challenging business environment. The standalone Profit After Tax increased from ₹ 426.44 million to ₹ 581.44 million, an increase of 36% over the previous financial year. The standalone EPS of your company increased from ₹ 19.71 to ₹ 27.95 in the current year.

The consolidated EBITDA of your company grew at a faster pace in the current year registering a growth of 30% over the previous year.

TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserve for the financial year ended March 31, 2024.

DIVIDEND

Based on the Company's performance and keeping in mind the shareholders' interest, the Directors recommend a dividend of @ ₹ 5.50/- per equity share (110%) on the fully paid up equity shares of ₹ 5/- each of the Company, for the year 2023-24. The dividend on equity shares is subject to the Shareholders' approval at the ensuing Annual General Meeting ('AGM'). The Register of Members and Share Transfer Books of the Company will remain closed

from September 18, 2024 to September 24, 2024 (both days inclusive) for the purpose of payment of the dividend for the year ended March 31, 2024.

DIVIDEND DISTRIBUTION POLICY

The Company had adopted a Dividend Distribution Policy that sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/ or retaining profits earned by the Company. The policy is available on the website of the Company at the weblink:-

<https://windlas.com/wp-content/uploads/2021/11/Dividend-Distribution-Policy.pdf>

BUYBACK OF SHARES

The Board of Directors of your company in their meeting held on November 08, 2022, had approved Buyback of Equity shares of Face Value ₹ 5 each of the Company for an amount not exceeding ₹ 250,000,000/- at a price not exceeding ₹ 325/- (Rupees Three Hundred and Twenty Five Only) per equity share ("Maximum Buy-back Price") payable in cash from the equity shareholders/ beneficial owners of the equity shares of the Company other than the Promoters, members of Promoter Group and persons in control of the Company ("Buyback Offer") from Open Market through Stock Exchange Mechanism in terms of the provisions of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations").

The Company completed the Buyback on May 03, 2023 by purchase of 995,800 equity shares aggregating to ₹ 250,039,654.15/- excluding transaction costs ("Total Buyback Amount") from the equity shareholders of the Company (other than the promoters, promoter group and persons in control of the Company). The Total Buyback Amount represents 6.3855% of the Paid-up equity capital and Free Reserves of the Company as on March 31, 2022, which is within the permissible limit of 10% of the total paid-up equity capital and free reserves of the Company.

Date of Shareholders Approval of the Scheme	April 17, 2021 (prior to the IPO)
Total number of options approved under the Scheme	546,222
Number of options Granted	419,439 (Options granted on May 3, 2021)
Vesting of Options	Options granted under Plan shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 5 (five) years from the date of Grant.
Exercise Price/ Pricing Formula	₹275.35 (The fair value of option has been determined using Black-Scholes option pricing model)
Maximum period within which the grant shall be vested	5 (Five) years from the date of Grant
Number of Options lapsed during the Year	6,588
Number of Options outstanding as on March 31, 2024	308,650

Employee-wise detail of options granted to:

	KMP	Options granted
i. Key managerial personnel (KMP)		
	Mrs. Komal Gupta	41,183
	Mr. Mohammed Aslam	19,862
	Mr. Om Prakash Sule	17,602
	Mr. Pawan Kumar Sharma	17,020
	Mr. Ananta Narayan Panda	1,365
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil	
iii. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	

EMPLOYEES STOCK OPTIONS SCHEME

a) ESOP 2021 Scheme:

The Board of Directors of the Company at its meeting held on April 16, 2021, had approved introduction of the 'Windlas Biotech Limited Employees Stock Option Plan 2021' ("ESOP 2021"/ "Plan") for the benefit of the present and future employees of the Company. Each Option when exercised would be converted into one equity share of ₹5/- each fully paid-up.

The options granted shall vest not later than 5 (five) years from the date of grant of such options. Number of Options that may be granted to an employee under the "ESOP 2021" shall not exceed one-fifth of the total number of Options reserved under the "ESOP 2021" in aggregate per employee or any such ceiling number of options as may be determined by the Committee within such limit with respect to an individual employee.

The Company has obtained in-principle approval for listing upto a maximum of 331,696 equity shares of ₹ 5/- each of Windlas Biotech Limited to be allotted pursuant to options granted prior to listing of the Company under ESOP 2021 vide approval letter dated June 24, 2022 and June 27, 2022 from NSE and BSE, respectively.

Disclosure under SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (SBEB 2021 Regulations") regarding details of the "ESOP 2021" is given below.

DIRECTORS' REPORT (CONTD.)

b) ESOS 2023 Scheme:

The Nomination and Remuneration Committee and the Board of Directors of your Company in their meeting held on August 8, 2023, had approved introduction of "WBL Employee Stock Option Scheme 2023 ("ESOS 2023) for the benefit of present and future eligible employees of the Company. Each Options when exercised would be converted into one equity shares of ₹ 5 (Rupees five) each fully paid-up.

The Company has obtained in-principle approval for

listing upto a maximum of 315,000 equity shares of ₹ 5/- each of Windlas Biotech Limited to be allotted pursuant to options granted under ESOS 2023 vide approval letter dated October 6, 2023 and October 10, 2023 from NSE and BSE, respectively.

Disclosure under SEBI (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (SBEB 2021 Regulations") regarding details of the "ESOS 2023" is given below

Date of Shareholders Approval of the Scheme	September 12, 2023	
Total number of options approved under the Scheme	315,000	
Number of options Granted	307,750 (Options granted on October 17, 2023)	
Vesting of Options	Options granted under ESOS 2023 shall vest not earlier than 1 (One) year and not later than 4 (four) years from the date of Grant.	
Exercise Price/ Pricing Formula	A discount of upto 25% is applied on the Market Price of the Share to arrive at the exercise price on the date of grant of options by the Nomination and Remuneration Committee of the Board of Directors.	
Maximum period within which the grant shall be vested	4 (Four) years from the date of Grant	
Number of Options lapsed during the Year	Nil	
Number of Options outstanding as on March 31, 2024	307,750	
Employee-wise detail of options granted to:		
i. Key managerial personnel (KMP)	KMP	Options granted
	Mrs. Komal Gupta	167,000
	Mr. Mohammed Aslam	25,000
	Mr. Om Prakash Sule	5,000
	Mr. Pawan Kumar Sharma	15,000
	Mr. Ananta Narayan Panda	1,500
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Name	Options granted
	Mr. Roshan Mon	25,000
iii. Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil	

ESOP Expenses for the year ended March 31, 2024 is ₹ 20.67 million (Refer Note 30 of Standalone Financial Statements). The options vested under both "ESOP 2021" and "ESOS 2023" can be exercised within the period of 4 (Four) years from the date of vesting. There are 66,460 potential equity shares arising out of ESOP for the year ended March 31, 2024 and the same has been considered for diluted earning per shares.

Both ESOP schemes are in compliance with the SBEB 2021 regulations. The Company has received a certificate from M/s Sandeep Joshi & Associates, Secretarial Auditor of the Company, certifying that the schemes are implemented in accordance with the SBEB 2021 Regulations. The certificate is available for inspection by members in electronic mode. Details of ESOPs granted and vested are provided in the notes to the Standalone Financial Statements.

FINANCIAL STATEMENTS

In accordance with the Ministry of Corporate Affairs ("MCA") circular dated January 13, 2021 read with circulars dated April 08, 2020, April 13, 2020, May 5, 2020, December 28, 2022, and September 25, 2023 the Annual Report 2023-24 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including consolidated financial statements, prepared as per Ind AS, Directors' Report (including Management Discussion & Analysis and Corporate Governance Report) is being sent via email to all shareholders who have provided their email address(es).

The Annual Report 2023-24 is also available at the Company's website at: <https://windlas.com/financial-information/annual-report/>

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the applicable provisions of Act including the Accounting Standard Ind AS 110 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the financial year 2023-24. Consolidated Turnover was ₹6444.24 million as against ₹5,230.48 million in the previous year. Net Profit after Tax (after minority interest) for the year stood at ₹581.87 million as against ₹426.26 million in the previous year.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements Regulation, 2015 ("Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the 2023-24, together with the Auditors' Report, form part of this Annual Report.

OPERATIONS AND BUSINESS PERFORMANCE

Kindly refer to Management Discussion & Analysis and Corporate Governance Report which forms part of this report.

CHANGE IN NATURE OF BUSINESS

During the year under review there is no change in nature of business of the Company.

CREDIT RATING

ICRA Limited, i.e. the Credit Rating Agency has reaffirmed the long-term rating of the Company to [ICRA] A+ (pronounced ICRA A plus) ("Rating") and short-term rating at [ICRA] A1 for facilities of the Company as per their letter dated February 05, 2024.

DIRECTORS

Pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013, one third of such of the Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Accordingly, Mr. Manoj Kumar Windlass (DIN: 00221671), Director of the company will retire by rotation at the ensuing AGM, and being eligible, offered himself for re-appointment in accordance with provisions of the Act. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended his re-appointment.

A brief resume of the Directors being appointed/ re-appointed, the nature of expertise in specific functional areas, names of companies in which they hold directorships, committee memberships/ with chairmanships, their shareholding in the Company, etc., have been furnished in the explanatory statement to the notice of the ensuing AGM.

The Nomination and Remuneration Committee and the Board of Directors of the Company recommend his appointment/ re-appointment at the ensuing AGM.

Your Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

In terms of section 2(77) of the Act including Rules made thereunder, Mr. Ashok Kumar Windlass, Whole Time Director, Mr. Hitesh Windlass, Managing Director, Mr. Manoj Kumar Windlass, Joint Managing Director and Mrs. Prachi Jain Windlass, Non- Executive Non-Independent Director are related to each other.

KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Act are as follows:

Mr. Ashok Kumar Windlass, Whole time Director

Mr. Hitesh Windlass, Managing Director

Mr. Manoj Kumar Windlass, Joint Managing Director

Mr. Pawan Kumar Sharma, Executive Director

Mrs. Komal Gupta, Chief Executive Officer & Chief Financial Officer

Mr. Ananta Narayan Panda, Company Secretary & Compliance Officer

DIRECTORS' REPORT (CONTD.)

Mr. Pawan Kumar Sharma, Executive Director of the Company holds office upto June 10, 2024. The Board of Directors at its meeting held on May 20, 2024, has re-appointed Mr. Pawan Kumar Sharma for a period of three years with effect from June 11, 2024, as an Executive Director on the recommendation of Nomination and Remuneration Committee of the Board of Directors of the Company subject to approval of Shareholders. In terms of Regulation 17(1C) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company shall obtain approval of Shareholders for appointment/re-appointment of Mr. Pawan Kumar Sharma within a period of three months from the date of appointment by passing of resolution through postal ballot under section 110 of the Companies Act, 2013.

Policy on directors' appointment and Policy on remuneration

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act 2013, the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a director and the policy on remuneration of directors, KMP and other employees is disclosed in the Corporate Governance Report which is part of the Annual Report. The same are also available on the website of the Company at:-

<https://windlas.com/wp-content/uploads/2021/05/Nomination-and-remuneration-policy.pdf>

Performance Evaluation of the Board, its Committees and Individual Directors

In accordance with the applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, based on need and new compliance requirements.

The annual performance evaluation of the Board, its Committees and each Director has been carried out for the financial year 2023-24 in accordance with the framework. The details of evaluation process of the Board, its Committees and individual directors, including independent directors have been provided under the Corporate Governance Report which forms part of this Report.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) in the preparation of the Annual Accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed. There are no material departures from the applicable accounting standards;
- b) the Directors 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 on March 31, 2024 and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared Annual Accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

Your Company lays emphasis on human resources and caring for them at all levels. Your Company enjoyed harmonious relationships with workers and staff during the year under review and consider them their most important assets. Your Company is concerned for its people, customers, suppliers, and community at large which reflects in the Company's policy, programs and development efforts. As on March 31, 2024, your company had 1154 permanent employees. Your Company is committed to build and strengthen the human capital by defining policies that support their growth, goals, and help them achieve excellence. Various trainings, seminars and workshops were conducted during the year to train employees and enhance their overall performance.

PARTICULARS OF EMPLOYEES / MANAGERIAL REMUNERATION

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Directors	Ratio to Median Remuneration
Mr. Vivek Dhariwal*	1.38
Mr. Ashok Kumar Windlass	57.21
Mr. Hitesh Windlass	64.17
Mr. Manoj Kumar Windlass	64.17
Mr. Pawan Kumar Sharma	18.60
Mrs. Prachi Jain Windlass	Nil
Mr. Srinivasan Venkataraman*	1.63
Mr. Gaurav Gulati*	1.96

* The Independent Directors have only been paid sitting fee during the year.

- b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial Year
Mr. Vivek Dhariwal*	22.95
Mr. Ashok Kumar Windlass	Nil
Mr. Hitesh Windlass**	19.05
Mr. Manoj Kumar Windlass**	19.05
Mr. Pawan Kumar Sharma	10.00
Mrs. Prachi Jain Windlass	Nil
Mr. Srinivasan Venkataraman*	8.54
Mr. Gaurav Gulati*	(2.73)
Mrs. Komal Gupta (CEO & CFO)	97.46
Mr. Ananta Narayan Panda (Company Secretary)	11.97

* Mr. Vivek Dhariwal, Mr. Srinivasan Venkataraman and Mr. Gaurav Gulati are Independent Directors and they have been paid only sitting fee during the year.

** Remuneration includes commission paid/payable to Mr. Hitesh Windlass (Managing Director) and Mr. Manoj Kumar Windlass (Joint Managing Director) during the year.

- c) Percentage increase in the median remuneration of employees in the financial year: 21.59%

- d) Number of permanent employees on the rolls of Company: 1154

- e) 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 circumstance for increase in managerial remuneration:

Average percentile increase in salary of employees other than managerial personnel was 25.55% Average percentile increase in managerial remuneration was 25.31% in 2023-24 over 2022-23.

- f) Affirmation that the remuneration is as per the Remuneration policy of the Company:

The Company affirms that the remuneration paid is as per the Remuneration policy of the Company.

- g) A statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure forming part of this Report. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection at the Registered Office of the Company. Any Shareholder interested in obtaining a copy of the same may write to the Company Secretary.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of this Boards' Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control system is designed to consider the scope, type, and magnitude of its operations. The Audit Committee provides additional oversight related to financial risks and controls, while both the Board of Directors and Audit Committee oversee the internal financial controls to ensure their adequacy and efficiency. To address

DIRECTORS' REPORT (CONTD.)

these matters, the Audit Committee periodically holds meetings with the statutory auditor and the management of the Company. The internal control system ensures optimal utilization of the Company's resources and adherence to compliance standards.

Internal controls play a crucial role in safeguarding a company's assets, ensuring compliance with regulations, and minimizing risks. These controls encompass processes and procedures that help maintain the integrity and reliability of the organization's systems.

The Company has appointed M/s. Grant Thornton Bharat LLP, Chartered Accountants, as an Independent Internal Auditors who periodically audits the adequacy and effectiveness of the internal controls laid down by the management and suggests improvements. This ensures that all Assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorised, recorded and reported diligently. Your Company's internal control systems are commensurate with the nature and size of its business operations. Internal Financial Controls are evaluated, and Internal Auditors' Reports are regularly reviewed by the Audit Committee of the Board.

The company has an internal audit department to ensure that all operations comply with prescribed business standards through regular monitoring. The internal audit team of the Company supervises internal processes and recommends necessary changes to correct any deviations from established practices. Strict monitoring and effective reviews ensure high compliance with the rules and regulations that govern the Company. The internal audit team of the Company has necessary skills and experience, and it reports to the Chairman of the Audit Committee and the Managing Director of the Company. The audit committee recommends annual Risk-Based Audit Plan (RBAP) for conducting internal audit. The internal audit is conducted based on this approved plan, and any identified gaps in the internal control system are communicated to process owners and management for necessary action.

Statutory Auditors Report on Internal Financial Controls as required under clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 is annexed with the Independent Auditors' Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report with detailed review of operations, performance and future outlook, as stipulated under Regulation 34 read with Schedule V to the Listing Regulations is presented in a separate section forming part of this Annual Report.

COMMISSIONING OF NEW PLANT

Your company during the current financial year has completed the commissioning of its state-of-the-art injectable facility for manufacturing of small volume parenteral products, built to meet international cGMP standards at its new facility (Plant V) located at Plot No. 166, 167, 168, & 172, Mohabewala Industrial Area, Dehradun-248110, Uttarakhand at a cost of ₹743.97 Million

Your company has received manufacturing license from the Drug Controlling & Licensing Authority of Uttarakhand after joint inspection conducted by Central Drugs Standard Control Organisation and State Licensing Authority of Uttarakhand during the current financial year for Plant V. The new facility has initiated manufacturing of commercial batches.

Plant V shall cater to the development and manufacturing of complex dosage forms like ampoules, liquid vials and lyophilized vials thereby extending the Company's product portfolio to critical care and other specialized therapeutic segments. The injectable plant shall also cater to all three of our existing business verticals viz. CDMO, Trade Generics & Institutional, and Exports.

RELATED PARTY TRANSACTIONS

The Company has a policy on Materiality of Related Party Transactions and has been uploaded on the website of the company which can be found on <https://windlas.com/wp-content/uploads/2021/05/Policy-on-Materiality-of-related-party.pdf>

All related party transactions that were entered into during the 2023-24 were on an arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

All related party transactions are presented to the Audit Committee. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on quarterly basis, mentioning the nature, value and terms and conditions of transactions. The details of Related party transactions are provided in the accompanying financial statements.

As all related party transactions entered into by the Company were in ordinary course of business and were on an arm's length's basis, Form AOC-2 is not applicable to Company.

CORPORATE GOVERNANCE

The Company is committed to ensuring good governance practices while protecting the interest of the shareholders by using extreme care, skill and diligence in the business.

The report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. A certificate from M/s Sandeep Joshi & Associates, Company Secretary regarding compliance of the conditions of Corporate Governance, as stipulated under Schedule V of the Listing Regulations is attached as Annexure and forms part of the Annual Report.

ANNUAL RETURN

In accordance with Section 92 (3) read with Section 134 (3)(a) of the Act, the Annual Return of the Company as on March 31, 2024 is available in the prescribed format on the Company's website at the link: <https://windlas.com/annual-return/>

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and no amount on account of principal or interest on public deposits was outstanding as on March 31, 2024.

The Company does not have any deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In accordance with the provisions of Section 186 of the Act, the details of Loans, Guarantees and Investments made by the Company as at March 31, 2024 are given in the notes to the Financial Statements.

CORPORATE SOCIAL RESPONSIBILITY

Your Company considers the community as its key stakeholder and endeavours to create economically viable and socially inclusive community. The CSR programmes of the Company are aimed at inclusive development and welfare of the community by carrying out activities primarily related to promoting health care including preventive health care, promoting education and skill development, and animal welfare and environmental sustainability.

Disclosure as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 in prescribed form is enclosed as Annexure I to the Directors' Report.

During the financial year 2023-24, the Company has spent ₹ 9.93 million (2% spend requirement was ₹ 9.72 million) towards various CSR activities, in line with the requirements of Section 135 of the Companies Act, 2013 ('Act'). Details of composition of CSR Committee and Meetings held during 2023-24 are disclosed in the Corporate Governance Report.

SUBSIDIARY/ JOINT VENTURE

As on March 31, 2024, the Company has one subsidiary namely Windlas Inc.

The Company has attached along with its financial statements, a separate statement containing the salient features of the financial statements of the said subsidiaries in "Form AOC-1".

During the year under review, the Board of Directors reviewed the affairs of its subsidiary. Also in conformity with Section 134 of the Companies Act, 2013 and Rule 8(1) of the Company (Accounts) Rules, 2014, Notes of Consolidated Financial Statement cover the highlights of performance of subsidiary and its contribution to the overall performance of the Company during the year.

US Pharma Windlas LLC is one of the joint venture entity in which Windlas Inc. (Wholly Owned Subsidiary company of Windlas Biotech Limited) has 50% ownership. A policy on material subsidiaries has been formulated and is available on the website of the Company at:- <https://windlas.com/wp-content/uploads/2021/05/Policy-on-Material-Subsidiary.pdf>

FAMILIARISATION PROGRAMME

The Company has a familiarisation programme for its Independent Directors which is imparted at the time of appointment of an Independent Director on Board as well as on need basis. During the year, the Independent Directors of the Company were familiarised and the details of familiarisation programmes imparted to them are placed on the website of the Company at:- https://windlas.com/wp-content/uploads/2024/07/Familiarisation_Programme_IDs_FY24.pdf

SIGNIFICANT AND MATERIAL ORDERS PASSED BY COURTS, REGULATORS OR TRIBUNALS

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

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company persistently promotes ethical behaviour in all its business activities and in line with the best international

DIRECTORS' REPORT (CONTD.)

governance practices. The Company has established a system through which directors, employees and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. Reporting of instances of leak/ suspected leak of any Unpublished Price Sensitive Information is allowed through this vigil mechanism and the Company has made its employees aware of the same.

The policy has also been posted on the Company's website at:- <https://windlas.com/wp-content/uploads/2021/05/Vigil-Mechanism-Policy.pdf>

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received, if any, under this policy on a quarterly basis.

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

Pursuant to provisions of Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are attached as Annexure II to this report.

STATUTORY AUDITORS

In accordance with the provisions of Section 139 of the Companies Act, 2013, the members at the 19th Annual General Meeting held on August 28, 2020 had approved the appointment of M/s. S S Kothari Mehta & Co. LLP, Chartered Accountants (Firm Registration No: 000756N) for a term of 5 (five) years, to hold office till the conclusion of 24th Annual General Meeting, As per the provisions of Section 139 of the Act, they have confirmed that they are not disqualified from continuing as Auditors of the Company.

During the financial year the existing partnership firm "S S Kothari Mehta & Co.", statutory auditors of the Company has been converted into "S S Kothari Mehta & Co. LLP" vide Firm Registration No: 000756N/ N500441, a Limited Liability Partnership under the provisions of the Limited Liability Partnership Act, 2008 with effect from November 24, 2023.

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

COST AUDITORS

In terms of the Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules,

2014 the Company is required to maintain cost accounting records and have them audited every year.

The Board has re-appointed M/s. Saurabh Jain and Associates as Cost Auditor of the Company for 2024-25 under Section 148 and all other applicable provisions of the Act.

Shareholder's approval is being sought for ratification of the remuneration proposed to be paid to M/s. Saurabh Jain and Associates, Cost Auditor of the Company in respect of Cost Audit for the financial year ending March 31, 2025 as mentioned in the Notice convening the AGM.

The Company has maintained cost records as specified under section 148(1) of the Act.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company had appointed Mr. Sandeep Joshi, Company Secretary (COP No. 19210), Proprietor of M/s Sandeep Joshi & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company.

Pursuant to provisions of Section 204(1) of the Companies Act, 2013 and Regulation 24A of the Listing Regulations, the Secretarial Audit Report for the financial year ended March 31, 2024 issued by CS Mr. Sandeep Joshi (COP No. 19210), Proprietor of M/s. Sandeep Joshi & Associates, Company Secretary in Practice and the Secretarial Auditor of the Company is annexed as Annexure III and forms an integral part of this Report.

During the year under review, the Secretarial Auditor have not reported any fraud under Section 143(12) of the Companies Act, 2013 M/s Sandeep Joshi & Associates have been reappointed as the Secretarial Auditor for the financial year 2024-25.

Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the auditor's reports:

There is no qualification, reservation or adverse remark or disclaimer made by the Auditor in their report. As regards the observations of the Statutory Auditors and the Secretarial Auditor in their Report, the same are self- explanatory and need no clarifications.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is fully committed to uphold and maintain the dignity of every woman working with the Company.

DIRECTORS' REPORT (CONTD.)

The Company has zero tolerance towards any action on the part of any one which may fall under the ambit of 'Sexual Harassment' at workplace. The Policy framed by the Company in this regard provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints.

Internal Complaints Committees (ICC) have been set up to redress complaints received regarding sexual harassment.

Status of the Complaints during the 2023-24 is as follows:

Particulars	No. of Complaints
Number of Complaints pending as on Beginning of the Financial Year	Nil
Number of Complaints filed during the Financial Year	Nil
Number of Complaints pending as on the end of the Financial Year	Nil

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

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with the provisions of Secretarial Standards on Meetings of the Board of Directors

For and on behalf of the Board

Hitesh Windlass

Designation: Managing Director
DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Designation: Jt. Managing Director
DIN: 00221671

Place: Dehradun

Date: May 20, 2024

(SS-1) and on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

GENERAL DISCLOSURE

There were no proceedings, filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as of March 31, 2024.

There is no instance of one-time settlement with any bank or financial institution.

ACKNOWLEDGEMENT

The Directors acknowledge with gratitude and wishes to place on record its appreciation for the dedication and commitment of the Company's employees at all levels which has continued to be our major strength. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain as industry leaders. We place on record our appreciation for the support and co-operation the Company has been receiving from its suppliers, distributors, dealers, business partners, franchisee units and others associated with the Company as its trading partners. The Company looks upon them as partners in its progress and has shared with them the rewards of growth.

ANNEXURE I

CSR REPORT

1. Brief outline on CSR Policy of the Company

The Corporate Social Responsibility ('CSR ') Policy of Windlas Biotech Limited has been developed in accordance with Section 135 (3) (b) of the Companies Act 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India. The CSR Policy formulated lays down guidelines and mechanisms to be adopted by the Company in order to carry out CSR Projects / Programs.

All CSR Projects / Programs undertaken for the Financial Year April 01, 2023, to March 31, 2024, are conceived and implemented through a focused approach towards target beneficiaries for generating maximum impact and carried out in partnership with credible implementing agencies. In the Financial Year, the Company will support Projects / Programs which fall under the Sectors of Healthcare, Education and Environment Sustainability.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Prachi Jain Windlass	Non- Executive Director	2	2
2	Mr. Manoj Kumar Windlass	Joint Managing Director	2	1
3	Mr. Ashok Kumar Windlass	Whole Time Director	2	2
4	Mr. Vivek Dhariwal	Independent Director	2	2

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

<https://windlas.com/wp-content/uploads/2022/04/CSR-Policy.pdf>

Not Applicable

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub- rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

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

Not Applicable

6. Average net profit of the company as per section 135(5): INR 486.14 million

7. CSR obligations for FY 24:-

(a)	Two percent of average net profit of the company as per section 135(5):	INR 9.72 million
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
(c)	Amount required to be set off for the financial year, if any	NIL
(d)	Total CSR obligation for the financial year (7a+7b-7c)	INR 9.72 million

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

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

ANNEXURE I (Contd.)

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

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

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

S.N.O	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount Spent for the project (in ₹ million)	Mode of Implementation- Direct (Yes/ No).	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR registration number
1	Promoting health care including preventive health care	(i)	Yes	Uttarakhand	Dehradun	0.43	Yes	General Public	
			Yes	Delhi	Delhi	0.10	Yes	Impact Guru Foundation	CSR00000991
			Yes	Uttarakhand	Dehradun	3.13	No	Swami Vivekanand Health Mission Society	CSR00013441
2	Promoting Education and Skill Development	(ii)	No	Uttar Pradesh	Bulandsheher	1.00	No	Rajju Bhaiya Sainik Vidya Mandir, Bulandsheher-UP (Under Rajpal Singh Jan Kalyan Seva Samiti)	CSR00015750
			Yes	Uttarakhand	Dehradun	0.26	No	Uttarakhand Association for postive people living with HIV/ AIDS	CSR00031138
			Yes	Uttarakhand	Dehradun	0.80	No	Saraswati Vidya Mandir, Manduwala, Dehradun (Under Shishu Shiksha Samiti)	CSR00017563
			No	Uttar Pradesh	Firozabad	0.35	No	Ashok Singhal Vatsalya Vidhyapeeth - (Under Shri Gopalji Mandir Trust, Firozabad)	CSR00035794
			Yes	Uttarakhand	Dehradun	0.20	Yes	Primary School, Mohabewla, Dehradun -248110	
			Yes	Uttarakhand	Dehradun	0.61	No	ITITI Doon Sanskriti School	CSR00068171
			Yes	Uttarakhand	Dehradun	1.50	Yes	Masoom	CSR00000360
			Yes	Uttarakhand	Dehradun	0.15	No	Doon Animal Welfare (Trust), Dehradun	CSR00019670
3	Animal Welfare and Environmental sustainability	(iv)	Yes	Uttarakhand	Dehradun	1.40	No	University of Chicago Trust	CSR00006435
Total						9.93			

ANNEXURE I (Contd.)

- (d) Amount spent in Administrative Overheads NIL
- (e) Amount spent on Impact Assessment, if applicable Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) INR 9.93 million
- (g) Excess amount for set off, if any

Sl.No.	Particular	Amount (in ₹ millions)
(i)	Two percent of average net profit of the company as per section 135(5)	9.72
(ii)	Total amount spent for the Financial Year	9.93
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.21
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous FY, if any,	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
1	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

- (a) Date of creation or acquisition of the capital asset(s). NIL
- (b) Amount of CSR spent for creation or acquisition of capital asset. NIL
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. NIL
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

Not applicable

Place: Gurgaon
Date: May 20, 2024

Hitesh Windlass
(Managing Director)

Prachi Jain Windlass
(Chairperson CSR Committee)

ANNEXURE II

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

a) Energy conservation measures taken and their impact.	High-efficiency compressor Air Conditioners have been installed to conserve energy. We have swapped out Compact Fluorescent Lamps with Light-emitting diodes, resulting in over a fifty percent reduction in energy consumption. Implementation of a Steam Condensate Recovery System. Variable Frequency Drives have been integrated into air compressor motors, enabling them to operate according to frequency and demand.
b) Additional Investment and proposals if any, being implemented for reduction of consumption of energy.	Implementing a routine maintenance program to prevent deterioration and decrease excessive energy usage. Lowering the load during peak hours and reducing energy consumption by redistributing the load.
c) Impact of the measures as (a) & (b) Above for reduction of energy consumption and consequent impact on the cost of production of goods.	The above measures have helped the Company in effective and economic consumption of electricity, fuel and reduced the energy expenses.
d) Other Measures	Electrical Blower fix in Elmach Machine for forming die cooling instead of air nozzle which save 105 CFM.

	March 31, 2024	March 31, 2023
1. ELECTRICITY		
(a) Purchased Units	1,65,03,698	1,37,71,338
Total Amount (₹)	12,62,02,354	9,82,57,316
Average Rate/Unit (₹)	7.64	7.13
(b) Own Generation through DG set Units	4,76,734	1,88,493
Unit Generated per lit of Diesel oil	3.6	3.6
Cost of fuel /Unit (₹)	22.60	25.41
2. Briquette		
Quantity (Kg)	34,93,476	24,13,526
Total Amount (in ₹)	3,66,81,494	2,31,93,943
Average Rate/kg.	10.50	09.60

B. TECHNOLOGY ABSORPTION, ADOPTION, AND INNOVATION

The Company is engaged in the process research for new products and continuous improvement of existing products. However, the Company is primarily engaged in the business of contract manufacturing.

C. RESEARCH & DEVELOPMENT (R&D)

During the year, the Company acquired a No Objection Certificate from the Drugs Controller General of India (DCGI) for seven internally developed products. These products are predominantly centered on pediatric preparations, enzyme-based formulations, sustained release and immediate release combinations, as well as formulations utilizing spray technology. To enhance our capabilities, we augmented our analytical development laboratory by installing a precision balance in January 2024.

**ANNEXURE II (Contd.)**

Furthermore, we have been granted manufacturing and marketing rights for one product, Mirabegron 25/50mg (ER) & Silodison 8mg/8 mg Tablets by the Central Drugs Standard Control Organization (CDSCO), marking its debut introduction in India.

EXPENDITURE ON RESEARCH & DEVELOPMENT:

The Company has incurred Research & Development expenditure of ₹78.77 million during 2023-24.

D. FOREIGN EXCHANGE EARNING & OUTGO

(₹ in millions)

Particulars	March 31, 2024	March 31, 2023
Total Foreign exchange earning	313.30	217.84
Total Foreign exchange outgo	75.29	67.95

On behalf of the Board of Directors**Hitesh Windlass**

Designation: Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Designation: Jt. Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Annexure III SECRETARIAL COMPLIANCE REPORT

WINDLAS BIOTECH LIMITED FOR THE YEAR ENDED MARCH 31, 2024

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

To,

The Members,

Windlas Biotech Limited

40/1, Mohabewala Industrial Area,
Dehradun, Uttarakhand, 248110

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate governance practice by **Windlas Biotech Limited ("the Company")**. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; (Complied to the extent applicable).
- v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable:

- a. the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations");
- b. the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c. the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- e. the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014/ the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- f. the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008/ the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- g. the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013/ the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- h. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i. the Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009.

We have not examined compliance by the Company with respect to:

- a) Applicable financial laws, like direct and indirect tax laws, maintenance of financial records, etc., since the same have been subject to review by statutory (financial) auditors, tax auditors and other designated professionals.
- b) As informed by the Company the industry specific laws/ general laws as applicable to the Company has been

complied with. The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines as are specifically applicable to the Company relating to Industry/Labour etc., have been complied with.

We have examined compliance with the applicable clauses of the Secretarial Standards with respect to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

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

We further report that:

- a. The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act; whereas the Company appointed Mrs. Komal Gupta as Chief Executive Officer (CEO) of the Company with effect from February 08, 2023, under section 203 of the Companies Act, 2013, together with holding of a position of Chief Financial Officer (CFO) of the Company since May 12, 2022.
- b. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings and Meetings of Committees except in some cases where the meeting was held on a shorter notice with appropriate consent of all the directors and members. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings and a system exists for Directors for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. On verification of minutes, we have not found any dissent / disagreement on any of the agenda items discussed in the Board and Committee meetings from any of the Directors and all the decisions are carried through.
- d. The Company has voluntarily filed a compounding application with Reserve Bank of India on March 04, 2024 under Section 15 of the power to compound contraventions under Foreign

Exchange Management Act, 1999 read with FEMA (Compounding Proceedings) Rules, 2000, in respect of the following contraventions related to its Wholly Owned Subsidiary Company:

-  the Contravention of Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2016 with respect to receipt and payment of foreign exchange.
-  Contravention of Regulation 9 (Obligation of person resident in India) of Foreign Exchange Management (Overseas Investment) regulations, 2022 erstwhile Regulation 15 (Point (ii) of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004 for delayed repatriation of due from WOS beyond prescribed period.

Based on the information received and records maintained, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

FOR SANDEEP JOSHI & ASSOCIATES

COMPANY SECRETARIES

SANDEEP JOSHI

Proprietor

Place: Dehradun

ACS 42945, CP No. 19210:

Date: 20/05/2024

ICSI'S UDIN:A042945F000403756

Note: This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

ANNEXURE I

To

The Members,

Windlas Biotech Limited

40/1, Mohabewala Industrial Area,

Dehradun, Uttarakhand, 248110

My Secretarial Compliance Report for the Financial Year ended on March 31, 2024 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 the Secretarial records. The verification was done on test basis to ensure that 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 management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR SANDEEP JOSHI & ASSOCIATES

COMPANY SECRETARIES

SANDEEP JOSHI

Proprietor

Place: Dehradun

Date: 20/05/2024

ACS 42945, CP No.19210:

ICSI'S UDIN: A042945F000403756

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Efficient Corporate Governance is deeply ingrained in the Company's culture and represents a fundamental aspect of our management and business values. The Company abides by the principles and spirit of good Corporate Governance and embeds the principles of independence, transparency, accountability, integrity into the value system that drives the Company and its growth.

The Board of Directors exercise diligently, fulfills its duties to all stakeholders and ensure that transparency is always maintained and fostering independence in decision-making processes. Additionally, the Company has a Code of Conduct in place which serves as a guide to each employee, on the standards of values, ethics and business principles.

Furthermore, our company has implemented a Whistleblower Policy, offering a channel for employees to confidentially approach the Chairman of the Audit Committee and disclose any information that may suggest unethical or improper conduct within the company.

BOARD OF DIRECTORS

Composition

The present Board comprises of 8 members: 4 Non-Executive Directors (NEDs) and 4 Executive Directors (EDs). Mr. Hitesh Windlass is the Managing Director, Mr. Manoj Kumar Windlass is Joint Managing Director, Mr. Ashok Kumar Windlass is Wholetime Director and Mr. Pawan Kumar Sharma is Executive Director of the Company. Out of the 4 NEDs, 3 are Independent Directors and one director viz. Mrs. Prachi Jain Windlass is a Non- Independent NED Woman Director. The Company has a Non-Executive Chairman (Independent Director) and the number of Independent Directors is one-third of the total number of Directors. Except Independent Directors and the Wholetime Director, all other Directors are liable to retire by rotation. None of the Directors on board holds directorship in more than 10 public companies.

Independent Directors

All the Independent Directors of the Company have confirmed that they satisfy the criteria of independence as indicated in the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) including any statutory modification/enactments thereof. They have also confirmed their registration with the databank of Independent Directors maintained by the Indian Institute

of Corporate Affairs in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. The Board of Directors of the Company confirm that in its opinion, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the Management of the Company.

None of the Independent Directors of the Company is a Wholetime Director of any listed company and does not serve as an Independent Director in more than 7 listed companies. The Independent Directors are appointed for a term of five years, subject to maximum of 2 terms of five years each or up to the age of retirement. The Company has issued letter of appointment to the Independent Directors in the manner as provided in the Act. The terms and conditions of their appointment have been disclosed on the website of the Company.

The Company follows the process for evaluation of the Directors, Board as a whole and evaluation of the respective Committees, based on certain criteria and questionnaires filled in by the Directors. The Nomination and Remuneration Committee has laid down the evaluation criteria for performance evaluation of Individual Directors (including Independent Directors) which also includes the attendance of Directors, commitment/ contribution at Board/Committee Meetings and guidance/ support to Management outside Board/ Committee Meetings. The Directors freely interact with the Management on information that may be required by them.

During the financial year 2023-24, a separate Meeting of Independent Directors of the Company was held on March 19, 2024 to discuss the performance evaluation based on the self assessment of Directors and the Board and also to assess the quality, content and timeliness of flow of information between the Management and the Board, including the quality of Board Agenda papers and Minutes. The Independent Directors have expressed their satisfaction and complimented the good process followed by the Company, including conduct of Board Meetings and quality of Minutes.

The Directors of the Company are familiarised with the Company's operations, business, industry, and environment in which it functions and the regulatory environment

REPORT ON CORPORATE GOVERNANCE (Contd.)

applicable to it. The familiarisation programme for Directors has been disclosed on the website of the Company.

<https://windlas.com/familiarization-program-for-independent-directors/>

Performance Evaluation

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out the performance evaluation of the Directors, Board as a whole and Committees.

Non-Executive Directors' compensation and disclosures

Sitting fees is not paid to Non-Independent NEDs. However, sitting fees is paid to the Independent directors as decided by the management of the Company.

Other provisions as to Board and Committees

During 2023-24, four Board Meetings were held, through video conferencing on the following dates and the gap between two consecutive Board Meetings did not exceed 120 days.

Dates of meetings: May 5, 2023, August 8, 2023, November 8, 2023 and February 8, 2024

Category and Attendance

The names, categories, position and Director Identification Number (DIN) of the Directors, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies (as on March 31, 2024) are given below:

Name of Directors	DIN	Category	Board Meetings attended during 2023- 2024	Attendance at the last AGM held on September 12, 2023	Number of Directorships in other public limited companies (excluding directorship in associations, private/ Section 8 /foreign companies)	Number of Committee positions held in other public companies	
						Chairman	Member
Mr. Ashok Kumar Windlass	00011451	Whole Time Director	3	Yes	NIL	NA	NA
Mr. Manoj Kumar Windlass	00221671	Joint Managing Director	3	Yes	NIL	NA	NA
Mr. Srinivasan Venkataraman	01132306	Independent Director	4	Yes	1	NA	NA
Mr. Hitesh Windlass	02030941	Managing Director	4	Yes	NIL	NA	NA
Mr. Gaurav Gulati	02308392	Independent Director	3	Yes	NIL	NA	NA
Mr. Vivek Dhariwal	02826679	Independent Director	4	Yes	NIL	NA	NA
Mrs. Prachi Jain Windlass	06661073	Non-Executive Director	4	Yes	NIL	NA	NA
Mr. Pawan Kumar Sharma	08478261	Executive Director	3	Yes	NIL	NA	NA

Detailed agenda papers are circulated to all the Directors 7 days in advance for Meetings (other than if held by shorter notice) to enable them to attend and take informed decisions at the Meetings.

No Director is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Shareholders' Relationship Committee as per Regulation 26(1) of the Listing Regulations), across all the public companies of which he/she is a Director. Necessary disclosures regarding Committee positions have been made by all the Directors.

The Board periodically reviews compliance of all laws applicable to the Company, based on a certificate given by the Managing Director, including the steps taken, to rectify instances of non-compliances, if any.

Code of Conduct

The Directors comply with the Code of Conduct as applicable to the company and as defined by the management of the company. Senior management includes the functional heads of the Company. The Independent Directors have also confirmed compliance with the Code as prescribed in Schedule IV to the Companies Act, 2013.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Directorship held in other listed entities as on March 31, 2024:

No director holds any directorship in other listed entities as on March 31, 2024.

Matrix setting out skills/expertise competence of Board of Directors

- Mr. Vivek Dhariwal** is the **Chairman and Non - Executive Independent Director** of our Company. He holds a bachelor's degree in technology (chemical engineering) from the Indian Institute of Technology, Bombay and a master's degree in science (chemical engineering) from University of Kentucky. He has over 23 years of experience in manufacturing and supply operations. He was previously associated with ICI India Limited, Baxter India Private Limited and Pfizer Limited.
- Mr. Ashok Kumar Windlass** is the **Wholetime Director** of our Company. He holds a diploma in civil engineering from Government Polytechnic, Ambala City. He has over 55 years of experience in the manufacturing and pharmaceutical business in India. He is one of our Promoters and one of the founders of our Company. He is one of the first directors of our Company and was appointed as the Managing Director of our Company on April 1, 2001 and subsequently appointed as the Wholetime Director on May 3, 2021. He plays a significant role in the administration, legal and engineering functions of our Company. He has been conferred Uttarakhand Ratan at the 38th Annual All India Conference of Intellectuals organised by All India Conference of Intellectuals in 2018. He is also a director on the board of directors of Windlas Exports Private Limited, Ashok Vimla Trusteeship Services Private Limited, Uni-Scientific Research and Analytical Foundation.
- Mr. Hitesh Windlass** is the **Managing Director** of our Company. He holds a bachelor's degree in ceramic engineering from the Indian Institute of Technology, Banaras Hindu University and a master's degree in business administration from the Graduate School of Business, University of Chicago. He has set up our Domestic Trade Generics, OTC Brands and Exports SBVs and plays a significant role in driving the technical operations, quality, R&D, manufacturing strategy and financial strategy of our Company. He has over 16 years of experience in the field of management. He was previously associated as a process engineer with Intel Corporation, USA. He joined our Company on January 21, 2008 as Director and was appointed as Managing Director of our Company on April 30, 2020.
- Mr. Manoj Kumar Windlass** is the **Joint Managing Director** of our Company. He holds a bachelor's degree in business administration from Georgia State University, Atlanta. He has over 18 years of experience in product development, operations, procurement and portfolio functions of the medicine business. He has set up our CDMO Services and Products SBV and plays a significant role in driving the product portfolio decisions and overall commercial operations including business development, supply chain and procurement of our Company. He joined our Company on April 1, 2006 as a Director of our Company and was appointed as Joint Managing Director of our Company on April 30, 2020.
- Mr. Pawan Kumar Sharma** is an **Executive Director** of our Company. He holds a bachelor's degree in law from the Hemwati Nandan Bahuguna Garhwal University, Srinagar (Garhwal). He is responsible for the commercial and administrative activities of the Company. He has over 23 years of experience in the pharmaceutical industry. He joined our Company on April 1, 2001 as a Manager Taxation and Administrative and was elevated to the position of executive director on June 11, 2019.
- Mrs. Prachi Jain Windlass** is the **Non - Executive Director** of our Company. She holds a bachelor's degree in technology from the Indian Institute of Technology, Delhi, master's degree in science (electrical engineering) from the University of Southern California, Los Angeles, and a master's degree in business administration from University of Chicago. She was previously associated with Boston Consulting Group, Gurgaon. Currently, she is associated with Michael & Susan Dell Foundation India LLP.
- Mr. Srinivasan Venkataraman** is a **Non - Executive Independent Director** of our Company. He is a fellow member of the Institute of Chartered Accountants of India. He was previously associated with Wealth Tree Advisors Private Limited, Hines, Aon Global Insurance Services Private Limited, and Lovelock & Lewes.
- Mr. Gaurav Gulati** is the **Non - Executive Independent Director** of our Company. He holds a bachelor's degree in science (computer science) from the University of Illinois, at Chicago and a master's degree in business administration from the University of Chicago Booth School of Business. He was previously associated with Oyo Hotels and Homes Private Limited.

AUDIT COMMITTEE

Composition, name of Members and Chairman

The Audit Committee comprise of 2 Non- Executive Independent Director and 1 Managing Director

Name	Position on the Committee	Designation
Mr. Srinivasan Venkataraman	Chairman	Independent Director
Mr. Gaurav Gulati	Member	Independent Director
Mr. Hitesh Windlass	Member	Managing Director

All members of the Committee are financially literate and have relevant finance and/or audit exposure. The Chief Financial Officer (CFO), and the Statutory Auditors attend the Meetings as Invitees. The Business Heads also attend the Meetings, as and when required. The Cost Auditor attends the meetings at which Cost Audit related matters are discussed. The Company Secretary acts as the Secretary and the Minutes are circulated and discussed at the Board Meetings.

Meetings and attendance during the financial year:

Four meetings were held during the financial year 2023-24 on the following dates through video conferencing:-

May 5, 2023, August 8, 2023, November 8, 2023 and February 8, 2024

The attendance of each member of the committee is given below:-









Name of Members	No. of meetings attended
Mr. Srinivasan Venkataraman	4
Mr. Gaurav Gulati	4
Mr. Hitesh Windlass	4

The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there should be a minimum of two independent members present. Mr. Srinivasan Venkataraman attended the last AGM of the Company as Chairman of the Audit Committee. The Board of Directors has accepted all the recommendations made by the Audit Committee from time to time.

Terms of reference and role of Audit Committee


The terms of reference, powers and role of Audit Committee are in accordance with Regulation 18(3) and Schedule II


of the Listing Regulations read with Section 177(4) of the Act. The broad terms of reference/ functions of the Audit Committee are as under:-

-  Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
-  Recommend appointment, remuneration and terms of appointment of auditors, including cost auditors, of the Company;
-  Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them;
-  Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval, with reference to;
 - o matters required to be included in the Directors' 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;
 - o changes, if any, in accounting policies and practices and reasons for the same.
 - o major accounting entries involving estimates based on the exercise of judgement by management.
 - o significant adjustments made in the financial statements arising out of audit findings.
 - o compliance with listing and other legal requirements relating to financial statements.
 - o disclosure of any related party transactions.
 - o qualifications and modified opinion(s) in the draft audit report.
-  Review with the management, the quarterly financial statements before submission to the Board for approval;
-  Examination of the financial statement and auditor's report thereon;
-  Monitoring the end use of funds raised through public offers and related matters;
-  Review with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.),


REPORT ON CORPORATE GOVERNANCE (Contd.)


the statement of funds utilised for the 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;

 Review and monitor the auditor's independence and performance, and effectiveness of audit process;

 Approval or any subsequent modification of transactions with related parties of the Company;


 Scrutiny of inter-corporate loans and investments;


 Valuation of undertakings or assets of the Company, wherever it is necessary;


 Evaluation of internal financial controls and risk management systems;


o Review with the management, performance of statutory and internal auditors.


o Review with the management adequacy of the internal control systems.


 Review 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;


 Discuss with internal auditors of any significant findings and follow-up thereon;

 Review 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;

 Discuss with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

 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;

 Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism;

 Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background, etc. of the candidate.

 Mandatorily review the following:

o Management Discussion and Analysis of financial condition and results of operations;

o Statement of significant related party transactions (as defined by Audit Committee), submitted by management;

o Management letters / letters of internal control weaknesses issued by the statutory auditors;


o Internal audit reports relating to internal control weaknesses;


o Appointment, removal, and terms of remuneration of the chief internal auditor


o Statement of deviations:


- quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

- annual statement of funds utilised for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(5) of the Listing Regulations;


 Review financial statements, in particular the investments made by the Company's unlisted subsidiaries;

 Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;

 Formulate the scope, functioning, periodicity of and methodology for conducting the internal audit;






 Review show cause, demand, prosecution notices and penalty notices, which are materially important;

 Review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;

 Review any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have

REPORT ON CORPORATE GOVERNANCE (Contd.)

passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;

-  Details of any joint venture or collaboration agreement;
-  Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
-  Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
-  Review the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
-  Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

SUBSIDIARY COMPANIES

The Company has one Foreign unlisted subsidiary company.

The Board of Directors have adopted the Policy for determining 'material' subsidiaries as specified in Listing Regulations. This Policy is uploaded on the Company's website

<https://windlas.com/wp-content/uploads/2021/05/Policy-on-Material-Subsidiary.pdf>

As defined in Regulation 16(1)(c) of Listing Regulations, during 2023-24, the foreign subsidiary does not fall under the category of 'material subsidiary'. The financial statements of the subsidiary company, including investments made, if any, are reviewed by the Audit Committee. The financial performance, Minutes of Board Meetings of the subsidiary company and all significant transactions or arrangements entered into by the subsidiary company are reviewed by the Board.

RELATED PARTY TRANSACTIONS

The Company has in line with the requirements of the Listing Regulations formulated a Policy on materiality of Related Party transactions (RPTs) and also on dealing with RPTs, which has been uploaded on the website of the

Company at <https://windlas.com/policy-on-materiality-of-related-party/>

The Audit Committee had granted omnibus approval upto certain threshold limits for RPTs during 2023-24 and the actual value of transactions were reviewed on quarterly basis vis-à-vis the limits. The Company had no materially significant RPTs that could have any potential conflict with the interest of the Company. During the year under review, besides the transactions reported in the Notes to Accounts (Refer Note No. 41 of the Standalone Financial Statements). Except as disclosed in Note No. 41 of the Standalone Financial Statements there were no other RPTs with promoters, directors, management, joint ventures/subsidiaries, etc. that had any potential conflict with the interest of the Company at large.

All transactions with Related Parties were on arm's length basis and in the normal course of business during 2023-24. The interest of Directors, if any, in transactions are disclosed at Board Meetings and the interested Director does not participate in the discussion or vote on such transactions.

MANAGERIAL REMUNERATION

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) comprise of the following members-

Name	Position on the Committee	Designation
Mr. Srinivasan Venkataraman	Chairperson	Independent Director
Mr. Gaurav Gulati	Member	Independent Director
Mr. Vivek Dhariwal	Member	Independent Director

During the year 2023-24, Three meetings were held on May 5, 2023, August 8, 2023 October 17, 2023 through video conferencing.

The attendance of each member of the Committee is given below:




Name	No. of meetings attended
Mr. Srinivasan Venkataraman	3
Mr. Gaurav Gulati	3
Mr. Vivek Dhariwal	3

The Minutes of NRC Meetings are circulated and noted by the Directors at the Board Meeting. Mr. Srinivasan







REPORT ON CORPORATE GOVERNANCE (Contd.)

Venkataraman, Chairman of NRC was present at the last AGM of the Company. The quorum of the NRC meeting is two members with at least one Independent Director. The Board of Directors has accepted all the recommendations made by NRC from time to time.









The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

-  the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
-  relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
-  remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

The broad terms of reference and responsibilities of NRC as under:-

-  Formulate 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;
-  Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
-  Devise a policy on Board diversity;
-  Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal;
-  Consider extension or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;
-  Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Human Resources, Nomination and

Remuneration Committee or by an independent external agency and review its implementation and compliance:

-  Review Human Resource policies and overall human resources of the Company;
-  Recommend / review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
-  Administer, monitor and formulate detailed terms and conditions of the Windlas Biotech Limited – Employee Stock Option Plan 2021;
-  Review information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary;
-  Review significant labour problems and their proposed solutions;
-  Review significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc;
-  Recommend to the Board, all remuneration, in whatever form, payable to senior management;
-  Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

Remuneration Policy

The Board has adopted the Remuneration Policy for Directors, KMPs and other employees as disclosed in the Directors' Report and uploaded on website of the Company at <https://windlas.com/policies/nomination-and-remuneration-policy/>

The key principles governing the Remuneration Policy are as under:-

- a) The Key Managerial Personnel, Senior Management Personnel and other employees shall be paid remuneration as per the Compensation and Benefit Policy of the Company as revised through the ASR process from time to time.
- b) The Human Resource department will inform the Committee, the requisite details on the proposed increments for every Annual Salary Review (ASR) cycle / process including payouts for the variable part (Performance Incentive).

- c) The composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate the Key Managerial Personnel and Senior Management of the quality required to effectively run the Company. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.
- d) The market salary survey for total remuneration is commissioned with external consultants. The basket of companies chosen for the survey are selected and finalised by HR department in consultation with concerned department making requisition.
- e) Revision in remuneration of Key Managerial Personnel assuming position of a director within the meaning of the Act, shall require prior approval of the Committee and the Board. Such Director shall not participate in discussion and voting thereon.
- f) The remuneration, including revision in remuneration, payable to Senior Management shall be recommended by the Committee to the Board of Directors.

Remuneration to Non-Executive & Independent Directors.

Sitting Fees

The Independent Directors of the Company are entitled to sitting fees as determined by Board from time to time for attending Board / Committee meetings thereof in accordance with the provisions of Companies Act, 2013.

Meeting	Fees per Meeting (₹)*
Board Meeting	50,000
Audit Committee Meeting	35,000
Nomination and Remuneration Committee Meeting	35,000
Corporate Social Responsibility Committee Meeting	35,000
Stakeholders Relationship Committee Meeting	35,000
Annual Independent Directors Meeting	Nil

The fees is paid to Independent Directors only. No sitting fees is paid to Non-Executive Directors.

*The fees is per person per meeting.

Profit-linked Commission

The Managing Director and Joint Managing Director are entitled to profit-linked commission within the monetary limit approved by the shareholders of the Company subject to the same not exceeding 1.5% (Individually) of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013. During the year under review provision of ₹8.80 million was made in the books of accounts for payment of commission to the Managing Director and Joint Managing Director as recommended by NRC. The said commission was paid to Managing Director and Joint Managing Director in the financial year 2024-25.

The remuneration of the Managing Director and Joint Managing Director is reviewed by the NRC based on certain criteria such as industry benchmarks, Company's performance and the responsibilities shouldered by them. Annual salary increment and commission or incentive remuneration is decided by the NRC within the overall ceilings prescribed under the Act and in line with the terms and conditions approved by the shareholders. The recommendation of the NRC is placed before the Board for its approval.

The Independent Directors of the Company are paid sitting fees for attending Board/ Committee Meetings, as under:

REPORT ON CORPORATE GOVERNANCE (Contd.)

Remuneration to Directors

The Directors' remuneration paid/payable and sitting fees paid in 2023-24 and their shareholding in the Company as on date are given below:

Non-Executive Directors

Name of Directors	Commission for 2023-24 (₹ in million)	Sitting Fees paid in 2023- 24 (₹ in million)	No. of shares held
Mrs. Prachi Jain Windlass	Nil	Nil	3

Executive Directors

Name of Directors	Salary in (₹ Million)	Perquisites and allowances (₹ in Million)	Commission for 2023-24 (₹ in million)	No. of shares held
Mr. Ashok Kumar Windlass	11.60	4.00	Nil	44,00,000
Mr. Hitesh Windlass	7.48	1.22	8.80	3
Mr. Manoj Kumar Windlass	6.22	2.48	8.80	3
Mr. Pawan Kumar Sharma	2.46	2.61	Nil	Nil

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee (SRC) reviews the shares related activities, also looks into the redressal of shareholder and investor complaints, compliances in respect of dividend payments and transfer of unclaimed amount to the Investor Education and Protection Fund pursuant to the provisions of Section 125 of the Act.

The composition of the Stakeholders Relationship Committee is as under :-

Name	Position on the Committee	Designation
Mr. Gaurav Gulati	Chairperson	Independent Director
Mrs. Prachi Jain Windlass	Member	Non Executive Director
Mr. Manoj Kumar Windlass	Member	Jt. Managing Director

During the year 2023-24, four meetings of SRC were held on May 5, 2023, August 8, 2023, November 8, 2023, February 8, 2024, mostly through video conferencing and the same were also attended by the Company Secretary. The Minutes of the SRC Meetings are circulated and noted by the Directors at Board Meetings. Mr. Gaurav Gulati attended the last AGM of the Company as Chairman of SRC.

In line with Listing Regulations, a charter defining the role of SRC has been formulated as under:

- To resolve 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. and assisting with quarterly reporting of such complaints;

- To review the measures taken for effective exercise of voting rights by shareholders;
- To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review 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;
- To take note, consider and resolve the total number of shareholders' complaints received from various authorities;
- To take note of the complaints not solved to the satisfaction of shareholders;
- To take note of total number of pending share transfers; and
- Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

REPORT ON CORPORATE GOVERNANCE (Contd.)

During 2023-24, one (01) complaint was received from SEBI/RTA/Stock Exchanges and the same was disposed off within the stipulated time. As on March 31, 2024, no complaints were pending.

Mr. Ananta Narayan Panda, Company Secretary and Compliance Officer of the Company liaise with SEBI and other regulatory authorities in the matter of investors complaints. The Board has nominated Mr. Ananta Narayan Panda as the Compliance Officer of the Company for monitoring the share transfer process and other related matters. His email id is grievance@windlasbiotech.com and his contact details are +91 1242821030.

OTHER COMMITTEES

In addition to the above Committees, the Board has constituted Corporate Social Responsibility (CSR) Committee which comprises of :-

Name	Position on the Committee	Designation
Mrs. Prachi Jain Windlass	Chairperson	Non-Executive Director
Mr. Vivek Dhariwal	Member	Independent Director
Mr. Ashok Kumar Windlass	Member	Whole Time Director
Mr. Manoj Kumar Windlass	Member	Joint Managing Director

A CSR Policy has been formulated by the Committee, which has been approved by the Board, to undertake CSR projects/ activities. During 2023-24, two meetings were held on August 8, 2023, February 8, 2024. The Board of Directors has accepted all the recommendations made by CSR Committee from time to time.

GENERAL BODY MEETINGS

The 20th, 21st and 22nd AGM were held through video conferencing/other audio visual means as permitted by the MCA and Securities and Exchange Board of India (SEBI). The date and time of the AGMs held during preceding three years are as given below:

Date of AGM	Time
20th AGM-July 05, 2021	4:00 P.M.
21st AGM-September 19, 2022	12:30 P.M.
22nd AGM-September 12, 2023	12:30P.M.

No Special Resolutions were passed at the 20th AGM of the Company.

No Special Resolutions were passed at the 21st AGM of the Company

The following Special Resolutions were passed at the 22nd

AGM of the Company:-

- Approval of the 'WBL Employee Stock Option Scheme 2023'
- Approval of grant of Employee Stock Option equal or more than 1% of Issued Capital to the identified employees

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF LISTING REGULATIONS

As required under Regulation 36(3) of Listing Regulations, particulars of Director/s seeking appointment/reappointment are given in the Explanatory Statement annexed to the Notice of the 23rd Annual General Meeting of the Company to be held on September 24, 2024

DISCLOSURES

A certificate from Sandeep Joshi & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by SEBI, MCA or any such statutory authority is annexed as part of this Report.

Mr. Ashok Kumar Windlass, Whole Time Director, Mr. Hitesh Windlass, Managing Director, Mr. Manoj Kumar Windlass, Joint Managing Director and Mrs. Prachi Jain Windlass, Non-Executive Non-Independent Director are related to each other.

During the last three years, there were no strictures or penalties imposed by SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to capital markets.

The Company has adopted a Whistle Blower Policy which enables the employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Code of Conduct. The mechanism provides for adequate safeguards against victimisation of employees and provides direct access to the Chairman of the Board, Audit Committee on concerns relating to financial accounting matters.

Credit Rating

ICRA Limited, i.e. the Credit Rating Agency has reaffirmed the long- term rating of the Company to [ICRA] A+ (pronounced ICRA A plus) ("Rating") and reaffirmed the short- term rating at [ICRA] A1 for facilities of the Company as per their letter dated February 05, 2024.

The Company has complied with the mandatory requirements of Listing Regulation and has unqualified financial statements. The Directors freely interact with the Management on information that may be required by them.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Management also shares with the Board, changes/ proposed changes in relevant laws and regulations and their implication on the Company.

Senior Management has made the disclosure to the Board and confirmed that they had no material financial and commercial transactions that could have a potential conflict with the interest of the Company at large.

In the preparation of financial statements, the Company has followed the Accounting Standards as prescribed by the Central Government.

Consolidated payment to Statutory Auditors

Sr. No.	Particulars	By Company (₹ In million)	By Subsidiary (₹ In million)	Total (₹ In million)
1.	Statutory Audit Fees	3.15	-	3.15
2.	Other Services	0.33	-	0.33
3.	Reimbursement of expenses	0.28	-	0.28

MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results are generally published in widely circulated newspapers: Financial Express (all editions) in English and Financial Express (Gujrati edition); Rashtriya Sahara in Hindi (Dehradun edition) and also displayed on the website of the Company <https://windlas.com/corporate-announcements/published-in-newspaper/> soon after its submission to the Stock Exchanges.

Shareholding Pattern, Corporate Governance Report and financial results are uploaded in the prescribed format, on

Dividend Distribution Policy

The Company has formulated Dividend Distribution Policy which is available on the website of the Company.

Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodity and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required.

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been made in Directors' Report.

NEAPS and Listing Centre maintained by NSE and BSE, respectively.

The financial results, official news releases and presentations, conference calls with the institutional investors or with the analysts are displayed on the Company's website <https://windlas.com/schedule-of-analyst/>

Copies of Press Release are filed with the Stock Exchanges.

The Company's website contains information on Windlas' management, vision, mission, and policies.

GENERAL SHARHOLDERS INFORMATION

Date of Annual General Meeting	By Video Conferencing or other Audio Visual Means
Financial Calendar	April 1 to March 31 First Quarter Results - By August 14, 2024 Second Quarter Results - By November 14, 2024 Third Quarter Results - By February 14, 2024 Results for the year ending March 31, 2025 – By May 30, 2025
Date of Book Closure	September 18, 2024 to September 24, 2024 (both days inclusive)
Dividend Payment Date	Dividend, if declared would be paid on or after September 24, 2024
Listing on Stock Exchange	BSE Limited (BSE) , P.J. Towers, Dalal Street, Mumbai 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai 400 051
Payment of Listing Fees	The Company has paid the listing fees to BSE and NSE for the year 2024-25.

Stock Code

BSE	543329
NSE	WINDLAS
ISIN for NSDL/CDSL	INE0H5001029

Market Information

Market price data-monthly high/low and trading volumes during the last financial year on the BSE/NSE depicting liquidity of the Company's Equity Shares of ₹ 5 each on the said exchanges is given hereunder:

Month	BSE Limited			National Stock Exchange of India Ltd.		
	High	Low	Volume	High	Low	Volume
Apr-23	255.30	226.40	22,035	255.0	226.1	304,943
May-23	282.00	250.10	73,072	282.4	251.0	888,448
Jun-23	318.95	260.00	172,165	317.5	260.1	1,709,642
Jul-23	349.40	291.50	386,684	349.9	295.6	2,302,691
Aug-23	420.85	305.85	452,198	420.9	306.2	3,366,022
Sep-23	395.00	338.70	195,851	395.5	333.6	962,378
Oct-23	384.25	308.35	71,126	383.9	311.6	892,003
Nov-23	462.00	330.70	223,891	466.6	330.1	3,298,592
Dec-23	456.00	397.90	159,501	457.5	400.1	1,787,380
Jan-24	543.85	434.70	523,380	544.0	432.0	6,345,140
Feb-24	582.00	455.35	318,756	583.5	460.6	4,205,492
Mar-24	590.00	475.10	355,128	590.9	474.1	3,225,025

REPORT ON CORPORATE GOVERNANCE (Contd.)

The performance of the Company's scrip (Equity Shares of ₹5 each) as compared to the Sensex and NSE Nifty:

Month	Windlas Biotech's Closing Price on NSE on the last trading day of month (₹)	BSE Sensex at the Close of last trading day of the month	NSE Nifty at the Close of last trading day of the month
Apr-23	254.10	61,112.44	18,065.00
May-23	262.90	62,622.24	18,534.40
Jun-23	298.85	64,718.56	19,189.05
Jul-23	335.50	66,527.67	19,753.80
Aug-23	373.60	64,831.41	19,253.80
Sep-23	356.55	65,828.41	19,638.30
Oct-23	334.90	63,874.93	19,079.60
Nov-23	420.85	66,988.44	20,133.15
Dec-23	428.75	72,240.26	21,731.40
Jan-24	489.85	71,752.11	21,725.70
Feb-24	503.40	72,500.30	21,982.80
Mar-24	510.30	73,651.35	22,326.90

Stock Performance - BSE



Stock Performance - NSE



Distribution of shareholding as on March 31, 2024

No. of equity shares held	No. of shareholders	No. of shares held	% of Issued Share Capital
Upto 5000	51540	3732228	17.94
5001 to 10000	55	388407	1.87
10001 and above	49	16677940	80.19
Total	51644	20798575	100.00
Physical Mode	-	-	-
Electronic Mode	51644	20798575	-
NSDL	18418	18302319	-
CDSL	33226	2496256	-

Shareholding Pattern as on March 31, 2024

Category	No. Of shares held	Percentage
Promoter and Promoter Group	13065352	62.82
Mutual funds	2156208	10.37
Alternate Investment Funds	301255	1.45
Banks	0	0.00
NBFCs registered with RBI	200	0.00
Foreign Portfolio Investors	244697	1.18
Non Resident Individuals	206062	0.99
Body Corp-Ltd Liability Partnership	24633	0.12
Clearing Member	103	0.00
Hindu Undivided Family	168349	0.81
Bodies Corporate	224653	1.08
Individuals/Public	4407063	21.19
Total	20798575	100.00

Shareholders holding more than 1% Equity Shares of the Company as on March 31, 2024

Name of Shareholder	No. Of Shares Held	% of Issued Share Capital
AKW WBL Family Private Trust	8381340	40.29
Ashok Kumar Windlass	4400000	21.16
ICICI Prudential Smallcap Fund	1083157	5.2
ICICI Prudential Pharma Healthcare and Diagnostics (P.H.D) Fund	857651	4.12
Vimla Windlass	284000	1.36
Perpetuity Health To Wealth (H2W) Rising Fund	230000	1.1
UTI - Healthcare Fund	215400	1.03

REPORT ON CORPORATE GOVERNANCE (Contd.)

Registrar and Transfer Agent	Link Intime India Private Limited
Share Transfer System	There are no cases of share transfer or transmission during the year since all shares are held in dematerialised form. However, the transmission cases and demat requests, if any, shall be processed and approved by the Share Transfer Committee of the Board on a fortnightly basis and it will be reported at the subsequent Board Meeting.
Dematerialisation of shares and liquidity	100% of the share capital is held through dematerialised mode as on March 31, 2024.
Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	The Company has not issued GDRs/ADRs/Warrants or any convertible instruments.
Plant locations	The Company's manufacturing activities are located at: <ol style="list-style-type: none"> 1. Dehradun Plant- I, located at 40/1, Mohabewala Industrial Area, Dehradun in Uttarakhand - 248110. 2. Dehradun Plant- II, located at Khasra no. 141 to 143 and 145, Mohabewala Industrial Area, Dehradun in Uttarakhand - 248110. 3. Dehradun Plant- III, located at Plot no. 39, Pharma City Selaqui Industrial Area, Dehradun in Uttarakhand - 248110. 4. Dehradun Plant- IV, located at Plot no. 183 and 192, Mohabewala Industrial Area, Dehradun in Uttarakhand - 248110. 5. Dehradun Plant- V, Plot No. 166, 167, 168, & 172, Mohabewala Industrial Area, Dehradun, Uttarakhand - 248110
Addresses for correspondence	All correspondence relating to shares should be addressed to Link Intime India Private Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai, Maharashtra 400083, The Company's Registrar and Transfer Agent at the address mentioned aforesaid. Shareholders holding shares in electronic mode should address their correspondence to the respective Depository Participants.

Unclaimed Dividends

Pursuant to Section 125 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Shareholders are advised to claim the un-cashed dividends lying in the unpaid dividend accounts of the Company before the due date. Given below are the dates of declaration of dividend and due dates for claiming dividend.

Date of Declaration of Dividend	Dividend for the year	Due for transfer to the IEPF	Amount lying in unpaid dividend account as on March 31, 2024 (₹)
September 19, 2022	2021-22	October 19, 2029	95,693.71
September 12, 2023	2022-23	October 12, 2030	80,061.00

Pursuant to Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the Equity Shares of the Company in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred by the Company to IEPF Authority. The Company is not required to transfer any Equity Shares to IEPF Authority since no dividend has remained unclaimed or unpaid for seven consecutive years or more.

Remittance of Dividend through NACH/ DCF

Members holding shares in physical form, desirous of receiving dividend by direct electronic deposit through National Automated Clearing House (NACH)/ Direct Credit Facility arrangements with the Banker, to their bank accounts may authorise the Company by giving details of their NACH mandate. For more details, kindly write to the Company's Registrar and Transfer Agent – Link Intime India Private Limited.

Bank Details for Electronic Shareholding

While opening Accounts with Depository Participants (DPs), you may have given your Bank Account details, which were used by the Company for ECS/printing on dividend warrants for remittance of dividend. However, remittance of dividend through ECS/NECS has been replaced by NACH. In order to facilitate the Company to remit the dividend amount through NACH, please furnish your new bank account number allotted to you by your bank to your DPs, along with photocopy of cheque pertaining to your bank account.

Physical Transfer of Shares

As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Members can contact the Company by sending an email at grievance@windlasbiotech.com or to the Company's Registrar and Transfer Agent, Link Intime India Private Limited at delhi@linkintime.co.in for assistance in this regard.

Nomination Facility

Shareholders should register their nominations in Form SH-13 in case of physical shares with the Company's Registrar and Transfer Agent – Link Intime India Private Limited. In case of dematerialised shares, nomination should be registered by the shareholders with their DP. Nomination would help the nominees to get the shares transmitted in their favour in a smooth manner without much documentation/ legal requirements.

Receipt of Balance Sheet/other documents through Electronic mode

As servicing of documents to shareholders, including Notice of Annual General Meeting, Balance Sheet, Statement of Profit and Loss, etc. is permitted through electronic mail, the Company will send the Annual Report and other documents in electronic form to those shareholders whose e-mail address are registered with the Company's Registrar and Transfer Agent. Link Intime India Private Limited or made available by the Depositories.

In compliance with MCA Circular dated May 5, 2020 read with Circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and SEBI Circulars dated May 12, 2020 and January 15, 2021, Notice of 23rd AGM along with the Annual Report 2023-24 is sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2023-24 are also available on the Company's website <http://www.windlas.com/> and websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at <http://www.bseindia.com/> and <http://www.nseindia.com/> respectively.



DECLARATION BY THE CEO ON COMPLIANCE WITH THE CODE OF CONDUCT

I hereby declare that all the Directors and Seniors Management personnel have as on March 31,2024 affirmed compliance of their respective Codes of Conduct adopted by the Company and confirmation to that effect has been given by each of them.

Place: Gurgaon
Date: May 20, 2024

Komal Gupta
Chief Executive Officer

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members of

Windlas Biotech Limited

40/1, Mohabewala Industrial Area,
Dehradun, Uttarakhand, 248110

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Windlas Biotech Limited having CIN L74899UR2001PLC033407 and having registered office at 40/1, Mohabewala Industrial Area, Dehradun, Uttarakhand, 248110 (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 ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Details of Directors:

Name	DIN	Begin date
Mr. Ashok Kumar Windlass	00011451	February 19, 2001
Mr. Manoj Kumar Windlass	00221671	April 01, 2006
Mr. Srinivasan Venkataraman	01132306	May 06, 2021
Mr. Hitesh Windlass	02030941	January 21, 2008
Mr. Gaurav Gulati	02308392	May 06, 2021
Mr. Vivek Dhariwal	02826679	May 06, 2021
Mrs. Prachi Jain Windlass	06661073	May 03, 2021
Mr. Pawan Kumar Sharma	08478261	June 11, 2019

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 based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sandeep Joshi & Associates

Sandeep Joshi

Practicing Company Secretary

Proprietor

Membership No. ACS 42945

COP No. 19210

ICSI UDIN: A042945F000403613

Date: 20/05/2024

Place: Dehradun



CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To

The Members of

Windlas Biotech Limited

40/1, Mohabewala Industrial Area,
Dehradun, Uttarakhand, 248110

1. I have examined the compliance conditions of Corporate Governance by Windlas Biotech Limited (CIN: L74899UR-2001PLC033407) for the year ending March 31, 2024 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
2. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. No investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Company.
4. In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with all applicable conditions of Corporate Governance as stipulated in the Listing Regulations.
5. The Company has submitted and published the Financial Results for all the quarters within the stipulated time.
6. I 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

For Sandeep Joshi & Associates

Sandeep Joshi

Practicing Company Secretary

Proprietor

Membership No. ACS 42945

COP No. 19210

ICSI UDIN: A042945F000403668

Date: May 20, 2024

Place: Dehradun

INDEPENDENT AUDITOR'S REPORT

To,

The Members,

Of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Windlas Biotech Limited (formerly known as Windlas Biotech Private Limited) ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2024, 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 material accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

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

Basis for Opinion




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

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters:

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

We have determined the matters described below to be the

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition:</p> <p>For the year ended March 31, 2024 the Company has recognized revenue from contracts with customers amounting to Rs. 6,288.85 millions.</p> <p>Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.</p> <p>Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.</p> <p>The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.</p> <p>Refer to Accounting Policies Note 2.08 and Note No. 26 of the standalone Financial Statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">  Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company.  On sample basis, examining supporting documents for the sales transaction occurring during the year and near the end of the accounting period including the credit notes issued after period end to verify the occurrence and accuracy of revenue, whether revenue recording was consistent with the conditions, and whether it was in compliance with the Company's Policy.  Performed analytical procedure to identify the unusual trends and also tested journal entries recognized in revenue focusing on unusual or irregular transactions.

INDEPENDENT AUDITOR'S REPORT(CONTD.)

Information other than the Standalone financial statements and Auditor's Report thereon

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

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 are also responsible for overseeing the company's financial reporting process.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

🔍 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

🔍 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

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

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

From the matters communicated with those charged with

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 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. 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), 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended from time to time.
 - e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164 (2) of the Act.

INDEPENDENT AUDITOR'S REPORT(CONTD.)

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".

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its Standalone financial statements. Refer Note no. 47 to the Standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts. The Company did not have any long-term derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall,

whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures 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 (a) and (b) above, contain any material misstatement.

v. According to the information and explanations given to us, the final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. The company has not declared or paid any interim dividend during the year. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books

INDEPENDENT AUDITOR'S REPORT(CONTD.)

of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 is applicable from

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

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Reg. No. 000756N/N500441

Vijay Kumar

Partner

Membership No. 092671

UDIN: 24092671BKFB0G4698

Place: Delhi

Date: May 20, 2024

ANNEXURE A TO THE INDEPENDENT AUDITOR'S

The Annexure as referred in clause (1) 'Report on Other Legal and Regulatory Requirements of our Independent Auditors' Report to the members of **Windlas Biotech Limited (formerly known as Windlas Biotech Private Limited)** on the Standalone financial statements for the year ended 31 March 2024, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant & Equipment and right to use assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In

accordance with this program, all major items of assets were physically verified by the management during the year and no material discrepancies were noticed on such verification as compared to the books of accounts.

- (c) According to the information and explanation given to us and based on our examination of records, we report that, the title deeds of all immovable properties disclosed in the financial statements included under Property, Plant and Equipment (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as at the balance sheet date except for the following property which was transferred as a result of an amalgamation of companies as stated in the Note 3 to the Standalone Financial Statements wherein the title deeds are in the name of the erstwhile Company:

Description of Property	Gross Carrying Value (Amount in millions)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
Land	137.73	Windlas Healthcare Private Limited	No	From May 1, 2020	Pursuant to scheme of arrangement for merger in Financial Year 2020-21 these assets are in the process of being transferred in the name of the Company.
Building	145.15	Windlas Healthcare Private Limited	No	From May 1, 2020	
Total	282.88				

- (d) According to the information and explanations given to us and based on our examination of records, 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, no proceedings have been initiated against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made

thereunder as well no proceedings are pending against the company.

- ii. (a) We have been explained by the management that the inventory (except stock lying with the third parties and in transit, for which confirmations have been received/ material received) has been physically verified at reasonable intervals and the procedures of physical verification of inventory followed by the management are reasonable in relation to the size of the Company and nature of its business. According to information and

explanations given to us, no material discrepancies were noticed between the physical stock and the book records.

- (b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of 5 crores from banks on the basis of security of current assets; The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- iii. According to the information and explanations given to us, the company has not provided loans, advances in the nature of loans, guarantee & security to any other entity during the year. Also, the company has not made any investments during the year. Accordingly, reporting under clause 3(iii) (a), (b), (c), (d), (e) & (f) of the Order is not applicable for the year.
- iv. According to the information and explanations given to us, the Company has not given any loan or guarantee or provided any security covered under section 185 of the Act. The company has complied with the provision of section 186 of the act in respect of investments made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or deemed deposits from the public within the meaning of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of section 148 of the Act and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods & Service Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax and any other statutory dues with appropriate authorities to extend applicable.
- According to the information and explanations given to us and on the basis of examination of the records of the Company, there are no undisputed statutory dues payable for the period of more than six months from the date they become payable as on 31st March 2024.
- (b) There are no dues of goods and services tax, provident fund, employees' state Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value added tax, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961); reporting under clause 3(viii) of the Order is not applicable.
- ix. (a) According to the information and explanation given to us and based on our examination of records, the Company has not defaulted in repayment of loans or other borrowings or in the payment of Interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, the company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, the company has not taken any term loans during the year.
- (d) According to the information and explanation given to us and based on our examination of records, funds raised on short term basis have not been utilized for long term purposes.
- (e) According to the information and explanations given to us and based on our examination of records, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary or joint venture.
- (f) According to the information and explanations given to us and based on our examination of

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

- records, the company has not raised loans during the year on the pledge of securities held in its subsidiary or joint venture.
- x. (a) In our opinion and according to information and explanations given by the management and audit procedures performed by us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (x) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on 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) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company being noticed or reported during the year, nor have we been informed of such case by the management.
- (b) According to the information and explanations given to us and based on our examination of records, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received by the company during the year.
- xii. In our opinion and 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. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, and details of such transactions have been disclosed in the Standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under section 133 of the Companies Act, 2013.
- xiv. (a) In our opinion and according to the information and explanations given to us, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) As a part of audit procedures, the reports of the Internal Auditors for the year under audit were considered by us.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, this clause of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company. Accordingly, this clause 3 (xvi)(c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the current financial year and the immediately preceding financial year.

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

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 plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts

up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. (a) In respect to other than ongoing projects, there are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) (a) of the Order is not applicable for the year.
- (b) According to the information and explanations given to us, the company has not undertaken any ongoing projects for CSR during the year, accordingly reporting under Clause 3(xx) (b) of the Order is not applicable for the year.

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Reg. No. 000756N/N500441

Vijay Kumar

Partner

Membership No. 092671

UDIN: 24092671BKFB0G4698

Place: Delhi

Date: May 20, 2024

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

of even date on the Standalone Financial Statements of WINDLAS BIOTECH LIMITED (formally known as Windlas Biotech Private Limited)

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in clause 2(f) of ‘Report on Other Legal and Regulatory Requirements’ of our Independent Auditor’s Report.

We have audited the internal financial controls with reference to financial statements of **Windlas Biotech Limited** (formally known as Windlas Biotech Private limited) (“the Company”) as of 31 March 2024 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such

controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to 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

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

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 control 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal control 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 with reference to Financial statements issued by the Institute of Chartered Accountants of India.

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Reg. No. 000756N/N500441

Vijay Kumar

Partner

Membership No. 092671

UDIN: 24092671BKFB0G4698

Place: Delhi

Date: May 20, 2024

Standalone Balance Sheet as at March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	1,694.85	1,025.99
Capital work in Progress	4	57.08	138.01
Right of Use	5	50.95	63.01
Other Intangible Assets	6 (a)	44.68	5.05
Intangible Assets Under Development	6 (b)	-	9.79
Financial Assets:			
(i) Investments	9	-	0.34
(ii) Other Financial Assets	10	43.23	76.37
Deferred Tax Assets (Net)	7	5.72	20.25
Other Non-Current Assets	11	52.69	415.92
		1,949.20	1,754.73
Current Assets			
Inventories	12	621.89	747.38
Financial Assets:			
(i) Investments	9	1,734.35	1,065.14
(ii) Trade Receivables	13	1,362.77	1,168.60
(iii) Cash and Cash Equivalents	14	52.40	36.85
(iv) Bank Balance other than cash and cash equivalents	15	256.57	217.68
(v) Other Financial Assets	10	15.35	14.68
Current Tax Assets (Net)	8	6.88	-
Other Current Assets	11	262.17	285.02
		4,312.38	3,535.35
Total assets		6,261.58	5,290.08
EQUITY AND LIABILITIES			
Equity			
(i) Equity Share Capital	16	103.99	104.63
(ii) Other Equity	17	4,398.92	3,922.02
		4,502.91	4,026.65

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Liabilities			
Non-Current Liabilities			
Financial Liabilities:			
(i) Borrowings	18	-	1.09
(ii) Lease liability	19	20.18	30.17
(iii) Other Financial Liabilities	20	1.80	3.18
Provisions	21	23.21	20.18
		45.19	54.62
Current Liabilities			
Financial Liabilities:			
(i) Borrowings	23	1.09	3.35
(ii) Trade Payables	24		
(a) total outstanding dues of micro enterprises and small enterprises		153.11	33.71
(b) total outstanding dues for creditors other than micro enterprises and small enterprises		1,158.01	840.11
(iii) Lease liability	19	15.14	15.32
(iv) Other Financial Liabilities	20	332.19	264.47
Other Current Liabilities	25	46.69	41.46
Provisions	21	7.25	4.48
Current Tax Liabilities (Net)	22	-	5.91
		1,713.48	1,208.81
Total equity and liabilities		6,261.58	5,290.08

Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Standalone Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Operations	26	6,309.56	5,130.83
Other Income	27	134.68	99.65
Total Income		6,444.24	5,230.48
Expenses			
Cost of Material Consumed	28	3,865.87	3,407.14
Changes in Inventories of Finished goods and Work-in-progress	29	95.88	(152.67)
Employee Benefit Expenses	30	874.57	703.21
Finance Cost	31	11.03	7.86
Depreciation and Amortization expense	32	134.44	123.64
Other Expenses	33	692.22	570.73
Total Expenses		5,674.01	4,659.91
Profit before tax		770.23	570.57
Income tax expense			
Current tax	7	173.44	143.50
Deferred Tax	7	15.35	0.63
Total Tax Expense		188.79	144.13
Profit for the year		581.44	426.44
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans- gain/(loss)		(3.25)	(2.09)
Income tax effect		0.82	0.53
Other Comprehensive Income for the year		(2.43)	(1.56)
Total Comprehensive Income for the year		579.01	424.88
Earnings per share:			
Basic (in Rs.)	36	27.95	19.71
Diluted (in Rs.)	36	27.86	19.71
Face value per share (in Rs.)		5	5

Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

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Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Standalone Statement of Changes in Equity for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

A. Equity share capital

Equity shares of face value Rs. 5 each issued, subscribed and fully paid up

Particulars	No. of shares	Amount
As at March 31, 2022	21,794,375	108.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as on April 1, 2022	21,794,375	108.97
Impact of Buy Back of Shares	(867,747)	(4.34)
As at March 31, 2023	20,926,628	104.63
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as on April 1, 2023	20,926,628	104.63
Impact of Buy Back of Shares	(128,053)	(0.64)
As at March 31, 2024	20,798,575	103.99

B. Other equity

Particulars	Reserves and surplus					Total Equity
	Securities premium	General Reserve	ESOP Reserve	Retained earnings	Capital Redemption Reserve	
As at March 31, 2022	2,269.47	136.25	18.13	1,418.44	-	3,842.29
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as on April 1, 2022	2,269.47	136.25	18.13	1,418.44	-	3,842.29
Buy Back of Shares	(213.64)	-	-	-	-	(213.64)
Buy Back Tax	(49.76)	-	-	-	-	(49.76)
Buy Back Expenses	(4.18)	-	-	-	-	(4.18)
Share issue expenses	(11.37)	-	-	-	-	(11.37)
ESOP reserve created during the year	-	-	10.08	-	-	10.08
Profit for the year	-	-	-	426.44	-	426.44
Dividend paid	-	-	-	(76.28)	-	(76.28)
Other comprehensive income, net of income tax	-	-	-	(1.56)	-	(1.56)
Capital Redemption reserve	(4.34)	-	-	-	4.34	-
As at March 31, 2023	1,986.18	136.25	28.21	1,767.04	4.34	3,922.02
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance as on April 1, 2023	1,986.18	136.25	28.21	1,767.04	4.34	3,922.02
Buy Back of Shares	(31.44)	-	-	-	-	(31.44)
Buy Back Tax	(7.32)	-	-	-	-	(7.32)
Buy Back Expenses	(0.83)	-	-	-	-	(0.83)
ESOP reserve created during the year	-	-	20.67	-	-	20.67
Profit for the year	-	-	-	581.44	-	581.44
Dividend paid	-	-	-	(83.19)	-	(83.19)
Other comprehensive income, net of income tax	-	-	-	(2.43)	-	(2.43)
Capital Redemption reserve	(0.64)	-	-	-	0.64	-
As at March 31, 2024	1,945.95	136.25	48.88	2,262.86	4.98	4,398.92



Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

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Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Standalone Statement of Cash Flows for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Profit before tax	770.23	570.57
Adjustments for:		
Depreciation & amortization expense	134.44	123.64
Balances written off (net)	-	0.54
Provision for doubtful balance	25.40	-
Allowance for Doubtful Debts	2.09	22.75
(Gain) / Loss on Investments measured at FVTPL	(108.21)	(47.82)
ESOP Expenses	20.67	10.08
Assets written off	-	0.08
Net (gain)/ loss on sale of Property Plant & Equipment	(0.06)	(8.76)
Provision for impairment in value of investments	0.34	-
Interest expense on borrowings	7.06	5.61
Interest expense on lease liability	3.97	2.25
Interest income	(19.69)	(34.90)
Operating Profit before working capital changes	836.24	644.04
Changes in operating assets and liabilities:		
Increase/(decrease) in provisions	4.98	5.70
Increase/(decrease) in trade payables	437.29	244.83
Increase/(decrease) in other financial liabilities	46.81	39.60
Increase/(decrease) in other current liabilities	5.23	26.42
Decrease/(increase) in trade receivables	(198.35)	(83.63)
Decrease/(increase) in inventories	125.49	(160.28)
Decrease/(increase) in other financial assets	(3.64)	22.84
Decrease/(increase) in other non current assets	(1.56)	(0.24)
Decrease/(increase) in other current assets	22.85	(32.30)
Cash generated from operations	1,275.34	706.98
Income taxes refunded/ (paid)	(186.23)	(97.16)
Net cash flow from operations (A)	1,089.11	609.82
Cash flow from investing activities		
Purchase of property, plant & equipment, Intangible assets and capital work in progress including capital advances and capital creditors	(376.84)	(708.90)
Sale of property, plant & equipment, Intangible assets and capital work in progress	0.42	9.10
Proceeds from redemption/ (investment in) Mutual Funds (net)	(561.00)	(369.08)
Interest received	17.41	45.50
Proceeds from redemption of / (Investment in) fixed deposits (net)	(0.67)	882.28
Net cash used in investing activities (B)	(920.68)	(141.10)
Cash flow from financing activities		
Proceeds/(Repayment) of Short Term Borrowings (Including current Maturity)	(2.26)	(53.42)
Share Issue Expenses	-	(11.37)
Buyback of equity shares	(40.23)	(271.93)
Dividend Paid	(83.01)	(76.28)
Repayment of Long Term Borrowings	(1.09)	(3.35)
Repayment of Lease liabilities (principal portion)	(15.24)	(13.17)

Interest paid (including interest on lease liabilities)	(11.05)	(7.87)
Net cash flow from/ (used in) financing activities (C)	(152.88)	(437.39)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	15.55	31.33
Cash and cash equivalents at the beginning of the year	36.85	5.52
Cash and cash equivalents at the closing of the year	52.40	36.85

Notes:
a) Cash and Cash Equivalents included in Statement of Cash Flow comprise of following (Refer Note 14):

	For the year ended March 31, 2024	For the year ended March 31, 2023
Balances with Banks	51.98	36.63
Fixed deposits with original maturity of less than 3 months	0.20	-
Cash on Hand	0.22	0.22
Total	52.40	36.85

b) Reconciliation of changes in liabilities arising from financing activities:

Particulars	As at March 31, 2022	Net Cash Flows	Non cash changes	As at March 31, 2023
			Fair value changes	
Long term borrowings	4.44	(3.35)	-	1.09
Short term borrowings*	56.77	(53.42)	-	3.35
Interest accrued	-	(7.87)	7.87	-
Lease liabilities	5.16	(13.17)	53.50	45.49
Dividend	-	(76.28)	-	-
Equity Share Capital	-	(271.93)	271.93	-
Total Liabilities	66.37	(426.02)	333.30	49.93

Particulars	As at March 31, 2023	Net Cash Flows	Non cash changes	As at March 31, 2024
			Fair value changes	
Long term borrowings	1.09	(1.09)	-	-
Short term borrowings*	3.35	(2.26)	-	1.09
Interest accrued	-	(11.05)	11.05	-
Lease liabilities	45.49	(15.24)	5.07	35.32
Dividend	-	(83.01)	-	0.18
Equity Share Capital	-	(40.23)	40.23	-
Total Liabilities	49.93	(152.88)	56.35	36.59

* including current maturities of Long term borrowings

Note: For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Notes to Standalone Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

1. CORPORATE INFORMATION

Windlas Biotech Limited (formerly known as Windlas Biotech Private Limited) ('the Company') is a limited company domiciled in India and incorporated on February 19, 2001 under the provisions of the Companies Act, 1956 having its registered office at 40/1, Mohabewala Industrial Area, Dehradun, Uttarakhand. The Company is engaged in manufacturing and trading of pharmaceutical products. The Company's manufacturing facilities are located at Dehradun in Uttarakhand.

Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on April 03, 2021, the Company has converted from a Private Limited Company to a Public Limited Company and consequently, name of the Company has changed to Windlas Biotech Limited pursuant to fresh certificate of incorporation issued by ROC on April, 15 2021.

The Standalone Financial Statements for the year ended March 31, 2024 were approved for issue by the Board of Directors, in accordance with resolution passed on 20th May 2024.

2. MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these Standalone Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.01. Basis of preparation

i) Compliance with IndAS

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

ii) Historical cost convention

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

The Standalone Financial Statements are presented in Indian Rupees ('INR') and all values are rounded to nearest millions (INR '000,000) upto two decimal places, except when otherwise indicated.

iii) Current versus non-current classification

The Company presents assets and liabilities in the Standalone 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 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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for 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

All other liabilities are classified as non current.

Deferred tax assets and deferred tax 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.

2.02. Property, plant and equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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 income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is provided on prorata basis on written-down value method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Assets	Useful life (in years)
Building	30
Plant and machinery	15
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Computers and servers	3-6
Exceptions to above	
Plant & machinery (Continuous Process plant)* (Including second hand Purchase) *	15
Lab Equipment *	15

*Based on Internal assessment the management believes that the useful life given above best represent the period over which management expects to use these assets

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed

cost of such property, plant and equipment."

2.03. Intangible assets

Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

2.04. Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

- i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- ii) Its intention to complete the asset;
- iii) Its ability to use or sell the asset;
- iv) How the asset will generate future economic benefits;
- v) The availability of adequate resources to complete the development and to use or sell the asset; and
- vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight line basis over the estimated useful economic life of 5 years, which represents the period over which the Company expects to derive economic benefits from the use of the assets.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all the items of intangible assets recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible assets.

2.05. Financial instruments

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

(i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortized cost

The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

- Debt instruments at fair value through profit and loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortized cost
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortized cost

A Debt instrument is measured at amortized cost if both the following conditions are met:

- Business Model Test** : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to

trade and other receivables.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

- a) Business Model Test :** The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.
- b) Cash flow characteristics test:** The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

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

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 Profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - (a) the Company has transferred the rights to receive cash flows from the financial assets or
 - (b) the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership

of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

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

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider (i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

(a) Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

(c) Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the "accumulated impairment amount"

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivative are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Borrowing are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derecognition

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.

Offsetting of financial instruments:

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial 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. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.06. Inventories

a) Basis of valuation:

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

b) Method of Valuation:

- i) Cost of raw materials and components has been determined by using FIFO method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- ii) Cost of finished goods and work-in-progress includes raw material, packing material, direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities.
- iii) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.07. Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws. The Company's management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis."

2.08. Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company collects Goods and Service Tax on behalf of government, and therefore, these are not consideration to which the Company is entitled, hence, these are excluded from revenue. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

a) Revenue from sale of goods

Revenue from sale of goods is recognised at the point in time when significant risk and rewards of ownership of the goods is transferred to the customer, generally ex-factory.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

b) Revenue from sale of services

Revenue from sale of services is recognised over a period of time because the customer simultaneously receives and consumes the benefits provided by the Company and accounted revenue as and when services are rendered on cost plus basis where cost is determined on principles mutually agreed with customers.

c) Consideration of significant financing component in a contract

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

d) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

e) Contract Assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

f) 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 recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

g) Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

2.09. Employee benefits

(i) Long-term employee benefit obligations

a) Compensated Absences

"Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses are determined."

(ii) Post-employment obligations

a) Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- (ii) Net interest expense or income"

b) Provident fund

The Company makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Company's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

c) Employee State Insurance

The Company makes prescribed monthly contributions towards Employees' State Insurance Scheme.

d) Superannuation Scheme

The Company contributes towards a fund established to provide superannuation benefit to certain employees in terms of Group Superannuation Policy entered into by such fund with the Life Insurance Corporation of India.

e) Pension Scheme

The Company makes contributions to the Pension Scheme fund in respect of certain employees of the Company

2.10 Leases- Company as a lessee

Leases are accounted for using the principles of recognition, measurement, presentation and disclosures as set out in Ind AS 116 Leases.

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's financial statements as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The Company allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liabilities on initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated to a residual value over the rights-of-use assets' estimated useful life or the lease term, whichever is lower. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed at each reporting date.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest on lease liability and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is

a modification e.g. a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

The Company has opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease payments are presented as follows in the Company's statement of cash flows:

- (i) short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- (ii) payments for the interest element of recognised lease liabilities are presented within cash flows from financing activities; and
- (iii) payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities."

2.11 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

2.12 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.13 Employees Stock option plan

Some employees (including senior executives) of the Company receive remuneration in the form of share based payment, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.14 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have

the most significant effect on the amounts recognized in the Standalone Financial Statements.

a) Recognition of deferred taxes

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Impairment of Financial assets

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

c) Recognition of revenue

The price charged from the customer is treated as stand alone selling price of the goods transferred to the customer. At each balance sheet date, basis the past trends and management judgment, the Company assesses the requirement of recognising provision against the sales returns for its products and in case, such provision is considered necessary, the management make adjustment in the revenue. However, the actual future outcome may be different from this judgement.

d) Impairment of non-Financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

e) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease etc. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

f) Government grants

The Company assesses whether the government grant received is for purchase of capital assets or for meeting expenses as per the conditions attached to the grant and recognises the same as either deduction from cost of assets or income in statement of profit and loss.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available

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

a) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority

b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 40.

c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Property, plant and equipment and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. For managements estimates on useful life of assets refer note 2.02 and 2.03.

Notes to Standalone Financial Statement for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

3. Property, plant and equipment

	Freehold Land*	Buildings*	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Electrical Installation	Motor Vehicles	Total
Gross Block									
As at April 01, 2022	215.71	453.60	795.95	28.98	7.52	9.62	36.41	11.98	1,559.77
Add: Additions	97.88	35.99	106.91	4.13	0.09	2.98	0.95	1.32	250.25
Less: Disposals	-	-	0.25	-	-	-	-	1.75	2.00
As at March 31, 2023	313.59	489.59	902.61	33.11	7.61	12.60	37.36	11.55	1,808.02
Add: Additions	-	148.00	597.47	7.65	0.43	5.44	21.18	3.88	784.05
Less: Disposals	-	-	-	-	-	-	-	2.15	2.15
As at March 31, 2024	313.59	637.59	1,500.08	40.76	8.04	18.04	58.54	13.28	2,589.92
Depreciation									
As at April 01, 2022	-	173.59	451.22	17.94	6.76	6.38	18.30	1.23	675.42
Add: Charge for the year	-	27.39	66.85	3.05	0.32	2.37	4.93	3.27	108.18
Less: Disposals	-	-	0.16	-	-	-	-	1.41	1.57
As at March 31, 2023	-	200.98	517.91	20.99	7.08	8.75	23.23	3.09	782.03
Add: Charge for the year	-	27.62	73.11	3.09	0.29	3.99	3.73	2.99	114.82
Less: Disposals	-	-	-	-	-	-	-	1.79	1.79
As at March 31, 2024	-	228.60	591.02	24.08	7.37	12.74	26.96	4.29	895.06
Net Carrying Value									
As at March 31, 2023	313.59	288.61	384.70	12.12	0.53	3.85	14.13	8.46	1,025.99
As at March 31, 2024	313.59	408.99	909.06	16.68	0.67	5.30	31.58	8.98	1,694.85

* Details of properties where title deeds are not held in the name of the company as below:

Description of Property	Gross Carrying Value	Held in name of	Whether title deed holder is a promotor / director / employee or their relatives	Property held since which date	Reason for not being held in name of company
Land	137.73	Windlas Healthcare Private Limited	No	From May 1, 2020	Pursuant to scheme of arrangement for merger in FY 2020-21 these assets are in the process of being transferred in the name of the Company
Building	145.15	Windlas Healthcare Private Limited	No	From May 1, 2020	
Total	282.88				

4. Capital Work-in-progress

	Amount
As at April 01, 2022	75.81
Add: Additions	161.89
Less: Expense off during the year	-
Less: Capitalized during the year	99.69
As at March 31, 2023	138.01
Add: Additions	667.07
Less: Expense off during the year	-
Less: Capitalized during the year	748.00
As at March 31, 2024	57.08

Capital Work-in-progress as at March 31, 2024	Amount of CWIP for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	57.08	-	-	-	57.08
Projects temporarily suspended	-	-	-	-	-

Capital Work-in-progress as at March 31, 2023	Amount of CWIP for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	109.66	28.35	-	-	138.01
Projects temporarily suspended	-	-	-	-	-

5. Right of Use

	Vehicle	Leasehold land	Leasehold Buildings	Total
Gross Carrying Value				
As at April 1, 2022	-	15.02	27.60	42.62
Add: Additions	20.94	-	32.56	53.50
Less: Deductions	-	-	-	-
As at March 31, 2023	20.94	15.02	60.16	96.12
Add: Additions	6.43	-	-	6.43
Less: Deductions	1.63	-	24.43	26.06
As at March 31, 2024	25.74	15.02	35.73	76.49
Depreciation / Amortization				
As at April 1, 2022	-	0.51	19.12	19.63
Add: Charge for the year	4.80	0.17	8.51	13.48
Less: Deductions	-	-	-	-
As at March 31, 2023	4.80	0.68	27.63	33.11
Add: Charge for the year	7.99	0.17	9.00	17.16
Less: Deductions	0.30	-	24.43	24.73
As at March 31, 2024	12.49	0.85	12.20	25.54
Net Carrying Value				
As at March 31, 2023	16.14	14.34	32.53	63.01
As at March 31, 2024	13.25	14.17	23.53	50.95

6 (a) Other Intangible asset

	Product development	Software	Total
Gross Carrying Value			
As at April 01, 2022	8.41	27.91	36.32
Add: Additions	-	2.53	2.53
Less: Disposals	-	-	-
As at March 31, 2023	8.41	30.44	38.85
Add: Additions	-	42.09	42.09
Less: Disposals	-	-	-
As at March 31, 2024	8.41	72.53	80.94
Amortization			
As at April 01, 2022	8.41	23.41	31.82
Add: Charge for the year	-	1.98	1.98
Less: Disposals	-	-	-
As at March 31, 2023	8.41	25.39	33.80
Add: Charge for the year	-	2.46	2.46
Less: Disposals	-	-	-
As at March 31, 2024	8.41	27.85	36.26
Net Carrying Value			
As at March 31, 2023	-	5.05	5.05
As at March 31, 2024	-	44.68	44.68

6 (b) Intangible Assets Under Development

	Amount
As at April 1, 2022	4.32
Add: Additions	5.47
Less: Capitalized during the year	-
Less: Write off	-
As at March 31, 2023	9.79
Add: Additions	34.31
Less: Capitalized during the year	44.10
Less: Write off	-
As at March 31, 2024	-

Intangible Assets Under Development as at March 31, 2024	Amount of Intangible Assets Under Development for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible Assets Under Development as at March 31, 2023	Amount of Intangible Assets Under Development for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	5.47	4.32	-	-	9.79
Projects temporarily suspended	-	-	-	-	-

7 Deferred tax created on:

	Balance Sheet	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Property, Plant & Equipment and Intangible Assets	1.71	14.07
Employee benefits	15.88	13.57
Financial instruments measured at amortised cost	0.12	0.36
Financial instruments measured at fair value through P&L	(23.49)	(11.89)
Right of use, net of lease liability	(3.96)	(4.40)
Others	15.46	8.54
	5.72	20.25
Deferred tax comprise of:		
Deferred tax asset	42.09	48.00
Deferred tax liability	(36.37)	(27.75)
Net deferred tax asset/ (liability)	5.72	20.25

Movement of deferred tax	Statement of Profit & Loss	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Property, Plant & Equipment and Intangible Assets	12.36	2.20
Employee benefits	(1.49)	(1.81)
Financial instruments measured at amortised cost	0.24	0.02
Financial instruments measured at fair value through P&L	11.60	6.04
Right of use, net of lease liability	(0.44)	(0.09)
Others	(6.92)	(5.73)
Deferred tax expense / (Credit) charged in P&L	15.35	0.63
Deferred tax expense / (Credit) charged in other comprehensive income	(0.82)	(0.53)
Total Deffered tax expense/ (Credit)	14.53	0.10

7 Income Tax

	For the year ended March 31, 2024	For the year ended March 31, 2023
The major components of income tax expense are:		
Profit and loss -		
Current income tax:		
Current income tax charge	171.15	143.09
Adjustment of tax relating to earlier periods	2.29	0.41
Deferred tax:		
Related to origination and reversal of temporary differences	15.35	0.63
Income tax expense reported in the statement of profit and loss	188.79	144.13
Reconciliation of tax expense and accounting profit		
Accounting profit / (loss) before tax from continuing operations	770.23	570.57
Statutory income tax rate applicable	25.17%	25.17%
Tax at India's statutory income tax rate	193.85	143.61
Adjustment for less depreciation under income tax	(8.01)	13.41

Adjustment for gratuity, leave encashment and bonus allowed on actual paid basis	4.90	(1.49)
Income not taxable	(27.48)	(57.99)
Other expenses disallowed	10.56	34.45
Income chargeable at different tax rate	2.19	23.41
Others	(4.86)	(12.31)
Deferred tax asset expense/ (credit) during the year	15.35	0.63
Adjustments in respect of current income tax of previous years	2.29	0.41
Income tax expense reported in the statement of profit and loss	188.79	144.13

8 Current Tax assets (net)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Advance tax (net of provision for taxation)	6.88	-
Total	6.88	-



9 Investments

	Units at Mar, 31 2024	Units at Mar, 31 2023	Current		Non Current	
			As at	As at	As at	As at
			March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Investments in Subsidiary measured at cost (unquoted):						
Investment in Windlas Inc.			-	-	0.34	0.34
Less: Provision for impairment in value of investments					(0.34)	-
Investment in Mutual Funds measured at fair value through P&L	Units at Mar, 31 2024	Units at Mar, 31 2023				
ABSL Floating Rate Fund Direct Plan - Growth	765,306.200	765,306.200	247.53	229.28	-	-
TATA Money Market Fund - Direct Plan Growth	60,555.880	60,555.880	264.48	245.13	-	-
DSP Savings Fund - Direct Plan - Growth	Nil	1,977,522.460	-	90.94	-	-
ABSL Arbitrage Fund- Direct Growth	6,544,714.551	1,307,385.170	170.37	31.43	-	-
HDFC Low Duration Fund - Direct Plan Growth	1,274,812.278	1,274,812.278	72.26	66.95	-	-
L&T Arbitrage opportunities Fund Direct Plan Growth	2,184,567.792	Nil	40.49	-	-	-
HDFC Liquid Direct Plan Growth	24,422.028	24,422.028	115.85	108.02	-	-
Tata Arbitrage Fund-Direct Plan Growth	8,897,416.042	3,509,245.970	122.18	44.50	-	-
BARODA BNP PARIBAS Arbitrage Fund Direct Plan - Growth	10,453,790.231	2,302,431.017	161.46	32.84	-	-
DSP Arbitrage Fund Direct Plan - Growth	Nil	2,278,828.632	-	30.03	-	-
ABSL Income Fund Direct Plan - Growth	167,976.812	Nil	20.52	-	-	-
Bajaj banking and PSU fund Direct Plan Growth	2,834,314.207	Nil	29.32	-	-	-
Bajaj Finserv Arbitrage Fund - Direct Plan Growth	7,398,168.257	Nil	76.99	-	-	-
Baroda BNP Gilt fund Direct Growth	3,102,871.507	Nil	129.70	-	-	-
Baroda BNP Paribas Liquid Fund	3,837.439	Nil	10.69	-	-	-
HSBC CRISIL IBX 50:50 Gilt plus SDL Apr2028 Index fund	4,541,841.547	Nil	50.98	-	-	-
TATA Gilt Securities fund Direct Growth	128,893.588	Nil	10.13	-	-	-
UTI Liquid Cash Plan - Direct Plan Growth	2,657.410	Nil	10.52	-	-	-
ICICI Prudential Savings Fund - Direct Plan - Growth	402,128.239	402,128.239	200.88	186.02	-	-
Total			1,734.35	1,065.14	-	0.34
Aggregate amount of quoted investments			1,734.35	1,065.14	-	-
Aggregate Market value of quoted investments			1,734.35	1,065.14	-	-
Aggregate amount of unquoted investments			-	-	0.34	0.34
Aggregate amount of impairment in value of investments			-	-	0.34	-

10 Other financial assets

	Current		Non Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Advance to Employees	0.83	0.54	0.21	0.00
Interest accrued on fixed deposits	6.66	4.38	-	-
Security Deposits	6.75	9.21	23.23	18.19
Fixed Deposit having remaining maturity of more than 12 months*	-	-	19.79	58.18
Earnest money deposit	1.11	0.55	-	-
Total	15.35	14.68	43.23	76.37

*There is a Lien on Fixed deposit for Rs. 3.41 millions as on March 31, 2024 and Rs. 5.74 millions as on March 31, 2023

11 Other assets

	Current		Non Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Other assets				
Balances with government authorities	242.46	260.13	28.99	27.22
Less: Provision for doubtful balances*	-	-	25.31	-
Net Balance with government authorities	242.46	260.13	3.68	27.22
Prepaid / Recoverable expenses	9.84	8.71	0.69	0.99
Advances to suppliers/ vendors				
Capital Advances	-	-	48.32	387.71
Advances to Suppliers	9.87	14.63	-	-
Other Advances	-	1.55	-	-
Total	262.17	285.02	52.69	415.92

*Above amount include provision of ₹25.30 million which has been deposited by the company for state excise duty under protest for removal of goods (cough syrup) containing codeine phosphate from excise bonded warehouse during the FY2008-09 to FY2012-13. The Honorable High Court of Uttarakhand had passed an order in favour of Company not to charge excise duty on cough syrup containing codeine phosphate less than prescribed limits prospectively and not to refund the excise duty under protest. The Company has filed an application for prayer with Honorable High Court of Uttarakhand for refund of excise duty. The concerned state excise department of Uttarakhand has submitted their reply with Honorable High Court on hearing. Further, the Company has submitted reply along with required documents. Hearing is pending with Honorable High Court which is delayed due to COVID 19. The management is of the opinion that the Company will receive the refund and has also taken an opinion from expert legal consultant for same who has confirmed management's assessment. However being conservative the company has taken the provision of the same during the FY 2023-24.

12 Inventories

	As at March 31, 2024	As at March 31, 2023
[The Inventory is valued at lower of cost and net realizable value]		
Classification of Inventories:		
Raw Materials & Packing Materials	365.95	382.05
Consumables	1.91	15.42
Work-in-progress	36.52	179.52
Finished Goods (including goods in transit of Rs. 88.15 millions as at March 31, 2024 and Rs. 2.60 millions as at March 31, 2023)	217.51	170.39
Total	621.89	747.38

13 Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade Receivables considered good – Unsecured	1,362.77	1,168.60
Trade Receivables which have significant increase in credit risk – Unsecured	-	-
Trade Receivables - credit impaired – Unsecured	36.01	33.92
	1,398.78	1,202.52
Less: Allowance for expected credit loss	(36.01)	(33.92)
Total	1,362.77	1,168.60

The carrying value of the trade receivables may be affected by the changes in the credit risk as explained in note 44.

Generally, the average credit period is based on specific arrangement with the other party. Interest is charged as per the agreed terms post expiry of the credit period.

The following table summarises the change in impairment allowance measured using the life time expected credit loss model:

	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	33.92	11.17
Provision made during the year	2.09	22.75
Utilized /(reversed) during the year	-	-
At the end of the year	36.01	33.92

Contract Balances

(A) - Trade receivables, contract assets and contract liabilities

	As at March 31, 2024	As at March 31, 2023
Trade receivables {Refer note (a) below}	1,362.77	1,168.60
Contract liabilities {Refer note (b) below}		
Advance from customers	21.43	20.07
Note (a)- Account receivables represent the amount for which performance obligation has been fulfilled and revenue recognized but the money is receivable from customer.		
Note (b) - Advance from customers represents the obligation of the Company to transfer goods or services to the customers for which the consideration has already been received from the customers. Advance from customers are recognised as revenue when the Company performs under the contract with the customer.		
(B) - Unsatisfied performance obligation		
Total value of performance obligation of the Company remaining unsatisfied at the end of year with timelines within which it is expected to recognise revenue :		
Particulars		
Within one year	21.43	20.07
More than one year	-	-
(C) - During the year, revenue recognised from amounts included in contract liabilities at the beginning of the year is	20.07	7.30

13 (i) Classification and aging of Trade Receivables As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months - 1 year	1-2 Years	2-3 Years	> 3 Years	
(i) undisputed trade Receivables – considered good	686.38	670.12	6.27	-	-	-	1,362.77
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	9.84	25.74	0.43	-	36.01
(iv) disputed trade Receivables – considered good	-	-	-	-	-	-	-
(v) disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	686.38	670.12	16.11	25.74	0.43	-	1,398.78
Less: Allowance for expected credit loss							(36.01)
Total Receivables							1,362.77

Classification and aging of Trade Receivables As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months - 1 year	1-2 Years	2-3 Years	> 3 Years	
(i) undisputed trade Receivables – considered good	546.32	614.62	7.66	-	-	-	1,168.60
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	32.40	1.52	-	-	33.92
(iv) disputed trade Receivables – considered good	-	-	-	-	-	-	-
(v) disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	546.32	614.62	40.06	1.52	-	-	1,202.52
Less: Allowance for expected credit loss							(33.92)
Total Receivables							1,168.60

14 Cash and Bank balances

	As at March 31, 2024	As at March 31, 2023
Balances with banks- in current accounts	51.98	36.63
Fixed deposits- original maturity less than 3 months	0.20	-
Cash in Hand	0.22	0.22
Total	52.40	36.85

15 Bank Balances Other than Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Unpaid Dividend Accounts	0.18	-
Fixed Deposit- Original maturity more than 3 months but upto 1 year*	256.39	217.68
Total	256.57	217.68

*There is a Lien on Fixed deposit for Rs. 11.14 millions as on March 31, 2024 and Rs. 12.99 millions as on March 31, 2023

16 Equity Share Capital

	As at March 31, 2024	As at March 31, 2023
(a) Authorised Share capital		
Equity Shares		
Equity Shares of ₹5 each: 108,000,000 (Equity Shares of ₹ 5 each March 31, 2023: 108,000,000)	540.00	540.00
Instruments entirely equity in nature		
Preference Shares		
0.001% Non- Cumulative Compulsory Convertible Preference Shares of ₹100 each : 300,000 (March 31, 2023: 300,000)	30.00	30.00
Optionally Convertible Preference Shares of ₹10 each : 20,500,000 (March 31, 2023 : 20,500,000)	205.00	205.00
Total authorised share capital	775.00	775.00
(b) Issued, Subscribed & Fully Paid up Shares		
Equity Shares 20,798,575 of ₹ 5 each (March 31, 2023: 20,926,628 Equity Shares of ₹ 5 each)	103.99	104.63
Total issued, subscribed and fully paid up share capital	103.99	104.63

- The Company has only one class of issued shares referred to as equity shares having a par value of Rs. 5 each. The holder of equity shares are entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2023		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Balance at the beginning of the year	20,926,628	104.63	21,794,375	108.97
Less: Buy Back during the Year (Refer Note 46)	128,053	0.64	867,747	4.34
Balance at the end of the reporting year	20,798,575	103.99	20,926,628	104.63

(d) The Board of Directors at its meeting held on May 20, 2024, has proposed final dividend of ₹5.50 Per share subject to approval in annual general meeting.

The Board of Directors at its meeting held on May 05, 2023, has proposed final dividend of ₹ 4.00 Per share and the same was approved in the annual general meeting.

Particulars	As at March 31, 2024	As at March 31, 2023
Dividend proposed by the Board of Directors in their meeting subject to approval in annual general meeting and are not recognised as liability	114.39	83.19
Dividend paid by the company during the year	83.19	76.28

(e) Details of shareholders holding more than 5% shares in the Company

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs. 5 each fully paid-up				
Sh. Ashok Kumar Windlass	4,400,000	21.16%	4,400,000	21.03%
AKW WBL Family Private Trust	8,381,340	40.30%	8,381,340	40.05%
ICICI Prudential SmallCap Fund	1,940,808	9.33%	1,958,136	9.36%
	14,722,148	70.78%	14,739,476	70.43%

(f) Details of promoters and promoters group shareholding

Name of shareholders	As at March 31, 2024		As at March 31, 2023		Changes in No of shares during the FY 2023-24	Changes in % of Holding during the FY 2023-24
	No. of shares	% of holding	No. of shares	% of holding		
Equity shares of Rs. 5 each fully paid-up						
Promoters Shareholding						
Sh. Ashok Kumar Windlass	4,400,000	21.16%	4,400,000	21.03%	-	0.13%
Smt. Vimla Windlass	284,000	1.37%	284,000	1.35%	-	0.02%
Sh. Hitesh Windlass	3	0.00%	3	0.00%	-	0.00%
Sh. Manoj Kumar Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Payal Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Prachi Jain Windlass	3	0.00%	3	0.00%	-	0.00%
Promoters Group Shareholding						
AKW WBL Family Private Trust	8,381,340	40.30%	8,381,340	40.05%	-	0.25%
	13,065,352	62.82%	13,065,352	62.43%	-	0.39%

Name of shareholders	As at March 31, 2023		As at March 31, 2022		Changes in No of shares during the FY 2022-23	Changes in % of Holding during the FY 2022-23
	No. of shares	% of holding	No. of shares	% of holding		
Equity shares of Rs. 5 each fully paid-up						
Promoters Shareholding						
Sh. Ashok Kumar Windlass	4,400,000	21.03%	4,400,000	20.19%	-	0.84%
Smt. Vimla Windlass	284,000	1.35%	284,000	1.30%	-	0.05%
Sh. Hitesh Windlass	3	0.00%	3	0.00%	-	0.00%
Sh. Manoj Kumar Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Payal Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Prachi Jain Windlass	3	0.00%	3	0.00%	-	0.00%
Promoters Group Shareholding						
AKW WBL Family Private Trust	8,381,340	40.05%	8,381,340	38.46%	-	1.59%
	13,065,352	62.43%	13,065,352	59.95%	-	2.48%

(g) ESOP: Shares reserved for issue under options

During the year ended March 31, 2022, the Company has instituted "Windlas Biotech Limited - Employee Stock Option Plan 2021" ('ESOP Scheme 2021') pursuant to the approval of Board of Directors of the company as on April 16, 2021 and the Shareholders of the Company as on April 17, 2021. The maximum number of shares that may be issued pursuant to the scheme shall not exceed 546,222 shares. Out of 546,222 shares, 419,439 shares were granted on June 03, 2021 (grant date) to the eligible employees.

During the year ended March 31, 2024, the Company has instituted "Windlas Biotech Limited - Employee Stock Option Plan 2023" ('ESOS Scheme 2023') pursuant to the approval of Board of Directors of the company as on Aug 08, 2023 and the Shareholders of the Company as on Sep 12, 2023. The maximum number of shares that may be issued pursuant to the scheme shall not exceed 315,000 shares. Out of 315,000 shares, 307,750 shares were granted on Oct 17, 2023 (grant date) to the eligible employees.

17 Other equity

	As at March 31, 2024	As at March 31, 2023
Security Premium		
Balance as per last Balance Sheet	1,986.18	2,269.47
Less: Utilised for share issue expenses	-	(11.37)
Less: Transferred to Capital Redemption Reserve	(0.64)	(4.34)
Less: Buy Back of Shares	(31.44)	(213.64)
Less: Buy Back Tax	(7.32)	(49.76)
Less: Buy Back Expense	(0.83)	(4.18)
Balance as at the year end	1,945.95	1,986.18
General reserve		
Balance as per last Balance Sheet	136.25	136.25
Add: Additions during the year	-	-
Less: Utilized during the year	-	-
Balance as at the year end	136.25	136.25
Capital Redemption Reserve		
Balance as per last Balance Sheet	4.34	-
Add: Additions during the year	0.64	4.34
Less: Utilized during the year	-	-
Balance as at the year end	4.98	4.34
ESOP reserve		
Balance as per last Balance Sheet	28.21	18.13
Add: Additions during the year	20.67	10.08
Less: Utilized during the year	-	-
Balance as at the year end	48.88	28.21
Retained Earnings		
Balance as per last Balance Sheet	1,767.04	1,418.44
Add: Profit for the year	581.44	426.44
Add: Other comprehensive income (Net of tax)	(2.43)	(1.56)
Less: Dividend Paid	(83.19)	(76.28)
Balance as at the end of the year	2,262.86	1,767.04
Total	4,398.92	3,922.02

Nature and Purpose of Reserves

Security Premium

Securities Premium is credited when shares are issued at premium. It is utilized in accordance with the provisions of Act, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting cost etc.

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend, issue of bonus shares and fully / partly paid-up equity shares.

ESOP reserve

Share based payment reserve is used to recognise the value of equity settled share based payments provided to employees as a part of their remuneration.

Retained Earnings

Retained Earnings represents undistributed profit of the company which can be distributed to its Equity Share holders in accordance with requirements of Companies Act, 2013.

Capital Redemption Reserve

Capital redemption reserve is a reserve created on buy-back of equity shares in accordance with section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

18 Borrowings

Particulars	Non Current	
	As at March 31, 2024	As at March 31, 2023
Term loans- Secured		
Loan from banks	1.09	4.44
Less: Current maturities of long-term debt (Refer Note: 23)	(1.09)	(3.35)
Loan from banks	-	1.09
Total	-	1.09

A. Terms of Loans taken

- i) Loan from SIDBI Bank is settled with no pending dues as on March 31, 2024 which was outstanding as on March 31, 2023 for Rs. 2.23 millions with carrying interest rate of 8.09%. The loan was secured by (A) First charge by the way of hypothecation on the MFAs of the company situated at Plot No. 40/1, Mohabewala Industrial Area, Dehradun, Uttarakhand 248110 & khasra no. 141KHA, khasra no. 142KHA, 143KA, 145KHA, 145GA at Mohabewala industrial area, Dehradun, Uttarakhand. proposed to be acquired out of the present assistance. (B) Extension of first charge by the way of Hypothecation of all movable assets including the movables, plant & machinery, spares, tools & accessories, office equipment, computers, furniture, already acquired out of earlier Term Loan assistances located at Kh no. 141KHA, 142 KHA, 143KHA, 145KHA, 145GA Mohabewala Industrial Area, District & Taluka: Dehradun Uttarakhand. (C) Personal Guarantee of Mr. Ashok Kumar Windlass, Mr. Hitesh Windlass and Mr. Manoj Kumar Windlass.
- ii) Loan from SIDBI Bank amounting to Rs. 1.09 millions (March 31, 2023: Rs. 2.21 millions) carrying interest rate of 5% (fixed) per annum, with monthly rest, on the principal amount of the loan outstanding as on March 31, 2024 and is repayable in 12 monthly instalments. The loan is secured by (A) Extension of first charge by the way of Hypothecation on Plant & Machinery / Misc. Fixed Assets, acquired (from earlier SIDBI Term Loan installed at Plot No. 40/1, Mohabewala Industrial Area, Dehradun-248110. (B) Personal Guarantee of Mr. Ashok Kumar Windlass, Mr. Hitesh Windlass and Mr. Manoj Kumar Windlass.

B. As on the reporting date there is no default in repayment of loans and interest.

19 Lease liability

	Current		Non Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease liability	15.14	15.32	20.18	30.17
Total	15.14	15.32	20.18	30.17

(i) The carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	45.49	5.16
Addition during the year	6.43	53.50
Accretion of interest	3.97	2.25
Payments	(20.57)	(15.42)
At the end of the year	35.32	45.49

(ii) The followings are amounts recognised in profit and loss :

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	17.16	13.48
Interest expense on lease liabilities	3.97	2.25

(iii) The total amount of cash flows on account of lease liabilities for the year has been disclosed in standalone statement of cash flow.

20 Other financial liabilities

	Current		Non Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Interest Accrued but not due on loans	-	0.02	-	-
Capital creditors	26.82	7.27	-	-
Security Deposits	1.37	0.89	1.80	3.18
Employee Related Payables	99.08	85.02	-	-
Accrued Expenses	204.73	171.22	-	-
Dividend Payable	0.18	-	-	-
Other Payables	0.01	0.05	-	-
Total	332.19	264.47	1.80	3.18

21 Provisions

	Current		Non Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits				
Provision for compensated absences	5.19	4.48	23.21	20.18
Provision for gratuity (Refer Note 40)	2.06	-	-	-
Total	7.25	4.48	23.21	20.18

22 Current Tax Liabilities (Net)

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Provision for income-tax	-	5.91
Total	-	5.91

23 Borrowings

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Loans Repayable on Demand (Secured)		
Loan from banks	-	-
Current maturities of long-term debt (Refer Note: 18)	1.09	3.35
Total	1.09	3.35

Terms of loan taken

(i) Working capital loans are secured by way of first pari passu charge on the current assets by hypothecation of stocks of raw materials, finished and semi finished goods, stores and spares, bills receivable, book debts and all other movable current assets of the Company both present and future, and additionally secured by way of charge on several fixed assets of the Company and Personal Guarantee of Mr. Ashok Kumar Windlass, Mr. Hitesh Windlass and Mr. Manoj Kumar Windlass.

24 Trade payable

	As at March 31, 2024	As at March 31, 2023
(a) total outstanding dues of micro enterprises and small enterprises (refer note 39)	153.11	33.71
(b) total outstanding dues for creditors other than micro enterprises and small enterprises	1,158.01	840.11
Total	1,311.12	873.82

24 (i) Classification and aging of Trade payables As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Not due	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	153.11	-	-	-	-	153.11
(ii) Others	739.59	418.42	-	-	-	1,158.01
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total Payables	892.70	418.42	-	-	-	1,311.12

24 (ii) Classification and aging of Trade payables As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
(i) MSME	33.71	-	-	-	-	33.71
(ii) Others	602.17	227.30	-	10.64	-	840.11
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total Payables	635.88	227.30	-	10.64	-	873.82

25 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from Customers	21.43	20.07
Payable to Statutory Authorities	25.26	21.39
Total	46.69	41.46

26 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customers		
Sale of Products	5,993.85	4,887.68
Export Sales	273.91	198.43
Sale of services	21.09	19.70
	6288.85	5105.81
Other Operating Revenues:		
Scrap Sales	2.03	2.98
Export Incentives	5.23	6.21
Other operating Income	13.45	15.83
	20.71	25.02
Total	6,309.56	5,130.83

Timing of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Goods transferred at a point in time	6,267.76	5,086.11
Services transferred over the time	21.09	19.70
Total revenue from contract with customers	6,288.85	5,105.81

Revenue by location of customers	For the year ended March 31, 2024	For the year ended March 31, 2023
India	6,014.94	4,907.38
Outside India	273.91	198.43
Total revenue from contract with customers	6,288.85	5,105.81

Reconciliation of revenue recognised in statement of profit and loss with contracted price

Revenue as per contracted price	6,288.85	5,105.81
Less: adjustment on account of price variation	-	-
Less: Turnover discount	-	-
	6,288.85	5,105.81

Performance obligation

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods. {refer accounting policy 2.08}.

Sales of services: The performance obligation in respect of Software development services and Engineering services is recognised over time, since the customer simultaneously receives and consumes the benefits provided by the Company.{refer accounting policy 2.08}. There is no remaining performance obligation (unsatisfied performance obligation) pertaining to sale of services as at March 31, 2024, March 31, 2023

27 Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income on:		
- financial assets measured at amortised cost	0.93	1.41
- others	0.54	-
- fixed Deposit	18.22	33.49
Net Gain on foreign currency transactions and translation	3.23	3.82
Gain on Investments measured at FVTPL*	108.21	47.82
Miscellaneous income	3.49	4.35
Gain on sale of property, plant and equipment	0.06	8.76
Total	134.68	99.65

* Gain on investment at FVTPL includes actual gain on sale of investment of Rs.8.72 millions and Rs. 17.25 millions during the year ended March 31, 2024, March 31, 2023 respectively.

28 Cost of material consumed

	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material , Packing material and Consumables		
Inventories at the beginning of the year	397.47	389.85
Add: Purchases	3,836.26	3,414.76
	4,233.73	3,804.61
Less: Inventories at the end of year	367.86	397.47
	3,865.87	3,407.14
Total	3,865.87	3,407.14

Opening Stock of Consumables	15.42	40.73
Add: Purchases of Consumables	204.81	240.11
Less: Closing Stock of Consumables	1.91	15.42
Total consumption of consumables	218.32	265.42
Material Consumed Comprises of:		
Raw Material/Chemical and Packing Material	3,647.55	3,141.72
Consumables	218.32	265.42
Total	3,865.87	3,407.14

29 Changes in inventories of Finished Goods and Work-in-progress

	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Finished Goods	170.39	130.89
Work in Progress	179.52	66.35
Total (A)	349.91	197.24
Less: Inventories at the end of year		
Finished Goods	217.51	170.39
Work in Progress	36.52	179.52
Total(B)	254.03	349.91
Total (A-B)	95.88	(152.67)

30 Employee benefit expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	812.33	656.89
Gratuity expense (refer note 40)	7.41	6.34
Contribution to provident and other funds (refer note 40)	28.34	25.17
Staff welfare expenses	5.82	4.73
ESOP Expenses	20.67	10.08
Total	874.57	703.21

31 Finance cost

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on		
-term loans and vehicle loans	0.16	0.41
-working capital loans	6.61	5.06
-lease liability	3.97	2.25
-Other borrowing cost	0.29	0.14
Total	11.03	7.86

32 Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	114.82	108.18
Depreciation on right-of-use asset (refer note 5)	17.16	13.48
Amortisation of intangible assets [refer note 6(a)]	2.46	1.98
Total	134.44	123.64

33 Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Power & fuel	161.52	129.03
Repairs		
-Buildings	10.89	11.42
-Machinery	22.00	20.64
-Others	9.52	9.23
Insurance	10.95	7.90
Rates and Taxes	5.19	10.86
Security expenses	15.03	13.18
Traveling Expenses	24.33	17.93
Legal and Professional Fees	23.57	28.63
Auditor Remuneration (refer Note 34)	3.19	3.43
Commission on sales	109.92	71.27
Freight and carriage	62.81	44.98
Advertisement and Publicity	48.32	29.75
Research & Development Expenses (refer note 35)	78.77	89.48
Corporate social responsibility expenses (refer note 37)	9.93	8.39
Donations	0.23	0.52
Lab Testing Expenses	22.84	13.49
Assets written off	-	0.08
Printing and Stationery	11.29	9.83
Recruitment Expenses	0.96	1.62
Balance Written Off	-	0.54
Rent*	4.85	3.92
Provision for doubtful debts and other assets	27.49	22.75
Impairment of investment	0.34	0.00
Calibration Expenses	2.57	2.92
Miscellaneous Expenses	25.71	18.94
Total	692.22	570.73

* Rent expense related to short term leases. (Also refer note 42)

34 Auditor's Remuneration*

	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit Fees	2.40	2.40
Limited Review Fees	0.75	0.75
Certification Fees	0.04	0.28
Total	3.19	3.43

*It does not includes amount of Rs. 0.48 million towards buyback certification services for the year ended 31st March, 2023 which has not been charged to Statement of Profit & Loss and has been adjusted from Securities Premium in proportion of shares being offered or fresh shares issued.

35 Research and development expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue expenditure		
Employee benefit expenses	40.73	52.20
Raw & Packing Materials Consumed	38.04	37.28
Total	78.77	89.48

36 Earnings per share

	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to shareholders (A)	581.44	426.44
Original number of equity shares	20,926,628	21,794,375
Impact of Buy-back of Shares (Buy back of 128,053 and 867,747 shares of face value of Rs. 5 each for the period ended 31st March 2024 and 31st March 2023 respectively)	128,053	867,747
Weighted Average number of Equity Shares post Buyback used as denominator in calculating Basic Earnings Per Share (B)*	20,806,285	21,635,920
Impact of Potetial diluted Equity Shares**	66,460	-
'Weighted Average number of Equity Shares post Buyback used as denominator in calculating Diluted Earnings Per Share (C)*	20,872,745	21,635,920
Basic earnings per share (in Rs.) (A/B)	27.95	19.71
Diluted earnings per share (in Rs.) (A/C)	27.86	19.71

*The weighted average no. of ordinary equity shares used in computing basic & diluted EPS are after considering the impact of buyback of shares in accordance with requirement of Ind AS 33 Earnings Per Share.

**There are 66460 potential equity shares arising due to ESOP impact of the same is considered in Diluted Earning per share

37 Corporate social responsibility expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Amount required to be spent by the Company during the year	9.69	8.04
b) Amount of expenditure incurred	9.93	8.39
c) Shortfall at the end of year	Nil	Nil
d) Total of previous year shortfall	Nil	Nil
e) Reason for Shortfall	N.A.	N.A.
f) Nature of CSR Activities (Other than on-going projects)		
Promoting health care including preventinve health care	3.66	4.16
Promoting Education	4.72	-
Animal Welfare & Environmental Sustainability	1.55	2.35
Skill Development & Promoting Education	-	1.88
g) Details of Related party Transactions	Nil	Nil
Total amount spent during the period/ year	9.93	8.39

38 Segment Information

Segments are identified in line with Ind AS-108, "Operating Segment" [specified under the section 133 of the Companies Act 2013 (the Act)] read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act, taking into consideration the internal organisation and management structure as well as differential risk and return of the segment. Based on above, the company has identified "Pharmaceutical" as the only primary reportable segment. The company does not have any geographical segment. Hence no separate disclosures are provided in these standalone financial statements.

39 Details of dues to Micro, Small and Medium Enterprises as per Micro Small and Medium Enterprise Development Act, 2006

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	For the year ended March 31, 2024	For the year ended March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount due to micro and small enterprises	153.11	33.71
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

40 Gratuity and other post employment benefits

Disclosures pursuant to Ind AS - 19 "Employee Benefits"(notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

(i) Defined Contribution Plans

The Company makes payment to statutory funds in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948 which are defined contribution plans. The Company's contribution paid/payable under the schemes is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The amount recognised in Statement of Profit and loss is Rs. 28.34 millions (March 31, 2023: Rs. 25.17 millions).

(ii) Defined Benefit Plan - Gratuity

a. The principal actuarial assumptions used for determining liability for gratuity are as follows:

	As at March 31, 2024	As at March 31, 2023
Economic assumptions:		
Discount rate*	7.19%	7.36%
Expected rate of return on plan asset	7.36%	6.81%
Salary escalation rate**	6.00%	6.00%
Demographic assumptions:		
Retirement age	58 years	58 years
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Withdrawal rate	12.00%	12.00%

*The discount rate is based on the prevailing market yields of 6 year government bond as at the balance sheet date for the estimated term of the obligations.

**The estimates of future salary increase considered in actuarial variation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

	For the year ended March 31, 2024	For the year ended March 31, 2023
I Change in present value of defined benefit during the year		
1 Present value of defined benefit at the beginning of the year	46.79	37.35
2 Service Cost	7.53	6.57
3 Interest Cost	3.44	2.54
4 Net Actuarial (Gain)/Loss		
Actuarial changes arising from changes in demographic assumptions	-	(0.08)
Actuarial changes arising from changes in Financial assumptions	0.50	0.83
Actuarial changes arising from changes in experience assumptions	2.57	1.41
5 Benefits Paid	(2.10)	(1.83)
6 Liability Transfer In/(Out)	-	-
7 Present Value of obligation as at year-end	58.73	46.79
II Change in Fair Value of Plan Assets during the year		
1 Plan assets at the beginning of the year	48.35	40.76
2 Expected return on plan assets	3.56	2.78
3 Actuarial Gain/(Loss) on plan assets	(0.19)	0.08
4 Employer's contribution	7.05	6.57
5 Benefits paid	(2.10)	(1.83)
6 Asset Transfer In/(Out)	-	-
7 Plan assets at the end of the year	56.67	48.35
III Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets		
1 Present Value of obligation as at year-end	58.73	46.79
2 Fair value of plan assets at year -end	56.67	48.35
3 Funded status {Surplus/(Deficit)}	(2.06)	1.56
4 Net Asset/(Liability)	(2.06)	1.56
IV Expenses recognised in the Statement of Profit and Loss		
1 Current Service Cost	7.53	6.57
2 Net Interest Cost	(0.12)	(0.23)
3 Total Expense	7.41	6.34
V Other Comprehensive Income		
1 Actuarial gain(Loss) on Liabilities	(3.06)	(2.17)
2 Actuarial gain(Loss) on Assets	(0.19)	0.08
3 Closing Amount recognised in OCI outside PL Account	(3.25)	(2.09)
VI Bifurcation of PBO at the end of the year / period		
1 Current Liability	10.98	8.90
2 Non-Current Liability	47.76	37.89

VII Risk exposure

Through its defined benefit obligation, the Company is exposed to a number of risks, the most significant of which are detailed below:

Salary Increases-Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk- If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate- Reduction in discount rate in subsequent valuations can increase the plan's liability

Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

VIII Investment Details

The management of 100% of the gratuity funds is entrusted with the Life Insurance Corporation of India.

XI The sensitivity analysis of the defined benefit obligation based on changes in significant assumptions is provided in following table:

	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Impact of change in discount rate-		
Present value of obligation at the end of the year	58.73	37.35
Impact due to increase of 0.50%	(1.43)	(1.16)
Impact due to decrease of 0.50%	1.51	1.22
B. Impact of change in future salary-		
Present value of obligation at the end of the year	58.73	37.35
Impact due to increase of 1.00%	2.95	2.44
Impact due to decrease of 1.00%	(2.71)	(2.26)
C. Impact of change in withdrawal rate-		
Present value of obligation at the end of the year	58.73	37.35
Impact due to increase of 5.00%	0.02	(0.08)
Impact due to decrease of 5.00%	(0.60)	(0.46)
X Expected benefit payments		
Year 1	11.29	9.18
Year 2	5.91	4.63
Year 3	6.85	5.11
Year 4	6.51	5.23
Year 5	5.99	5.00
After 5th year	55.62	45.81

41 Related party disclosures

A. Names of related parties and nature of relationship :

a) Related parties where control exists:

S.No.	Relationship	Name
(i)	Subsidiary Company	Windlas Inc.
(ii)	Joint Venture	US Pharma Windlas Inc. LLP

b) Key managerial personnel:

S.No.	Relationship	Name
(i)	Whole Time Director	Mr. Ashok Kumar Windlass
(ii)	Managing Director	Mr. Hitesh Windlass
(iii)	Joint Managing Director	Mr. Manoj Kumar Windlass
(iv)	Executive Director	Mr. Pawan Kumar Sharma
(v)	Non Executive Director	Mrs. Prachi Jain Windlass
(vi)	Chief Executive Officer (w.e.f. February 8, 2023) & Chief Financial Officer	Mrs. Komal Gupta
(vii)	Company Secretary	Mr. Ananta Narayan Panda
(viii)	Independent Director	Mr. Gaurav Gulati
(ix)	Independent Director	Mr. Vivek Dhariwal
(x)	Independent Director	Mr. Srinivasan Venkataraman

c) Relative of Key Managerial Personnel with whom transaction have taken place:

S.No.	Relationship	Name
(i)	Wife of Mr. Ashok Kumar Windlass	Mrs. Vimla Windlass
(ii)	Wife of Mr. Manoj Kumar Windlass	Mrs. Payal Windlass

d) Companies with Interest by Key Managerial Personnel:

S.No.	Relationship	Name
(i)	Interest by Key Managerial Personnel	AKW WBL Family Private Trust

e) Transactions with related parties are as follows:

S.No.	Nature of transaction	Year ended	Subsidiary	Key Managerial Personnel	Relative of Key Managerial Personnel	Companies Interest by Key Managerial Personnel	Total
(i)	Rent & Power cost						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	1.96	-	-	1.96
	Mr. Hitesh Windlass	March 31, 2024	-	1.96	-	-	1.96
	Mr. Manoj Kumar Windlass	March 31, 2024	-	1.96	-	-	1.96
	Mr. Ashok Kumar Windlass	March 31, 2023	-	1.96	-	-	1.96
	Mr. Hitesh Windlass	March 31, 2023	-	1.96	-	-	1.96
	Mr. Manoj Kumar Windlass	March 31, 2023	-	1.96	-	-	1.96

S.No.	Nature of transaction	Year ended	Subsidiary	Key Managerial Personnel	Relative of Key Managerial Personnel	Companies Interest by Key Managerial Personnel	Total
(ii)	Salary, allowances and bonus						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	15.60	-	-	15.60
	Mr. Hitesh Windlass	March 31, 2024	-	8.70	-	-	8.70
	Mr. Manoj Kumar Windlass	March 31, 2024	-	8.70	-	-	8.70
	Mr. Pawan Kumar Sharma	March 31, 2024	-	5.07	-	-	5.07
	Mrs. Komal Gupta	March 31, 2024	-	16.53	-	-	16.53
	Mr. Ananta Narayan Panda	March 31, 2024	-	2.52	-	-	2.52
	Mr. Ashok Kumar Windlass	March 31, 2023	-	15.60	-	-	15.60
	Mr. Hitesh Windlass	March 31, 2023	-	8.70	-	-	8.70
	Mr. Manoj Kumar Windlass	March 31, 2023	-	8.70	-	-	8.70
	Mr. Pawan Kumar Sharma	March 31, 2023	-	4.61	-	-	4.61
	Mrs. Komal Gupta	March 31, 2023	-	11.48	-	-	11.48
	Mr. Ananta Narayan Panda	March 31, 2023	-	2.25	-	-	2.25
(iii)	Commission						
	Mr. Hitesh Windlass	March 31, 2024	-	8.80	-	-	8.80
	Mr. Manoj Kumar Windlass	March 31, 2024	-	8.80	-	-	8.80
	Mr. Hitesh Windlass	March 31, 2023	-	6.00	-	-	6.00
	Mr. Manoj Kumar Windlass	March 31, 2023	-	6.00	-	-	6.00
(iv)	Security Deposit refund						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	1.78	-	-	1.78
	Mr. Hitesh Windlass	March 31, 2024	-	1.78	-	-	1.78
	Mr. Manoj Kumar Windlass	March 31, 2024	-	1.78	-	-	1.78
	Mr. Ashok Kumar Windlass	March 31, 2023	-	1.77	-	-	1.77
	Mr. Hitesh Windlass	March 31, 2023	-	1.77	-	-	1.77
	Mr. Manoj Kumar Windlass	March 31, 2023	-	1.77	-	-	1.77
(v)	Dividend Paid						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	17.60	-	-	17.60
	Mr. Hitesh Windlass	March 31, 2024	-	0.00	-	-	0.00
	Mr. Manoj Kumar Windlass	March 31, 2024	-	0.00	-	-	0.00
	Mrs. Prachi Jain Windlass	March 31, 2024	-	0.00	-	-	0.00
	Mrs. Payal Windlass	March 31, 2024	-	-	0.00	-	0.00
	Mrs. Vimla Windlass	March 31, 2024	-	-	1.14	-	1.14
	AKW WBL Family Private Trust	March 31, 2024	-	-	-	33.53	33.53
	Mr. Ashok Kumar Windlass	March 31, 2023	-	15.40	-	-	15.40
	Mr. Hitesh Windlass	March 31, 2023	-	0.00	-	-	0.00
	Mr. Manoj Kumar Windlass	March 31, 2023	-	0.00	-	-	0.00
	Mrs. Prachi Jain Windlass	March 31, 2023	-	0.00	-	-	0.00
	Mrs. Payal Windlass	March 31, 2023	-	-	0.00	-	0.00
	Mrs. Vimla Windlass	March 31, 2023	-	-	0.99	-	0.99
	AKW WBL Family Private Trust	March 31, 2023	-	-	-	29.33	29.33

S.No.	Nature of transaction	Year ended	Subsidiary	Key Managerial Personnel	Relative of Key Managerial Personnel	Companies Interest by Key Managerial Personnel	Total
(vi)	Director Sitting Fees						
	Mr. Gaurav Gulati	March 31, 2024	-	0.54	-	-	0.54
	Mr.Vivek Dhariwal	March 31, 2024	-	0.38	-	-	0.38
	Mr. Srinivasan Venkataraman	March 31, 2024	-	0.45	-	-	0.45
	Mr. Gaurav Gulati	March 31, 2023	-	0.55	-	-	0.55
	Mr.Vivek Dhariwal	March 31, 2023	-	0.31	-	-	0.31
	Mr. Srinivasan Venkataraman	March 31, 2023	-	0.41	-	-	0.41
(vii)	Reimbursement of Expense						
	Windlas Inc.	March 31, 2024	0.49	-	-	-	0.49
	Windlas Inc.	March 31, 2023	-	-	-	-	-
(viii)	Impairment of Investment						
	Windlas Inc.	March 31, 2024	0.34	-	-	-	0.34
	Windlas Inc.	March 31, 2023	-	-	-	-	-

f) Balances outstanding are as follows:

(i)	Investment in equity share capital						
	Windlas Inc. (Refer Note: 9)	March 31, 2024	-	-	-	-	-
	Windlas Inc.	March 31, 2023	0.34	-	-	-	0.34
(ii)	Security deposit						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	1.95	-	-	1.95
	Mr. Hitesh Windlass	March 31, 2024	-	1.95	-	-	1.95
	Mr. Manoj Kumar Windlass	March 31, 2024	-	1.95	-	-	1.95
	Mr. Ashok Kumar Windlass	March 31, 2023	-	3.73	-	-	3.73
	Mr. Hitesh Windlass	March 31, 2023	-	3.73	-	-	3.73
	Mr. Manoj Kumar Windlass	March 31, 2023	-	3.73	-	-	3.73
(iii)	Salary Payable						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	1.30	-	-	1.30
	Mr. Hitesh Windlass	March 31, 2024	-	0.73	-	-	0.73
	Mr. Manoj Kumar Windlass	March 31, 2024	-	0.73	-	-	0.73
	Mr. Pawan Kumar Sharma	March 31, 2024	-	0.42	-	-	0.42
	Mrs. Komal Gupta	March 31, 2024	-	3.67	-	-	3.67
	Mr. Ananta Narayan Panda	March 31, 2024	-	0.21	-	-	0.21
	Mr. Ashok Kumar Windlass	March 31, 2023	-	1.30	-	-	1.30
	Mr. Hitesh Windlass	March 31, 2023	-	0.73	-	-	0.73
	Mr. Manoj Kumar Windlass	March 31, 2023	-	0.73	-	-	0.73
	Mr. Pawan Kumar Sharma	March 31, 2023	-	0.38	-	-	0.38
	Mrs. Komal Gupta	March 31, 2023	-	0.78	-	-	0.78
	Mr. Ananta Narayan Panda	March 31, 2023	-	0.19	-	-	0.19
(iv)	Rent Payable						
	Mr. Ashok Kumar Windlass	March 31, 2024	-	0.16	-	-	0.16
	Mr. Hitesh Windlass	March 31, 2024	-	0.16	-	-	0.16
	Mr. Manoj Kumar Windlass	March 31, 2024	-	0.16	-	-	0.16
	Mr. Ashok Kumar Windlass	March 31, 2023	-	0.16	-	-	0.16
	Mr. Hitesh Windlass	March 31, 2023	-	0.16	-	-	0.16
	Mr. Manoj Kumar Windlass	March 31, 2023	-	0.16	-	-	0.16

S.No.	Nature of transaction	Year ended	Subsidiary	Key Managerial Personnel	Relative of Key Managerial Personnel	Companies Interest by Key Managerial Personnel	Total
(v)	Commission						
	Mr. Hitesh Windlass	March 31, 2024	-	8.80	-	-	8.80
	Mr. Manoj Kumar Windlass	March 31, 2024	-	8.80	-	-	8.80
	Mr. Hitesh Windlass	March 31, 2023	-	6.00	-	-	6.00
	Mr. Manoj Kumar Windlass	March 31, 2023	-	6.00	-	-	6.00

Note:

- (i) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end/year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (ii) Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the company as a whole.
- (iii) The Company has recognised an expenses of Rs. 8.83 millions (previous year Rs. 2.45 millions) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

42 Short term leases

Short term leases are mainly in the nature of premises and godowns and are renewable / cancellable at the option of either of the party. The aggregate amount of short term lease payment recognised in the statement of Profit and Loss account is March 31, 2024: ₹ 4.85 millions, March 31, 2023: ₹ 3.92 millions.

43 Fair Value Measurement

A. Financial instruments by category	March 31, 2024			March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
(a) Investment	1,734.35	-	-	1,065.14	-	0.34
(b) Cash and cash equivalents	-	-	52.40	-	-	36.85
(c) Bank balances Other than Cash and cash equivalents	-	-	256.57	-	-	217.68
(d) Trade Receivables			1,362.77			1,168.60
(e) Other financial assets	-	-	58.58	-	-	91.05
Total	1,734.35	-	1,730.32	1,065.14	-	1,514.52
Financial liabilities						
(a) Borrowings	-	-	1.09	-	-	4.44
(b) Lease liability	-	-	35.32	-	-	45.49
(c) Trade payables	-	-	1,311.12	-	-	873.82
(d) Other financial liabilities	-	-	333.99	-	-	267.65
Total	-	-	1,681.52	-	-	1,191.40

B. Fair Value Hierarchy

Assets and liabilities measured at amortised cost for which fair value are disclosed as at March 31, 2024	March 31, 2024				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
(a) Investment	9	1,734.35	-	-	1,734.35
(b) Cash and cash equivalents	14	-	-	52.40	52.40
(c) Bank balances Other than Cash and cash equivalents	15	-	-	256.57	256.57
(d) Trade Receivables	13			1,362.77	1,362.77
(e) Other financial assets	10	-	-	58.58	58.58
Total		1,734.35	-	1,730.32	3,464.67
Financial liabilities					
(a) Borrowings	18	-	-	1.09	1.09
(b) Lease liability	19	-	-	35.32	35.32
(c) Trade payables	24	-	-	1,311.12	1,311.12
(d) Other financial liabilities	20			333.99	333.99
Total		-	-	1,681.52	1,681.52

Assets and liabilities measured at amortised cost for which fair value are disclosed as at March 31, 2023	March 31, 2023				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
(a) Investment	9	1,065.14	-	0.34	1,065.48
(b) Cash and cash equivalents	14	-	-	36.85	36.85
(c) Bank balances Other than Cash and cash equivalents	15	-	-	217.68	217.68
(d) Trade Receivables	13			1,168.60	1,168.60
(e) Other financial assets	10	-	-	91.05	91.05
Total		1,065.14	-	1,514.52	2,579.66
Financial liabilities					
(a) Borrowings	18	-	-	4.44	4.44
(b) Lease liability	19	-	-	45.49	45.49
(c) Trade payables	24	-	-	873.82	873.82
(d) Other financial liabilities	20			267.65	267.65
Total		-	-	1,191.40	1,191.40

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted prices. The fair value of all equity instruments (including bonds) which are traded in stock exchanges is valued using the closing prices as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximises the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in level 3.

During the year, there were no transfers between Level 1 and Level 2, and no transfers into and out of Level 3 fair value measurements.

C. Accounting classification and fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
(a) Investment	1,734.35	1,065.48	1,734.35	1,065.48
(b) Cash and cash equivalents	52.40	36.85	52.40	36.85
(c) Bank balances Other than Cash and cash equivalents	256.57	217.68	256.57	217.68
(d) Trade Receivables	1,362.77	1,168.60	1,362.77	1,168.60
(e) Other financial assets	58.58	91.05	58.58	91.05
Total	3,464.67	2,579.66	3,464.67	2,579.66
Financial liabilities				
(a) Borrowings	1.09	4.44	1.09	4.44
(b) Lease liability	35.32	45.49	35.32	45.49
(c) Trade payables	1,311.12	873.82	1,311.12	873.82
(d) Other financial liabilities	333.99	267.65	333.99	267.65
Total	1,681.52	1,191.40	1,681.52	1,191.40

The carrying amount of financial instruments such as cash and cash equivalents, other bank balances, trade payables, and other current financial assets and liabilities are considered to be same as their fair value due to their short term nature. The carrying amount of borrowings are considered to be same as their fair value since it comprises the working capital loan and bank overdraft which are short term in nature.

D. Valuation technique used to determine fair value

The fair value of security deposits were calculated based on discounted cash flows using current lending rate. The fair value of other financial instruments viz. cash and cash equivalents, borrowings, trade payables and other financial assets and liabilities are considered to be same as their carrying value due to their short term nature.

E. Valuation process

A team in the finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes including level 3 fair values. It directly reports to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and valuation team on periodic basis in line with the Company's reporting period.

The level 3 input for security deposits is derived at using the current lending rate of Company's borrowings. Changes in level 2 and level 3 fair values, if any, are analysed at the end of the reporting period and reasons for such movements are provided by the valuation team.

44 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, other bank balances, trade receivables, security deposits, etc. that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and for periodically reviewing the same. The senior management ensures 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:

Risk	Exposure arising from	Measurement	Management
Market risk-interest rate	Borrowings	Sensitivity analysis	Mix of borrowings with fixed and floating interest rates
Market risk-foreign exchange	Recognised financial liabilities not denominated in INR	Sensitivity analysis	Foreign currency exposure is unhedged
Credit risk	Financial assets measured at amortised costs	Ageing analysis	Credit limits
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting	Availability of committed credit lines and borrowing facilities

a. 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 prices comprises two types of risk: foreign currency risk and interest rate risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis excludes the impact of movement in market variables on the carrying values of gratuity and other post- retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss items and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024, March 31, 2023.

I. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

(i) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs. 51.97 in millions is as follows:

Particulars	March 31, 2024	March 31, 2023
Financial liabilities		
Import Creditors		
USD	0.09	2.94
Total	0.09	2.94
Financial assets		
Export Debtors		
EURO	-	0.07
USD	32.21	66.20
EEFC Account		
USD	19.67	0.25
Total	51.88	66.53

(ii) Sensitivity analysis

The following table demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant:

Particulars	Impact on profit or loss	
	March 31, 2024	March 31, 2023
USD sensitivity		
INR/USD- increase by 5%	2.59	3.18
INR/USD- decrease by 5%	(2.59)	(3.18)
EURO sensitivity		
INR/EURO- increase by 5%	-	0.00
INR/EURO- decrease by 5%	-	(0.00)

II. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

b. 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, security deposits and other financial instruments.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Asset company	Description	Provision for expected credit loss*
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/ life time expected credit loss
Moderate credit risk	Trade receivables, loans and other financial assets	12 month expected credit loss/ life time expected credit loss
High credit risk	Trade receivables, loans and other financial assets	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

* Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Trade receivables

Credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are companyed into homogeneous companys and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The company does not hold collateral as security. The company's credit period generally ranges from 30-60 days or as per agreed contractual terms and conditions.

The ageing of trade receivables is given below:

	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	686.38	546.32
Past due but not impaired		
-upto 90 days	619.75	582.85
-90-180 days	50.37	31.77
-More than 180 days	42.28	41.58
	1,398.78	1,202.52
Less: Allowance for expected credit losses	(36.01)	(33.92)
Total	1,362.77	1,168.60

Financial instruments and other deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at March 31, 2024, March 31, 2023 is the carrying amounts.

c. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective at all times is to maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Contractual maturities of financial liabilities	Less than 1 Year	1-5 Years	Above 5 years	Total
Non-derivatives				
As on March 31, 2024				
Borrowings	1.09	-	-	1.09
Trade and other payables	1,311.12	-	-	1,311.12
Lease liabilities	15.14	20.18	-	35.32
Other financial liabilities	332.19	1.80	-	333.99
Total Non-derivative liabilities	1,659.54	21.98	-	1,681.52
As on March 31, 2023				
Borrowings	3.35	1.09	-	4.44
Trade and other payables	873.82	-	-	873.82
Lease liabilities	15.32	30.17	-	45.49
Other financial liabilities	264.47	3.18	-	267.65
Total Non-derivative liabilities	1,156.96	34.44	-	1,191.40

Capital management

The Company's objective when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.- In order to maintain capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants consistent with others in the industry. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt the loans and borrowing less cash and cash equivalents and Bank Balance other than cash and cash equivalents. Capital includes equity attributable to the owners of the Company.

	As at March 31, 2024	As at March 31, 2023
Borrowings (long-term and short term, including current maturities)- (Refer Note 18 & 23)	1.09	4.44
Less : Cash and cash equivalents and Bank Balance other than cash and cash equivalents- (Refer Note 14 & 15)	308.97	254.53
Net Debt (a)	(307.88)	(250.09)
Equity- (Refer Note 16)	103.99	104.63
Other equity- (Refer Note 17)	4,398.92	3,922.02
Total Equity (b)	4,502.91	4,026.65
Net debt to equity ratio (c=a/b)	NA*	NA*

* This ratio is not relevant for the current year as the cash and cash equivalents and bank & balances other the cash and cash equivalents exceeds borrowings.

45. Details of Utilization of IPO money

The Company has completed the Initial Public Offer ("IPO") of 8,729,023 Equity Shares of the face value of Rs. 5/- each at an issue price of Rs. 460/- per Equity Share, comprising offer for sale of 5,142,067 shares by Selling Shareholders and fresh issue of 3,586,956 shares. The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on August 17, 2021.

The utilisation of the net IPO proceeds is summarised below:

Objects of the issue	Amount as per Prospectus	Revised Amt	Utilisation upto 31-March-23	Un-Utilised Amount as at 31-March-23
Capital expenditure towards expansion of manufacturing facility	500.00	500.00	500.00	-
To meet working capital requirement	475.62	475.62	475.62	-
Repayment/ Prepayment of certain of our borrowings	200.00	200.00	200.00	-
General corporate purposes	346.03	355.10	355.10	-
Total	1,521.65	1,530.72	1,530.72	-

The total offer expenses are Rs. 247.26 million which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The Company's share of these expenses is Rs. 101.96 millions which has been adjusted against securities premium.

46. Buyback of Shares

The Board of Directors of the company in their meeting held on November 08, 2022, has decided for Buy-back of Equity shares of Face Value Rs.5 each for an amount not exceeding ₹250.00 million at a price not exceeding Rs. 325/- (Rupees Three Hundred and Twenty Five Only) per equity share ("Maximum Buy-back Price") payable in cash from the equity shareholders/beneficial owners of the equity shares of the Company other than the Promoters, members of Promoter Group and persons in control of the Company ("Buyback Offer") from Open Market through Stock Exchange Mechanism in terms of the provisions of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations"). The company had based on the above approval bought back 867,747 number of Equity share having face value of Rs. 5 each for an amount ₹217.966 million at the average price of Rs. 251.19 from the open market till March 31, 2023.

The Company, completed the Buyback on May 03, 2023 by purchase of 995,800 equity shares aggregating to ₹250.039 million (excluding Transaction Costs) from the equity shareholders of the Company (other than the promoters, promoter group and persons in control of the Company) via the open market route. The amount utilised towards the Buyback exceeded by ₹0.039 million due to reasons beyond control, which is 0.0159% of the amount earmarked for the Buyback. The board has approved the total amount of buyback of ₹250.039 million

47 Contingent Liabilities and Commitments (to the extent not provided for)

i. Contingent Liabilities

There is no contingent liabilities.

ii. Capital Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for*	152.87	141.12

* Capital commitment for the year ended March 31, 2024 is related to Injectable plant, the contract of the same will be executed in the next few months.

48 Ratio Analysis:

Particulars	As at March 31, 2024	As at March 31, 2023	Calculation base	Description of numerator & denominator	Variance	Remarks
Current Ratio	2.52	2.92	Current Assets / Current Liabilities	All Current assets and All Current Liabilities	(13.95%)	-
Debt Equity	0.00	0.00	Total Debt / Equity	Total Debt = Long Term + Short Term Debt Equity = Equity share capital + Other Equity	0%	NA
Debt Service Coverage Ratio	24.54	22.60	Earnings available for debt service / (Debt Repayment + Interest)	Earnings available for debt service = PAT+Finance Cost+Depreciation-Net gain or Loss on assets Debt Repayment = Interest and lease payments+Principal repayments Interest = Finance Cost	8.59%	-
Return on Equity Ratio	13.63%	10.69%	Return / Equity	Return = PAT Equity = Average of Equity share capital & Other Equity	27.53%	Increased due to increase in PAT during the year FY 2023-24
Inventory Turnover Ratio	5.79	4.88	COGS / Inventory	COGS = Cost of Material consumed + Change in Inventory Inventory = Average Inventory	18.64%	-

Particulars	As at March 31, 2024	As at March 31, 2023	Calculation base	Description of numerator & denominator	Variance	Remarks
Trade Receivable Turnover Ratio	4.99	4.51	Turnover / Trade Receivable	" Turnover = Revenue from operations Trade Receivable = Average Trade receivable "	10.58%	-
Trade Payable Turnover Ratio	3.51	4.54	Turnover / Trade Payable	Turnover = Purchase Trade payable = Average Trade payable	(22.73%)	-
Net Capital Turnover ratio	2.43	2.21	Turnover / Net Capital	Turnover = Revenue from operations Net Capital = Current Assets - Current Liabilities	10.09%	-
Net Profit Ratio	9.22%	8.31%	Net Profit / Turnover	Net Profit = Profit after tax Turnover = Revenue from operations	10.88%	-
Return on capital employed	17.37%	14.42%	Return / Capital Employed	Return = PBT+Finance cost Capital Employed = Total Debt (Long Term + Short Term borrowings) + Equity (Equity share capital + Other Equity) + Deferred tax liability - Deferred tax asset	20.43%	-
Return on Investment	7.54%	5.21%	Return / Investment	Return = Interest income on fixed deposits + Gain on Mutual Funds Investment = Non Current Investment + Current Investment + Fixed deposits	44.90%	Increased due to increase in income from mutual fund investment

49 Other Statutory information

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- ii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- iv. 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 Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- v. 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
- vi. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- vii. The Company does not have 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).
- viii. 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.
- ix. The company has not granted any loans or advances in the nature of loans either repayable on demand.

50. Significant Events after the Reporting date

There were no significant adjusting events that occurred subsequent to the reporting date.

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

INDEPENDENT AUDITOR'S REPORT

To,

The Members,

Of Windlas Biotech Limited

(formerly known As Windlas Biotech Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Windlas Biotech Limited (formerly known as Windlas Biotech Private Limited) (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its joint venture, comprising of the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss, (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Financial Statements, including a summary of material accounting and other explanatory information (hereinafter referred to as "Consolidated Financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements of the subsidiary and based on unaudited financial statements certified by the management as referred in 'other matters paragraph', the aforesaid Consolidated Financial statements give the information required by the Companies Act, 2013 ("the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their Consolidated state of affairs of the Group and its joint venture as at March 31, 2024, of Consolidated profit (including Other Comprehensive Income), Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

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 and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 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 and the audit evidence obtained by other auditor in terms of their reports referred to in the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters:

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

We have determined the matters described below to be the key audit matters to be communicated in our report

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition:</p> <p>For the year ended March 31, 2024, the Group and its joint venture has recognized revenue from contracts with customers amounting to Rs. 6,288.85 million.</p> <p>Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.</p> <p>Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.</p> <p>The risk is, therefore, that revenue may not be recognized in the correct period or that revenue and associated profit is misstated.</p> <p>Refer to Accounting Policies Note 2.09 and Note No. 26 of the Consolidated Financial Statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Group and its Joint Venture. On sample basis, examining supporting documents for the sales transaction occurring during the year and near the end of the accounting period including the credit notes issued after period end to verify the occurrence and accuracy of revenue, whether revenue recording was consistent with the conditions, and whether it was in compliance with the Group and its Joint Venture's Policy. Performed analytical procedure to identify the unusual trends and also tested journal entries recognized in revenue focusing on unusual or irregular transactions.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprise the information included in the Annual Report but does not include the Consolidated Financial Statements, standalone financial statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance or 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the audit report of other auditor, 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.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, (including other comprehensive income), and Consolidated Cash Flows and Consolidated Statement of Changes in Equity of the Group and its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.


In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and its joint venture are responsible for assessing the ability of the Group and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its joint venture 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 and its joint venture are also responsible for overseeing the financial reporting process of the Group and its joint venture.


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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and its joint venture'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 Consolidated Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

 Evaluate the overall presentation, structure and content of the Consolidated Financial statements, including the disclosures, and whether the Consolidated Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture 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 entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial statements that, individually or in

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial statements 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 one subsidiary company incorporated outside India, whose financial statements reflected total assets of Rs. 0.82 million as at March 31, 2024, total revenue (including other income) of Rs. Nil, total comprehensive income (comprising of profit/(loss) and other comprehensive income) of Rs. 0.10 millions & net cash inflows of Rs.0.47 million for the year ended on that date, as considered in the Consolidated Financial statements. These financial statements have been audited by the other auditor whose report has 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 aforesaid subsidiary is based solely on the report of other auditor.

b. The Consolidated Financial statements includes Company's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil millions for the year ended March 31, 2024, as considered in the Consolidated Financial statements in respect of one joint venture. These financial statements are unaudited and have been furnished to us by the Board of Directors and our opinion on the financial statements, to the extent they have been derived from such financial statements is based solely on such unaudited financial statements furnished by the Board of Directors.

According to the information and explanations given to us by the Management, these financial results of the joint venture are not material to the Group.

Our opinion on the Consolidated Financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the Financial Statements certified by the Board of directors.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, CARO is not applicable on the financial statements of the companies included in consolidated financial statements. Therefore, this clause is not applicable to the company.
2. As required by Section 143(3) of the Act, based on our audit and on consideration of the report of other auditors on financial statement and other financial information of subsidiary company & joint venture as referred to in 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 report of the other auditor.

- 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 Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group and its subsidiary company, is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls reference to Consolidated Financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial statements disclose the impact of pending litigations as at March 31, 2024 on its financial position of the Group and its joint venture – Refer Note 48 to the Consolidated Financial statements.
 - ii. The Group and its joint venture has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts. The Group and its joint venture did not have long term derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- iv. (a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management of the Holding Company has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances and based on audit reports of other auditors, nothing has come to our notice that caused us to believe that the representations under sub-clause (i) and

- (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. According to the information and explanations given to us, the final dividend proposed in the previous year, declared and paid by the Group during the year is in accordance with Section 123 of the Act, as applicable. The Group has not declared or paid any interim dividend during the year. The Board of Directors of the Group and its Joint Venture have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the holding company have used an accounting software for maintaining its

books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. The provisions of recording audit trail (edit log) are not applicable to subsidiary and joint venture which are companies incorporated outside India. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Reg. No. 000756N/N500441

Vijay Kumar

Partner

Membership No. 092671

UDIN: 24092671BKFB0H4408

Place: Delhi

Date: May 20, 2024

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

of even date on the Consolidated Financial statements of Windlas Biotech Limited (formerly known as Windlas Biotech Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’

In conjunction with our audit of the Consolidated Financial statements of Windlas Biotech Limited (Formerly Known as Windlas Biotech Private Limited) as of and for the year ended March 31, 2024, we have audited the internal financial controls reference to Consolidated Financial statements of Windlas Biotech Limited (Formerly Known as Windlas Biotech Private Limited) (hereinafter referred to as the “Holding Company”) as of that date.

The audit of the internal financial controls with reference to Consolidated Financial statements is applicable only to the Holding Company.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control reference to Consolidated 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls reference to Consolidated Financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether adequate internal financial controls reference to Consolidated Financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls reference to Consolidated Financial statements

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

Inherent Limitations of Internal Financial Controls reference to Consolidated Financial statements

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system reference to Consolidated Financial statements and such internal financial controls reference to Consolidated Financial statements were operating effectively as at March 31, 2024, based on the internal control reference to Consolidated Financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S S KOTHARI MEHTA & CO. LLP

Chartered Accountants

Firm Reg. No. 000756N/N500441

Vijay Kumar

Partner

Membership No. 092671

UDIN: 24092671BKFB0H4408

Place: Delhi

Date: May 20, 2024

Consolidated Balance Sheet as at March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	1,694.85	1,025.99
Capital work in Progress	4	57.08	138.01
Right of Use	5	50.95	63.01
Other Intangible Assets	6 (a)	44.68	5.05
Intangible Assets Under Development	6 (b)	-	9.79
Financial Assets:			
(i) Other Financial Assets	10 (a)	43.23	76.37
Deferred Tax Assets (Net)	7	5.72	20.25
Other Non-Current Assets	11 (a)	52.69	415.92
		1,949.20	1,754.39
Current Assets			
Inventories	12	621.89	747.38
Financial Assets:			
(i) Investments	9	1,734.35	1,065.14
(ii) Trade Receivables	13	1,362.77	1,168.60
(iii) Cash and Cash Equivalents	14	52.88	36.86
(iv) Bank Balance other than cash and cash equivalents	15	256.57	217.68
(v) Other Financial Assets	10 (b)	15.35	14.68
Current Tax Assets (Net)	8	6.88	-
Other Current Assets	11 (b)	262.17	285.02
		4,312.86	3,535.36
Total assets		6,262.06	5,289.75
EQUITY AND LIABILITIES			
Equity			
(i) Equity Share Capital	16	103.99	104.63
(ii) Other Equity	17	4,395.37	3,918.08
		4,499.36	4,022.71

Liabilities			
Non-Current Liabilities			
Financial Liabilities:			
(i) Borrowings	18	-	1.09
(ii) Lease liability	19 (a)	20.18	30.17
(iii) Other Financial Liabilities	20 (a)	1.80	3.18
Provisions	21 (a)	23.21	20.18
		45.19	54.62
Current Liabilities			
Financial Liabilities:			
(i) Borrowings	22	1.09	3.35
(ii) Trade Payables	23		
(a) total outstanding dues of micro enterprises and small enterprises		153.11	33.71
(b) total outstanding dues for creditors other than micro enterprises and small enterprises		1,162.00	843.72
(iii) Lease liability	19 (b)	15.14	15.32
(iv) Other Financial Liabilities	20 (b)	332.19	264.47
Other Current Liabilities	24	46.73	41.46
Provisions	21 (b)	7.25	4.48
Current Tax Liabilities (Net)	25	-	5.91
		1,717.51	1,212.42
Total equity and liabilities		6,262.06	5,289.75

Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from Operations	26	6,309.56	5,130.83
Other Income	27	134.68	99.65
Total Income		6,444.24	5,230.48
Expenses			
Cost of Material Consumed	28	3,865.87	3,407.14
Changes in Inventories of Finished goods and Work-in-progress	29	95.88	(152.67)
Employee Benefit Expenses	30	874.57	703.21
Finance Cost	31	11.05	7.88
Depreciation and Amortization expense	32	134.44	123.64
Other Expenses	33	691.52	570.89
Total Expenses		5,673.33	4,660.09
Profit before share of gain/(loss) in joint venture		770.91	570.39
Share of gain/(Loss) in joint venture		-	-
Profit before tax		770.91	570.39
Income tax expense			
Current tax	7	173.69	143.50
Deferred Tax	7	15.35	0.63
Total Tax Expense		189.04	144.13
Profit for the year		581.87	426.26
Profit attributable to Owners'		581.87	426.26
Profit attributable to Non Controlling Interest		-	-
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans- gain/(loss)		(3.25)	(2.09)
Income tax effect		0.82	0.53
B (i) Items that will be reclassified to profit or loss:			
Foreign currency translation reserve		(0.05)	(0.27)
Other Comprehensive Income for the year		(2.48)	(1.83)
Total Comprehensive Income for the year		579.39	424.43
Other Comprehensive Income attributable to Owner's		(2.48)	(1.83)
Other Comprehensive Income attributable to Non Controlling Interest		-	-
Total Comprehensive Income attributable to Owner's		579.39	424.43
Total Comprehensive Income attributable to Non Controlling Interest		-	-
Earnings per share:			
Basic (in Rs.)	36	27.97	19.70
Diluted (in Rs.)	36	27.88	19.70
Face value per share (in Rs.)		5	5

Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

A. Equity share capital

Equity shares of face value Rs. 5 each issued, subscribed and fully paid up

Particulars	No. of shares	Amount
As at March 31, 2022	21,794,375	108.97
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as on April 1, 2022	21,794,375	108.97
Impact of Buy Back of Shares	(867,747)	(4.34)
As at March 31, 2023	20,926,628	104.63
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as on April 1, 2023	20,926,628	104.63
Impact of Buy Back of Shares	(128,053)	(0.64)
As at March 31, 2024	20,798,575	103.99

B. Other equity

Particulars	Equity attributable to owners' of the Company							Non-controlling interest (B)	Total equity (A+B)
	Reserves and surplus					Foreign Currency Translation Reserve	Total (A)		
	Securities premium	General Reserve	Retained earnings	ESOP Reserve	Capital Redemption Reserve				
As at March 31, 2022	2,269.47	136.25	1,415.04	18.13	-	(0.09)	3,838.81	-	3,838.81
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as on April 1, 2022	2,269.47	136.25	1,415.04	18.13	-	(0.09)	3,838.81	-	3,838.81
ESOP reserve created during the year	-	-	-	10.08	-	-	10.08	-	10.08
Buy Back of Shares	(213.64)	-	-	-	-	-	(213.64)	-	(213.64)
Buy Back Tax	(49.76)	-	-	-	-	-	(49.76)	-	(49.76)
Buy Back Expenses	(4.18)	-	-	-	-	-	(4.18)	-	(4.18)
Share issue expenses	(11.37)	-	-	-	-	-	(11.37)	-	(11.37)
Dividend paid	-	-	(76.28)	-	-	-	(76.28)	-	(76.28)
Profit for the year	(4.34)	-	426.26	-	4.34	(0.27)	425.99	-	425.99
Other comprehensive income, net of income tax	-	-	(1.56)	-	-	-	(1.56)	-	(1.56)
As at March 31, 2023	1,986.18	136.25	1,763.46	28.21	4.34	(0.36)	3,918.08	-	3,918.08
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as on April 1, 2023	1,986.18	136.25	1,763.46	28.21	4.34	(0.36)	3,918.08	-	3,918.08
ESOP reserve created during the year	-	-	-	20.67	-	-	20.67	-	20.67
Buy Back of Shares	(31.44)	-	-	-	-	-	(31.44)	-	(31.44)
Buy Back Tax	(7.32)	-	-	-	-	-	(7.32)	-	(7.32)
Buy Back Expenses	(0.83)	-	-	-	-	-	(0.83)	-	(0.83)
Share issue expenses	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	(83.19)	-	-	-	(83.19)	-	(83.19)
Profit for the year	(0.64)	-	581.87	-	0.64	(0.05)	581.82	-	581.82
Other comprehensive income, net of income tax	-	-	(2.43)	-	-	-	(2.43)	-	(2.43)
As at March 31, 2024	1,945.95	136.25	2,259.71	48.88	4.98	(0.41)	4,395.36	-	4,395.36

Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

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Place: Dehradun

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Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Consolidated Statement of Cash flows for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Profit before tax	770.91	570.39
Adjustments for:		
Depreciation & amortization expense	134.44	123.64
Provision for doubtful balance	25.40	-
Balance written back	-	0.54
ESOP	20.67	10.08
Foreign currency translation reserve	(0.05)	(0.27)
Allowance for Doubtful Debts	2.09	22.75
(Gain) / Loss on Investments measured at FVTPL (net)	(108.21)	(47.82)
Other Assets written off	-	0.08
Net (gain)/ loss on sale of Property Plant & Equipment	(0.06)	(8.76)
Interest expense on borrowings	7.08	5.63
Interest expense on lease liability	3.97	2.25
Interest income	(19.69)	(34.90)
Operating Profit before working capital changes	836.55	643.61
Changes in operating assets and liabilities:		
Increase/(decrease) in provisions	4.98	5.70
Increase/(decrease) in trade payables	437.68	245.12
Increase/(decrease) in other financial liabilities	46.81	39.57
Increase/(decrease) in other current liabilities	5.27	26.42
Decrease/(increase) in trade receivables	(198.35)	(83.63)
Decrease/(increase) in inventories	125.49	(160.28)
Decrease/(increase) in other financial assets	(3.64)	22.84
Decrease/(increase) in other non current assets	(1.56)	(0.24)
Decrease/(increase) in other current assets	22.85	(32.30)
Cash generated from operations	1,276.08	706.81
Income taxes refunded/ (paid)	(186.48)	(97.16)
Net cash flow from operations (A)	1,089.60	609.65
Cash flow from investing activities		
Purchase of property, plant & equipment, Intangible assets and capital work in progress including capital advances and capital creditors	(376.84)	(708.90)
Sale of property, plant & equipment, Intangible assets and capital work in progress	0.42	9.10
Proceeds from redemption/ (investment in) Mutual Funds (net)	(561.00)	(369.08)
Interest received	17.41	45.50
Proceeds from redemption of / (Investment in) fixed deposits (net)	(0.67)	882.28
Net cash used in investing activities (B)	(920.68)	(141.10)

Cash flow from financing activities		
Proceeds/(Repayment) of Short Term Borrowings	(2.26)	(53.42)
Share Issue Expense	-	(11.37)
Buyback of equity shares	(40.23)	(271.93)
Dividend Paid	(83.01)	(76.28)
Repayment of Long Term Borrowings	(1.09)	(3.35)
Repayment of Lease liabilities (principal portion)	(15.24)	(13.17)
Interest paid (including interest on lease liabilities)	(11.07)	(7.87)
Net cash flow from/ (used in) financing activities (C)	(152.90)	(437.39)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	16.02	31.16
Cash and cash equivalents at the beginning of the year	36.86	5.70
Cash and cash equivalents at the closing of the year	52.88	36.86

Notes:

a) Cash and Cash Equivalents included in Statement of Cash Flow comprise of following (Refer Note 14):

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balances with Banks	52.46	36.64
Fixed deposits with original maturity of less than 3 months	0.20	-
Cash on Hand	0.22	0.22
Total	52.88	36.86

b) Reconciliation of changes in liabilities arising from financing activities:

Particulars	As at March 31, 2022	Net Cash Flows	Non cash changes	As at March 31, 2023
			Fair value changes	
Long term borrowings	4.44	(3.35)	-	1.09
Short term borrowings*	56.77	(53.42)	-	3.35
Interest accrued	-	(7.87)	7.87	-
Lease liabilities	5.16	(13.17)	53.50	45.49
Dividend	-	(76.28)	-	-
Equity Share Capital	-	(271.93)	271.93	-
Total Liabilities	66.37	(426.03)	333.31	49.93

Particulars	As at March 31, 2023	Net Cash Flows	Non cash changes	As at March 31, 2024
			Fair value changes	
Long term borrowings	1.09	(1.09)	-	-
Short term borrowings*	3.35	(2.26)	-	1.09
Interest accrued	-	(11.07)	11.07	-
Lease liabilities	45.49	(15.24)	5.07	35.32
Dividend	-	(83.01)	-	0.18
Equity Share Capital	-	(40.23)	40.23	-
Total Liabilities	49.93	(152.89)	56.36	36.59

* including current maturities of Long term borrowings

Note: For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.



Summary of material accounting policies

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

Material accounting policies and explanatory notes To Consolidated financial statements

(All amounts in Indian Rupees in millions, unless otherwise stated)

1 CORPORATE INFORMATION

Windlas Biotech Limited (formerly known as Windlas Biotech Private Limited) ('the Company' or 'Parent') is a limited company domiciled in India and incorporated on February 19, 2001 under the provisions of the Companies Act, 1956 having its registered office at 40/1, Mohabewala Industrial Area, Dehradun, Uttarakhand. These Consolidated Financial Statements comprise the Company and its subsidiary (together referred as the 'Group') and its associate and its joint venture. The Group is engaged in manufacturing and trading of pharmaceutical products. The Group manufacturing facilities are located at Dehradun in Uttarakhand.

Pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on April 03, 2021, the Company has converted from a Private Limited Company to a Public Limited Company and consequently, name of the Company has changed to Windlas Biotech Limited pursuant to fresh certificate of incorporation issued by ROC on April 15, 2021.

The Group Consolidated Financial Statements for the year ended March 31, 2024 and March 31, 2023 were approved for issue by the Board of Directors, in accordance with resolution passed on May 20, 2024.

2 MATERIAL ACCOUNTING POLICIES

This note provides a list of the material accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.01 Basis of preparation and presentation of consolidated financial statement

i) Compliance with IndAS

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and relevant provisions of the Companies Act, 2013.

ii) Basis of consolidation

The Consolidated Financial Statements of the Group comprise of the Consolidated Financial Statement of Assets and Liabilities as at March 31, 2024, Consolidated Financial Statement of Assets and Liabilities as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year ended March 31, 2024 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for years ended March 31, 2023, and the Material Accounting Policies and explanatory notes (collectively, the 'Consolidated Financial Statements' or 'Statements').

iii) Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

The Consolidated Financial Statements are presented in Indian Rupees ('INR') and all values are rounded to nearest millions (INR '000,000) upto two decimal places, except when otherwise indicated.

iv) Current versus non-current classification

The Group presents assets and liabilities in the Consolidated 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 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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for 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

All other liabilities are classified as non current.

Deferred tax assets and deferred tax 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.

2.02 Basis of Consolidation

Subsidiaries:

The consolidated summary financial information incorporate the financial statements of the Company and entities controlled by the Company. Subsidiaries are all entities over which the holding company has control. The Company controls an investee when the Company has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the relevant activities of the investee. Subsidiaries are fully consolidated from the when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Holding company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Statement of Assets and Liabilities respectively.

In the consolidated financial information, 'Goodwill' represents the excess of the cost to the Holding company of its investment in the subsidiaries over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Bargain Purchase' in the consolidated financial statements.

Associates & Joint Venture:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decision of the investee, but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement."

The Group's investment in its associate are accounted for using the equity method, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of the profit or loss and other comprehensive income of the associate since the acquisition date. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognizing its share

of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Goodwill relating to the Associates & Joint Venture is included in the carrying amount of the investment and is not tested for impairment individually. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the Associates & Joint Venture. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognized directly in the equity of the Associates & Joint Venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associated are eliminated to the extent of the interest in the associate.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the consolidated statement of profit and loss outside operating profit and represents profit and loss after tax of the associate. The financial statements of the associate are prepared for the same reporting period as of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its Associates & Joint Venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the Associates & Joint Venture and its carrying value, and recognises the loss as 'Share of profit of an Associate & Joint Venture' in the consolidated summary statement of profit and loss.

2.03 Property, plant and equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Group and the cost of item can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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 income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on property, plant and equipment is provided on prorata basis on written-down value method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Assets	Useful life (in years)
Building	30
Plant and machinery	15
Furniture and fixtures	10
Vehicles	8
Office equipment	5
Computers and servers	3-6
Exceptions to above	
Plant & machinery (Continuous Process plant)* (Including second hand Purchase) *	15
Lab Equipment *	15

*Based on Internal assessment the management believes that the useful life given above best represent the period over which management expects to use these assets

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all the items of property, plant and equipment recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

2.04 Intangible assets

Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

2.05 Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

- i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- ii) Its intention to complete the asset;
- iii) Its ability to use or sell the asset;
- iv) How the asset will generate future economic benefits;
- v) The availability of adequate resources to complete the development and to use or sell the asset; and
- vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the

asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life. During the period of development, the asset is tested for impairment annually.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets with finite useful life are amortized on a straight line basis over the estimated useful economic life of 5 years, which represents the period over which the Group expects to derive economic benefits from the use of the assets.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all the items of intangible assets recognized as at 1 April 2019, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible assets.

2.06 Financial instruments

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

(i) Financial Assets

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortized cost

The classification depends on entity's business model for managing the financial assets and the contractual terms of the cash flow.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

- Debt instruments at fair value through profit and loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortized cost
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortized cost

A Debt instrument is measured at amortized cost if both the following conditions are met:

- a) **Business Model Test** : The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

- a) **Business Model Test** : The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.
- b) **Cash flow characteristics test**: The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

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

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. A gain or loss on a Debt instrument that is subsequently measured at FVTPL and is not a part of a hedging relationship is recognized in statement of profit or loss and presented net in the statement of profit and loss within other gains or losses in the period in which it arises. Interest income from these Debt instruments is included in other income.

Equity investments of other entities

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which IND AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income all subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to 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 Profit and loss.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - (a) the Group has transferred the rights to receive cash flows from the financial assets or
 - (b) the Group has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Impairment of financial assets

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

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

The Group follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12- months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

cash flows, an entity is required to consider:

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- (a) **Financial assets measured as at amortized cost:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- (b) **Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.
- (c) **Debt instruments measured at FVTOCI:** For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the "accumulated impairment amount".

(ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. the Group financial liabilities include loans and borrowings including bank overdraft, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationship as defined by Ind AS 109. The separated embedded derivate are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other

payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss. Borrowing are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derecognition

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.

Offsetting of financial instruments:

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial 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. Changes to the business model are expected to be infrequent.

The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.07 Inventories**a) Basis of valuation:**

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

b) Method of Valuation:

- i) Cost of raw materials and components has been determined by using FIFO method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- ii) Cost of finished goods and work-in-progress includes raw material, packing material, direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

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

2.08 Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws. The Group's management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.09 Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group collects Goods and Service Tax on behalf of government, and therefore, these are not consideration to which the Group is entitled, hence, these are excluded from revenue. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

a) Revenue from sale of goods

Revenue from sale of goods is recognised at the point in time when significant risk and rewards of ownership of the goods is transferred to the customer, generally ex-factory.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of

goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any)."

b) Revenue from sale of services

Revenue from sale of services is recognised over a period of time because the customer simultaneously receives and consumes the benefits provided by the Group and accounted revenue as and when services are rendered on cost plus basis where cost is determined on principles mutually agreed with customers.

c) Consideration of significant financing component in a contract

The Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

d) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

e) Contract Assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

f) 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 recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

g) Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses

2.10 Employee benefits

(i) Long-term employee benefit obligations

a) Compensated Absences

"Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of profit and loss in the year in which such gains or losses are determined."

(ii) Post-employment obligations

a) Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- (ii) Net interest expense or income

b) Provident fund

The Group makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Group's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

c) Employee State Insurance

The Group makes prescribed monthly contributions towards Employees' State Insurance Scheme.

d) Superannuation Scheme

The Group contributes towards a fund established to provide superannuation benefit to certain employees in terms of Group Superannuation Policy entered into by such fund with the Life Insurance Corporation of India.

e) Pension Scheme

The Group makes contributions to the Pension Scheme fund in respect of certain employees of the Company.

2.11 Leases- Group as a lessee

Leases are accounted for using the principles of recognition, measurement, presentation and disclosures as set out in Ind AS 116 Leases.

On inception of a contract, the Group assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Group's financial statements as a right-of-use asset and a lease liability.

Lease contracts may contain both lease and non-lease components. The Group allocates payments in the contract to the lease and non-lease components based on their relative stand-alone prices and applies the lease accounting model only to lease components.

The right-of-use asset recognised at lease commencement includes the amount of lease liabilities on initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated to a residual value over the rights-of-use assets' estimated useful life or the lease term, whichever is lower. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed at each reporting date.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is not reasonably certain that it will exercise the option. Minimum lease payments include the cost of a purchase option if the Group is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest on lease liability and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification e.g. a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs. In respect of variable leases which guarantee a minimum amount of rent over the lease term, the guaranteed amount is considered to be an 'in-substance fixed' lease payment and included in the initial calculation of the lease liability. Payments which are 'in-substance fixed' are charged against the lease liability.

The Group has opted not to apply the lease accounting model to intangible assets, leases of low-value assets or leases which have a term of less than 12 months. Costs associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Lease payments are presented as follows in the Group's statement of cash flows:

- (i) short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- (ii) payments for the interest element of recognised lease liabilities are presented within cash flows from financing activities; and
- (iii) payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

2.12 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

2.13 Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.14 Employees Stock option plan

Some employees (including senior executives) of the Company receive remuneration in the form of share based payment, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/ or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.15 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the Consolidated Financial Statements.

a) Recognition of deferred taxes

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Impairment of Financial assets

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

c) Recognition of revenue

The price charged from the customer is treated as stand alone selling price of the goods transferred to the customer. At each balance sheet date, based on the past trends and management judgment, the Group assesses the requirement of recognising provision against the sales returns for its products and in case, such provision is considered necessary, the management make adjustment in the revenue. However, the actual future outcome may be different from this judgement.

d) Impairment of non-Financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

e) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease etc. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

f) Government grants

The Group assesses whether the government grant received is for purchase of capital assets or for meeting expenses as per the conditions attached to the grant and recognises the same as either deduction from cost of assets or income in statement of profit and loss.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority

b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 41.

c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted

Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

d) Property, plant and equipment and intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. For managements estimates on useful life of assets refer note 2.03 and 2.04.

Notes to Consolidated Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in millions, unless otherwise stated)

3. Property, plant and equipment

	Freehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Electrical Installation	Motor Vehicles	Total
Gross Block									
As at April 01, 2022	215.71	453.60	795.95	28.98	7.52	9.62	36.41	11.98	1,559.77
Add: Additions	97.88	35.99	106.91	4.13	0.09	2.98	0.95	1.32	250.25
Less: Disposals	-	-	0.25	-	-	-	-	1.75	2.00
As at March 31, 2023	313.59	489.59	902.61	33.11	7.61	12.60	37.36	11.55	1,808.02
Add: Additions	-	148.00	597.47	7.65	0.43	5.44	21.18	3.88	784.05
Less: Disposals	-	-	-	-	-	-	-	2.15	2.15
As at March 31, 2024	313.59	637.59	1,500.08	40.76	8.04	18.04	58.54	13.28	2,589.92
Depreciation									
As at April 01, 2022	-	173.59	451.22	17.94	6.76	6.38	18.30	1.23	675.42
Add: Charge for the year	-	27.39	66.85	3.05	0.32	2.37	4.93	3.27	108.18
Less: Disposals	-	-	0.16	-	-	-	-	1.41	1.57
As at March 31, 2023	-	200.98	517.91	20.99	7.08	8.75	23.23	3.09	782.03
Add: Charge for the year	-	27.62	73.11	3.09	0.29	3.99	3.73	2.99	114.82
Less: Disposals	-	-	-	-	-	-	-	1.79	1.79
As at March 31, 2024	-	228.60	591.02	24.08	7.37	12.74	26.96	4.29	895.06
Net Carrying Value									
As at March 31, 2023	313.59	288.61	384.70	12.12	0.53	3.85	14.13	8.46	1,025.99
As at March 31, 2024	313.59	408.99	909.06	16.68	0.67	5.30	31.58	8.98	1,694.85

4. Capital Work-in-progress

	Amount
As at April 01, 2022	75.81
Add: Additions	161.89
Less: Expense off during the year	-
Less: Capitalized during the year	99.69
As at March 31, 2023	138.01
Add: Additions	667.07
Less: Expense off during the year	-
Less: Capitalized during the year	748.00
As at March 31, 2024	57.08

4 (i) Capital Work-in-progress as at March 31, 2024

	Amount of CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	57.08	-	-	-	57.08
Projects temporarily suspended	-	-	-	-	-

4 (ii) Capital Work-in-progress as at March 31, 2023

	Amount of CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	109.66	28.35	-	-	138.01
Projects temporarily suspended	-	-	-	-	-

5. Right of Use

	Vehicle	Leasehold land	Leasehold Buildings	Total
Gross Carrying Value				
As at April 1, 2022	-	15.02	27.60	42.62
Add: Additions	20.94	-	32.56	53.50
Less: Deductions	-	-	-	-
As at March 31, 2023	20.94	15.02	60.16	96.12
Add: Additions	6.43	-	-	6.43
Less: Deductions	1.63	-	24.43	26.06
As at March 31, 2024	25.74	15.02	35.73	76.49
Depreciation / Amortization				
As at April 1, 2022	-	0.51	19.12	19.63
Add: Charge for the year	4.80	0.17	8.51	13.48
Less: Deductions	-	-	-	-
As at March 31, 2023	4.80	0.68	27.63	33.11
Add: Charge for the year	7.99	0.17	9.00	17.16
Less: Deductions	0.30	-	24.43	24.73
As at March 31, 2024	12.49	0.85	12.20	25.54
Net Carrying Value				
As at March 31, 2023	16.14	14.34	32.53	63.01
As at March 31, 2024	13.25	14.17	23.53	50.95

6 (a) Other Intangible asset

	Product development	Software	Total
Gross Carrying Value			
As at April 01, 2022	8.41	27.91	36.32
Add: Additions	-	2.53	2.53
Less: Disposals	-	-	-
As at March 31, 2023	8.41	30.44	38.85
Add: Additions	-	42.09	42.09
Less: Disposals	-	-	-
As at March 31, 2024	8.41	72.53	80.94
Amortization			
As at April 01, 2022	8.41	23.41	31.82
Add: Charge for the year	-	1.98	1.98
Less: Disposals	-	-	-
As at March 31, 2023	8.41	25.39	33.80
Add: Charge for the year	-	2.46	2.46
Less: Disposals	-	-	-
As at March 31, 2024	8.41	27.85	36.26
Net Carrying Value			
As at March 31, 2023	-	5.05	5.05
As at March 31, 2024	-	44.68	44.68

6 (b) Intangible Assets Under Development

	Amount
As at April 1, 2022	4.32
Add: Additions	5.47
Less: Capitalized during the year	-
Less: Write off	-
As at March 31, 2023	9.79
Add: Additions	34.31
Less: Capitalized during the year	44.10
Less: Write off	-
As at March 31, 2024	-

Intangible Assets Under Development as at March 31, 2024	Amount of Intangible Assets Under Development for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible Assets Under Development as at March 31, 2023	Amount of Intangible Assets Under Development for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	5.47	4.32	-	-	9.79
Projects temporarily suspended	-	-	-	-	-

7 Deferred tax created on:

	Balance Sheet	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Property, Plant & Equipment and Intangible Assets	1.71	14.07
Employee benefits	15.88	13.57
Financial instruments measured at amortised cost	0.12	0.36
Financial instruments measured at fair value through P&L	(23.49)	(11.89)
Right of use, net of lease liability	(3.96)	(4.40)
Others	15.46	8.54
	5.72	20.25
Deferred tax comprise of:		
Deferred tax asset	42.09	48.00
Deferred tax liability	(36.37)	(27.75)
Net deferred tax asset/ (liability)	5.72	20.25

Movement of deferred tax	Statement of Profit & Loss	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Property, Plant & Equipment and Intangible Assets	12.36	2.20
Employee benefits	(1.49)	(1.81)
Financial instruments measured at amortised cost	0.24	0.02
Financial instruments measured at fair value through P&L	11.60	6.04
Right of use, net of lease liability	(0.44)	(0.09)
Others	(6.92)	(5.73)
Deferred tax expense / (Credit) charged in P&L	15.35	0.63
Deferred tax expense (Credit) charged in other comprehensive income	(0.82)	(0.53)
Total Deffered tax expense/ (Credit)	14.53	0.10

7 Income Tax

	For the year ended March 31, 2024	For the year ended March 31, 2023
The major components of income tax expense are:		
Profit and loss -		
Current income tax:		
Current income tax charge	173.69	143.50
Deferred tax:		
Related to origination and reversal of temporary differences	15.35	0.63
Income tax expense reported in the statement of profit and loss	189.04	144.13
Reconciliation of tax expense and accounting profit		
Accounting profit / (loss) before tax from continuing operations	770.91	570.39
Statutory income tax rate applicable	25.17%	25.17%
Tax at India's statutory income tax rate	194.02	143.56

Adjustment for less depreciation under income tax	(8.01)	13.41
Adjustment for gratuity, leave encashment and bonus allowed on actual paid basis	4.90	(1.49)
Income not taxable	(27.48)	(57.99)
Other expenses disallowed	10.56	34.45
Income chargeable at different tax rate	2.19	23.41
Others	(2.49)	(11.85)
Deferred tax expense/(credit) on items of OCI	15.35	0.63
Income tax expense reported in the statement of profit and loss	189.04	144.13

8 Current Tax assets (net)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Advance tax (net of provision for taxation)	6.88	-
Total	6.88	-

9 Investments

	Units at Mar, 31 2024	Units at Mar, 31 2023	Current	
			As at March 31, 2024	As at March 31, 2023
Investment in Mutual Funds measured at fair value through P&L				
ABSL Floating Rate Fund Direct Plan - Growth	765,306.200	765,306.200	247.53	229.28
TATA Money Market Fund - Direct Plan Growth	60,555.880	60,555.880	264.48	245.13
DSP Savings Fund - Direct Plan - Growth	Nil	1,977,522.460	-	90.94
ABSL Arbitrage Fund- Direct Growth	6,544,714.551	1,307,385.170	170.37	31.43
HDFC Low Duration Fund - Direct Plan Growth	1,274,812.278	1,274,812.278	72.26	66.95
L&T Arbitrage opportunities Fund Direct Plan Growth	2,184,567.792	Nil	40.49	-
HDFC Liquid Direct Plan Growth	24,422.028	24,422.028	115.85	108.02
Tata Arbitrage Fund-Direct Plan Growth	8,897,416.042	3,509,245.970	122.18	44.50
BARODA BNP PARIBAS Arbitrage Fund Direct Plan - Growth	10,453,790.231	2,302,431.017	161.46	32.84
DSP Arbitrage Fund Direct Plan - Growth	Nil	2,278,828.632	-	30.03
ABSL Income Fund Direct Plan - Growth	167,976.812	Nil	20.52	-
Bajaj banking and PSU fund Direct Plan Growth	2,834,314.207	Nil	29.32	-
Bajaj Finserv Arbitrage Fund - Direct Plan Growth	7,398,168.257	Nil	76.99	-
Baroda BNP Gilt fund Direct Growth	3,102,871.507	Nil	129.70	-
Baroda BNP Paribas Liquid Fund	3,837.439	Nil	10.69	-
HSBC CRISIL IBX 50:50 Gilt plus SDL Apr2028 Index fund	4541,841.547	Nil	50.98	-
TATA Gilt Securities fund Direct Growth	128,893.588	Nil	10.13	-
UTI Liquid Cash Plan - Direct Plan Growth	2,657.410	Nil	10.52	-
ICICI Prudential Savings Fund - Direct Plan - Growth	402,128.239	402,128.239	200.88	186.02
Total			1,734.35	1,065.14
Aggregate amount of quoted investments			1,734.35	1,065.14
Aggregate Market value of quoted investments			1,734.35	1,065.14
Aggregate amount of impairment in value of investments			-	-

10 (a) Other financial assets

	Non Current	
	As at March 31, 2024	As at March 31, 2023
Advance to Employees	0.21	0.00
Security Deposits	23.23	18.19
Fixed Deposit having remaining maturity of more than 12 months*	19.79	58.18
Total	43.23	76.37

*There is a Lien on Fixed deposit for Rs. 3.41 millions as on March 31, 2024 and Rs. 5.74 millions as on March 31, 2023

10 (b) Other financial assets

	Current	
	As at March 31, 2024	As at March 31, 2023
Advance to Employees	0.83	0.54
Interest accrued on fixed deposits	6.66	4.38
Security Deposits	6.75	9.21
Earnest money deposit	1.11	0.55
Total	15.35	14.68

11 (a) Other assets

	Non Current	
	As at March 31, 2024	As at March 31, 2023
Other assets		
Balances with government authorities	28.99	27.22
Less: Provision for doubtful balances*	25.31	-
Net Balance with government authorities	3.68	27.22
Prepaid expenses	0.69	0.99
Advances to suppliers/ vendors		
Capital Advances	48.32	387.71
Total	52.69	415.92

*Above amount include provision of ₹25.30 million which has been deposited by the company for state excise duty under protest for removal of goods (cough syrup) containing codeine phosphate from excise bonded warehouse during the FY 2008-09 to FY 2012-13. The Honorable High Court of Uttarakhand had passed an order in favour of Company not to charge excise duty on cough syrup containing codeine phosphate less than prescribed limits prospectively and not to refund the excise duty under protest. The Company has filed an application for prayer with Honorable High Court of Uttarakhand for refund of excise duty. The concerned state excise department of Uttarakhand has submitted their reply with Honorable High Court on hearing. Further, the Company has submitted reply along with required documents. Hearing is pending with Honorable High Court which is delayed due to COVID 19. The management is of the opinion that the Company will receive the refund and has also taken an opinion from expert legal consultant for same who has confirmed management's assessment. However being conservative the company has taken the provision of the same during the FY 2023-24.

11 (b) Other assets

	Current	
	As at March 31, 2024	As at March 31, 2023
Advances to suppliers/ vendors		
Advances to Suppliers	9.87	14.63
Other Advances	-	1.55
Other assets		
Balances with government authorities	242.46	260.13
Prepaid expenses	9.84	8.71
Total	262.17	285.02

12 Inventories

	As at March 31, 2024	As at March 31, 2023
[The Inventory is valued at lower of cost and net realizable value]		
Classification of Inventories:		
Raw Materials & Packing Materials	365.95	382.05
Consumables	1.91	15.42
Work-in-progress	36.52	179.52
Finished Goods (including goods in transit of Rs. 88.15 millions as at March 31, 2024 and Rs. 2.60 millions as at March 31, 2023)	217.51	170.39
Total	621.89	747.38

13 Trade receivables

	As at March 31, 2024	As at March 31, 2023
Trade Receivables considered good – Unsecured	1,362.77	1,168.60
Trade Receivables which have significant increase in credit risk – Unsecured	-	-
Trade Receivables - credit impaired – Unsecured	36.01	33.92
	1,398.78	1,202.52
Less: Allowance for expected credit loss	(36.01)	(33.92)
Total	1,362.77	1,168.60

The carrying value of the trade receivables may be affected by the changes in the credit risk as explained in note 44.

Generally, the average credit period is based on specific arrangement with the other party. Interest is charged as per the agreed terms post expiry of the credit period.

The following table summarises the change in impairment allowance measured using the life time expected credit loss model:

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	33.92	11.17
Provision made during the year	2.09	22.75
Utilized /reversed during the year	-	-
At the end of the year	36.01	33.92

Contract Balances

(A) - Trade receivables, contract assets and contract liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables {Refer note (a) below}	1,362.77	1,168.60
Contract liabilities {Refer note (b) below}		
Advance from customers	21.43	20.07
Note (a)- Account receivables represent the amount for which performance obligation has been fulfilled and revenue recognized but the money is receivable from customer.		
Note (b) - Advance from customers represents the obligation of the Company to transfer goods or services to the customers for which the consideration has already been received from the customers. Advance from customers are recognised as revenue when the Company performs under the contract with the customer.		
(B) - Unsatisfied performance obligation		
Total value of performance obligation of the Company remaining unsatisfied at the end of year with timelines within which it is expected to recognise revenue :		
Within one year	21.43	20.07
More than one year	-	-
(C) - During the year, revenue recognised from amounts included in contract liabilities at the beginning of the year is	20.07	7.30

13 (i) Classification and aging of Trade Receivables As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months - 1 year	1-2 Years	2-3 Years	> 3 Years	
(i) undisputed trade Receivables – considered good	686.38	670.12	6.27	-	-	-	1,362.77
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	9.84	25.74	0.43	-	36.01
(iv) disputed trade Receivables – considered good	-	-	-	-	-	-	-
(v) disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	686.38	670.12	16.11	25.74	0.43	-	1,398.78
Less: Allowance for expected credit loss							(36.01)
Total Receivables							1,362.77

13 (ii) Classification and aging of Trade Receivables As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	< 6 Months	6 months - 1 year	1-2 Years	2-3 Years	> 3 Years	
(i) undisputed trade Receivables – considered good	546.32	614.62	7.66	-	-	-	1,168.60
(ii) undisputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) undisputed trade Receivables – credit impaired	-	-	32.40	1.52	-	-	33.92
(iv) disputed trade Receivables – considered good	-	-	-	-	-	-	-
(v) disputed trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) disputed trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	546.32	614.62	40.06	1.52	-	-	1,202.52
Less: Allowance for expected credit loss							(33.92)
Total Receivables							1168.60

14 Cash and Bank balances

	As at March 31, 2024	As at March 31, 2023
Balances with banks- in current accounts	52.46	36.64
Fixed deposits- original maturity less than 3 months	0.20	-
Cash in Hand	0.22	0.22
Total	52.88	36.86

15 Bank Balances Other than Cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Unpaid Dividend Accounts	0.18	-
Fixed Deposit- Original maturity more than 3 months but upto 1 year*	256.39	217.68
Total	256.57	217.68

*There is a Lien on Fixed deposit for Rs. 11.14 millions as on March 31, 2024 and Rs. 12.99 millions as on March 31, 2023

16 Equity Share Capital

	As at March 31, 2024	As at March 31, 2023
(a) Authorised Share capital		
Equity Shares		
Equity Shares of Rs. 5 each: 108,000,000 (Equity Shares of Rs. 5 each March 31, 2023: 108,000,000)	540.00	540.00
Instruments entirely Equity in nature		
Preference Shares		
0.001% Non- Cumulative Compulsory Convertible Preference Shares of Rs. 100 each : 300,000 (March 31, 2023: 300,000)	30.00	30.00
Optionally Convertible Preference Shares of Rs. 10 each : 20,500,000 (March 31, 2023 : 20,500,000)	205.00	205.00
Total authorised share capital	775.00	775.00
(b) Issued, Subscribed & Fully Paid up Shares		
Equity Shares 20,798,575 of Rs. 5 each (March 31, 2023: 20,926,628 Equity Shares of Rs. 5 each)	103.99	104.63
Total issued, subscribed and fully paid up share capital	103.99	104.63

- The Company has only one class of issued shares referred to as equity shares having a par value of Rs. 5 each. The holder of equity shares are entitled to one vote per share.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder

(c) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
Balance at the beginning of the year	20,926,628	104.63	21,794,375	108.97
Less : Buy Back during the Year (Refer Note 46)	128,053	0.64	867,747	4.34
Balance at the end of the reporting year	20,798,575	103.99	20,926,628	104.63

(d) The Board of Directors at its meeting held on May 20, 2024, has proposed final dividend of Rs. 5.50 Per share subject to approval in annual general meeting.

The Board of Directors at its meeting held on May 05, 2023, has proposed final dividend of Rs. 4.00 Per share and the same was approved in the annual general meeting.

Particulars	As at March 31, 2024	As at March 31, 2023
Dividend proposed by the Board of Directors in their meeting subject to approval in annual general meeting and are not recognised as liability	114.39	83.19
Dividend paid by the company during the year	83.19	76.28

(e) Details of shareholders holding more than 5% shares in the Company

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs. 5 each fully paid-up				
Sh. Ashok Kumar Windlass	44,00,000	21.16%	44,00,000	21.03%
AKW WBL Family Private Trust	83,81,340	40.30%	83,81,340	40.05%
ICICI Prudential SmallCap Fund	19,40,808	9.33%	19,58,136	9.36%
Total	1,47,22,148	70.78%	1,47,39,476	70.43%

(f) Details of promoters and promoters group shareholding

Name of shareholders	As at March 31, 2024		As at March 31, 2023		Changes in No of shares during the FY 2023-24	Changes in % of Holding during the FY 2023-24
	No. of shares	% of holding	No. of shares	% of holding		
Equity shares of Rs. 5 each fully paid-up						
Promoters Shareholding						
Sh. Ashok Kumar Windlass	4,400,000	21.16%	4,400,000	21.03%	-	0.13%
Smt. Vimla Windlass	284,000	1.37%	284,000	1.35%	-	0.02%
Sh. Hitesh Windlass	3	0.00%	3	0.00%	-	0.00%
Sh. Manoj Kumar Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Payal Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Prachi Jain Windlass	3	0.00%	3	0.00%	-	0.00%
Promoters Group Shareholding						
AKW WBL Family Private Trust	8,381,340	40.30%	8,381,340	40.05%	-	0.25%
	13,065,352	62.82%	13,065,352	62.43%	-	0.39%

Name of shareholders	As at March 31, 2023		As at March 31, 2022		Changes in No of shares during the FY 2022-23	Changes in % of Holding during the FY 2022-23
	No. of shares	% of holding	No. of shares	% of holding		
Equity shares of Rs. 5 each fully paid-up						
Promoters Shareholding						
Sh. Ashok Kumar Windlass	4,400,000	21.03%	4,400,000	20.19%	-	0.84%
Smt. Vimla Windlass	284,000	1.35%	284,000	1.30%	-	0.05%
Sh. Hitesh Windlass	3	0.00%	3	0.00%	-	0.00%
Sh. Manoj Kumar Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Payal Windlass	3	0.00%	3	0.00%	-	0.00%
Smt. Prachi Jain Windlass	3	0.00%	3	0.00%	-	0.00%
Promoters Group Shareholding						
AKW WBL Family Private Trust	8,381,340	40.05%	8,381,340	38.46%	-	1.59%
	13,065,352	62.43%	13,065,352	59.95%	-	2.48%

(g) ESOP: Shares reserved for issue under options

During the year ended March 31, 2022, the Company has instituted "Windlas Biotech Limited - Employee Stock Option Plan 2021" ('ESOP Scheme 2021') pursuant to the approval of Board of Directors of the company as on April 16, 2021 and the Shareholders of the Company as on April 17, 2021. The maximum number of shares that may be issued pursuant to the scheme shall not exceed 546,222 shares. Out of 546,222 shares, 419,439 shares were granted on June 03, 2021 (grant date) to the eligible employees.

During the year ended March 31, 2024, the Company has instituted "Windlas Biotech Limited - Employee Stock Option Plan 2023" ('ESOS Scheme 2023') pursuant to the approval of Board of Directors of the company as on Aug 08, 2023 and the Shareholders of the Company as on Sep 12, 2023. The maximum number of shares that may be issued pursuant to the scheme shall not exceed 315,000 shares. Out of 315,000 shares, 307,750 shares were granted on Oct 17, 2023 (grant date) to the eligible employees.

17 Other equity

	As at March 31, 2024	As at March 31, 2023
Security Premium		
Balance as per last Balance Sheet	1,986.18	2,269.47
Less: Utilised for share issue expenses	-	(11.37)
Less: Transferred to Capital Redemption Reserve	(0.64)	(4.34)
Less: Buy Back of Shares	(31.44)	(213.64)
Less: Buy Back Tax	(7.32)	(49.76)
Less: Buy Back Expense	(0.83)	(4.18)
Balance as at the year end	1,945.95	1,986.18
General reserve		
Balance as per last Balance Sheet	136.25	136.25
Add: Additions during the year	-	-
Less: Utilized during the year	-	-
Balance as at the year end	136.25	136.25
Capital Redemption Reserve		
Balance as per last Balance Sheet	4.34	-
Add: Additions during the year	0.64	4.34
Less: Utilized during the year	-	-
Less: Deduction during the year	-	-
Balance as at the year end	4.98	4.34
ESOP reserve		
Balance as per last Balance Sheet	28.21	18.13
Add: Additions during the year	20.67	10.08
Less: Utilized during the year	-	-
Less: Deduction during the year	-	-
Balance as at the year end	48.88	28.21
Foreign Currency Translation Reserve		
Balance as per last Balance Sheet	(0.36)	(0.09)
Add: Additions during the year	(0.05)	(0.27)
Less: Deduction during the year	-	-
Balance as at the year end	(0.41)	(0.36)

	As at March 31, 2024	As at March 31, 2023
Retained Earnings		
Balance as per last Balance Sheet	1,763.46	1,415.04
Add: Profit for the year	581.87	426.26
Add: Other comprehensive income (Net of tax)	(2.43)	(1.56)
Less: Dividend Paid	(83.19)	(76.28)
Balance as at the end of the year	2,259.72	1,763.46
Total	4,395.37	3,918.08

Nature and Purpose of Reserves

Security Premium

Securities Premium is credited when shares are issued at premium. It is utilized in accordance with the provisions of Act, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting cost etc.

General reserve

General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend, issue of bonus shares and fully / partly paid-up equity shares.

ESOP reserve

Share based payment reserve is used to recognise the value of equity settled share based payments provided to employees as a part of their remuneration.

Retained Earnings

Retained Earnings represents undistributed profit of the company which can be distributed to its Equity Share holders in accordance with requirements of Companies Act, 2013.

Capital Redemption Reserve

Capital redemption reserve is a reserve created on buy-back of equity shares in accordance with section 69 of the Companies Act, 2013. The reserve is utilised in accordance with the specific provision of the Companies Act, 2013.

Foreign Currency Translation Reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Rupees) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation

18 Borrowings

Particulars	Non Current	
	As at March 31, 2024	As at March 31, 2023
Term loans- Secured		
Loan from banks	1.09	4.44
Less: Current maturities of long-term debt (Refer Note: 22)	(1.09)	(3.35)
Loan from banks	-	1.09
Total	-	1.09

A. Terms of Loans taken

- (i) Loan from SIDBI Bank is settled with no pending dues as on March 31, 2024 which was outstanding as on March 31, 2023 for Rs. 2.23 millions with carrying interest rate of 8.09%. The loan was secured by (A) First charge by the way of hypothecation on the MFAs of the company situated at Plot No. 40/1, Mohabewala Industrial Area, Dehradun, Uttarakhand 248110 & khasra no. 141KHA, khasra no. 142KHA, 143KA, 145KHA, 145GA at Mohabewala industrial area, Dehradun, Uttarakhand. proposed to be acquired out of the present assistance. (B) Extension of first charge by the way of Hypothecation of all movable assets including the movables, plant & machinery, spares, tools & accessories, office equipment, computers, furniture, already acquired out of earlier Term Loan assistances located at Kh no. 141KHA, 142 KHA, 143KHA, 145KHA, 145GA Mohabewala Industrial Area, District & Taluka: Dehradun Uttarakhand. (C) Personal Guarantee of Mr. Ashok Kumar Windlass, Mr. Hitesh Windlass and Mr. Manoj Kumar Windlass.
- ii) Loan from SIDBI Bank amounting to Rs. 1.09 millions (March 31, 2023: Rs. 2.21 millions) carrying interest rate of 5% (fixed) per annum, with monthly rest, on the principal amount of the loan outstanding as on March 31, 2024 and is repayable in 12 monthly instalments. The loan is secured by (A) Extension of first charge by the way of Hypothecation on Plant & Machinery / Misc. Fixed Assets, acquired from earlier SIDBI Term Loan installed at Plot No. 40/1, Mohabewala Industrial Area, Dehradun-248110. (B) Personal Guarantee of Mr. Ashok Kumar Windlass, Mr. Hitesh Windlass and Mr. Manoj Kumar Windlass.

19 (a) Lease liability

Particulars	Non Current	
	As at March 31, 2024	As at March 31, 2023
Lease liability	20.18	30.17
Total	20.18	30.17

19 (b) Lease liability

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Lease liability	15.14	15.32
Total	15.14	15.32

- (i) The carrying amounts of lease liabilities and the movements during the period/ year:

Particulars	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	45.49	5.16
Addition during the year	6.43	53.50
Accretion of interest	3.97	2.25
Payments	(20.57)	(15.42)
At the end of the year	35.32	45.49

- (ii) The following are the amounts recognised in profit or loss:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation expense of right-of-use assets	17.16	13.48
Interest expense on lease liabilities	3.97	2.25

- (iii) The total amount of cash flows on account of lease liabilities for the year has been disclosed in Statement of Consolidate Cash Flow

20 (a) Other financial liabilities

Particulars	Non Current	
	As at March 31, 2024	As at March 31, 2023
Security Deposits	1.80	3.18
Total	1.80	3.18

20 (b) Other financial liabilities

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Interest Accrued but not due on loans	-	0.02
Capital creditors	26.82	7.27
Security Deposits	1.37	0.89
Employee Related Payables	99.08	85.02
Accrued Expenses	204.73	171.22
Dividend Payable	0.18	-
Others	0.01	0.05
Total	332.19	264.47

21 (a) Provisions

Particulars	Non Current	
	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for compensated absences	23.21	20.18
Provision for gratuity (Refer Note 40)	-	-
	23.21	20.18

21 (b) Provisions

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for compensated absences	5.19	4.48
Provision for gratuity (Refer Note 40)	2.06	-
	7.25	4.48

22 Borrowings

Particulars	Current	
	As at March 31, 2024	As at March 31, 2023
Loans Repayable on Demand (Secured)		
Loan from banks	-	-
Current maturities of long-term debt (Refer Note 18)	1.09	3.35
Total	1.09	3.35

Terms of loan taken

(i) Working capital loans are secured by way of first pari passu charge on the current assets by hypothecation of stocks of raw materials, finished and semi finished goods, stores and spares, bills receivable, book debts and all other movable current assets of the Company both present and future, and additionally secured by way of charge on several fixed assets of the Company and Personal Guarantee of Mr. Ashok Kumar Windlass, Mr. Hitesh Windlass and Mr. Manoj Kumar Windlass.

23 Trade payable

	As at March 31, 2024	As at March 31, 2023
(a) total outstanding dues of micro enterprises and small enterprises (refer note 39)	153.11	33.71
(b) total outstanding dues for creditors other than micro enterprises and small enterprises	1,162.00	843.72
Total	1,315.11	877.43

23(i) Classification and aging of Trade payables As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
(i) MSME	153.11	-	-	-	-	153.11
(ii) Others	743.58	418.42	-	-	-	1,162.00
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total Payables	896.69	418.42	-	-	-	1,315.11

23(ii) Classification and aging of Trade payables As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	< 1 Year	1-2 Years	2-3 Years	> 3 Years	
(i) MSME	33.71	-	-	-	-	33.71
(ii) Others	602.17	230.91	-	10.64	-	843.72
(iii) Disputed Dues-MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total Payables	635.89	230.91	-	10.64	-	877.43

24 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from Customers	21.43	20.07
Payable to Statutory Authorities	25.30	21.39
Total	46.73	41.46

25 Current Tax Liabilities (Net)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for income-tax	-	5.91
Total	-	5.91

26 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contract with customers		
Sale of Products	5,993.85	4,887.68
Export Sales	273.91	198.43
Sale of services	21.09	19.70
	6288.85	5105.81
Other Operating Revenues:		
Scrap Sales	2.03	2.98
Export Incentives	5.23	6.21
Other operating Income	13.45	15.83
	20.71	25.02
Total	6,309.56	5,130.83

Timing of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Goods transferred at a point in time	6,267.76	5,086.11
Services transferred over the time	21.09	19.70
Total revenue from contract with customers	6,288.85	5,105.81

Revenue by location of customers	For the year ended March 31, 2024	For the year ended March 31, 2023
India	6,014.94	4,907.38
Outside India	273.91	198.43
Total revenue from contract with customers	6,288.85	5,105.81

Reconciliation of revenue recognised in statement of profit and loss with contracted price

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	6,288.85	5,105.81
Less: adjustment on account of price variation	-	-
Less: Turnover discount	-	-
	6,288.85	5,105.81

Performance obligation

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods. {refer accounting policy 2.09}.

Sales of services: The performance obligation in respect of Software development services and Engineering services is recognised over time, since the customer simultaneously receives and consumes the benefits provided by the Company. {refer accounting policy 2.09}. There is no remaining performance obligation (unsatisfied performance obligation) pertaining to sale of services as at March 31, 2024 and March 31, 2023.

27 Other income

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income on:		
- financial assets measured at amortised cost	0.93	1.41
- others	0.54	-
- fixed Deposit	18.22	33.49
Net Gain on foreign currency transactions and translation	3.23	3.82
Gain on Investments measured at FVTPL*	108.21	47.82
Miscellaneous income	3.49	4.35
Gain on sale of property, plant and equipment	0.06	8.76
Total	134.68	99.65

* Gain on investment at FVTPL includes actual gain on sale of investment of Rs.8.72 millions and Rs. 17.25 millions during the year ended March 31, 2024, March 31, 2023 respectively.

28 Cost of material consumed

	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw material , Packing material and Consumables		
Inventories at the beginning of the year	397.47	389.85
Add: Purchases	3,836.26	3,414.76
	4,233.73	3,804.61
Less: Inventories at the end of year	367.86	397.47
	3,865.87	3,407.14
Total	3,865.87	3,407.14
Opening Stock of Consumables	15.42	40.73
Add: Purchases of Consumables	204.81	240.11
Less: Closing Stock of Consumables	1.91	15.42
Total consumption of consumables	218.32	265.42
Material Consumed Comprises of:		
Raw Material/Chemical and Packing Material	3,647.55	3,141.72
Consumables	218.32	265.42
Total	3,865.87	3,407.14

29. Changes in inventories of Finished Goods and Work-in-progress

	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year		
Finished Goods	170.39	130.89
Work in Progress	179.52	66.35
Total (A)	349.91	197.24
Less: Inventories at the end of year		
Finished Goods	217.51	170.39
Work in Progress	36.52	179.52
Total(B)	254.03	349.91
Total (A-B)	95.88	(152.67)

30. Employee benefit expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	812.33	656.89
Gratuity expense (refer note 40)	7.41	6.34
Contribution to provident and other funds (refer note 40)	28.34	25.17
Staff welfare expenses	5.82	4.73
ESOP Expenses	20.67	10.08
Total	874.57	703.21

31. Finance Cost

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on		
-term loans and vehicle loans	0.16	0.41
-working capital loans	6.61	5.06
-lease liability	3.97	2.25
-Other borrowing cost	0.31	0.16
Total	11.05	7.88

32. Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment (refer note 3)	114.82	108.18
Depreciation on right-of-use asset (refer note 5)	17.16	13.48
Amortisation of intangible assets [refer note 6(a)]	2.46	1.98
Total	134.44	123.64

33. Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Power & fuel	161.52	129.03
Repairs		
-Buildings	10.89	11.42
-Machinery	22.00	20.64
-Others	9.52	9.23
Insurance	10.95	7.90
Rates and Taxes	5.19	10.86
Security expenses	15.03	13.18
Traveling Expenses	24.33	17.93
Legal and Professional Fees	23.21	28.79
Auditor Remuneration (refer Note 34)	3.19	3.43
Commission on sales	109.92	71.27
Freight and carriage	62.81	44.98
Advertisement and Publicity	48.32	29.75
Research & Development Expenses (refer note 35)	78.77	89.48
Corporate social responsibility expenses (refer note 37)	9.93	8.39
Donations	0.23	0.52
Lab Testing Expenses	22.84	13.49
Assets written off	-	0.08
Printing and Stationery	11.29	9.83
Recruitment Expenses	0.96	1.62
Balance Written Off	-	0.54
Rent*	4.85	3.92
Provision for doubtful debts and other assets	27.49	22.75
Calibration Expenses	2.57	2.92
Miscellaneous Expenses	25.71	18.94
Total	691.52	570.89

* Rent expense related to short term leases. (Also refer note 42)

34. Auditor's Remuneration*

	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit Fees	2.40	2.40
Limited Review Fees	0.75	0.75
Certification Fees	0.04	0.28
Total	3.19	3.43

*It does not includes amount of Rs. 0.48 million towards buyback certification services which has not been charged to Statement of Profit & Loss and has been adjusted from Securities Premium in proportion of shares being offered or fresh shares issued.

35. Research and development expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue expenditure		
Employee benefit expenses	40.73	34.86
Raw & Packing Materials Consumed	38.04	54.62
Total	78.77	89.48

36. Earnings per share

	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the period/ year attributable to shareholders (A)	581.87	426.26
Original number of equity shares	20,926,628	21,794,375
Impact of Buy-back of Shares (Buy back of 128,053 and 867,747 shares of face value of Rs. 5 each for the period ended 31st March 2024 and 31st March 2023 respectively)	128,053	867,747
Weighted Average number of Equity Shares post Buyback used as denominator in calculating Basic Earnings Per Share (B)*	20,806,285	21,635,920
Impact of Potetial diluted Equity Shares**	66,460	-
'Weighted Average number of Equity Shares post Buyback used as denominator in calculating Diluted Earnings Per Share (C)*	20,872,745	21,635,920
Basic earnings per share (in Rs.) (A/B)	27.97	19.70
Diluted earnings per share (in Rs.) (A/C)	27.88	19.70

*The weighted average no. of ordinary equity shares used in computing basic & diluted EPS are after considering the impact of buyback of shares in accordance with requirement of Ind AS 33 Earnings Per Share.

**There are 66460 potential equity shares arising due to ESOP impact of the same is considered in Diluted Earning per share

37. Corporate social responsibility expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	9.69	8.04
b) Gross amount provided for CSR activities	9.93	8.39
c) Shortfall at the end of year	Nil	Nil
d) Total of previous year shortfall	Nil	Nil
e) Reason for Shortfall	N.A.	N.A.
f) Nature of CSR Activities (Other than on-going projects)		
Promoting health care including preventinve health care	3.66	4.16
Promoting Education	4.72	-
Animal Welfare & Environmental Sustainability	1.55	2.35
Skill Development & Promoting Education	-	1.88
g) Details of Related party Transactions	Nil	Nil
Total amount spent during the period/ year	9.93	8.39

38. Segment Information

Segments are identified in line with Ind AS-108, "Operating Segment" [specified under the section 133 of the Companies Act 2013 (the Act)] read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act, taking into consideration the internal organisation and management structure as well as differential risk and return of the segment. Based on above, the Group has identified "Pharmaceutical" as the only primary reportable segment. The Group does not have any geographical segment. Hence no separate disclosures are provided in these consolidated financial statements. The company has a subsidiary incorporated outside India which is not material for the group

39. Details of dues to Micro, Small and Medium Enterprises as per Micro Small and Medium Enterprise Development Act, 2006

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
- Principal amount due to micro and small enterprises	153.11	33.71
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

40. Gratuity and other post employment benefits

Disclosures pursuant to Ind AS - 19 "Employee Benefits"(notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

(i) Defined Contribution Plans

The Company makes payment to statutory funds in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, 1948 which are defined contribution plans. The Company's contribution paid/payable under the schemes is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The amount recognised in Statement of Profit and loss is Rs. 28.34 millions (March 31, 2023: Rs. 25.17 millions).

(ii) Defined Benefit Plan - Gratuity

a. The principal actuarial assumptions used for determining liability for gratuity are as follows:

	As at March 31, 2024	As at March 31, 2023
Economic assumptions:		
Discount rate	7.19%	7.36%
Expected rate of return on plan asset	7.36%	6.81%
Salary escalation rate	6%	6%
Demographic assumptions:		
Retirement age	58 years	58 years
Mortality rate	"100% of IALM (2012-14)"	"100% of IALM (2012-14)"
Withdrawal rate	12%	12%

	For the year ended March 31, 2024	For the year ended March 31, 2023
I Change in present value of defined benefit during the year		
1 Present value of defined benefit at the beginning of the year	46.79	37.35
2 Service Cost	7.53	6.57
3 Interest Cost	3.44	2.54
4 Net Actuarial (Gain)/Loss		
Actuarial changes arising from changes in demographic assumptions	-	(0.08)
Actuarial changes arising from changes in Financial assumptions	0.50	0.83
Actuarial changes arising from changes in experience assumptions	2.57	1.41
5 Benefits Paid	(2.10)	(1.83)
6 Liability Transfer In/(Out)	-	-
7 Present Value of obligation as at year-end	58.73	46.79
II Change in Fair Value of Plan Assets during the year		
1 Plan assets at the beginning of the year	48.35	40.76
2 Expected return on plan assets	3.56	2.78
3 Actuarial Gain/(Loss) on plan assets	(0.19)	0.08
4 Employer's contribution	7.05	6.57
5 Benefits paid	(2.10)	(1.83)
6 Plan assets at the end of the year	56.67	48.35
III Reconciliation of Present value of Defined Benefit Obligation and Fair Value of Plan Assets		
1 Present Value of obligation as at year-end	58.73	46.79
2 Fair value of plan assets at year -end	56.67	48.35
3 Funded status {Surplus/(Deficit)}	(2.06)	1.56
4 Net Asset/(Liability)	(2.06)	1.56
IV Expenses recognised in the Statement of Profit and Loss		
1 Current Service Cost	7.53	6.57
2 Net Interest Cost	(0.12)	(0.23)
3 Total Expense	7.41	6.34

V Other Comprehensive Income		
1 Actuarial gain(Loss) on Liabilities	(3.06)	(2.17)
2 Actuarial gain(Loss) on Assets	(0.19)	0.08
3 Closing Amount recognised in OCI outside PL Account	(3.25)	(2.09)
VI Bifurcation of PBO at the end of the year / period		
1 Current Liability	10.98	8.90
2 Non-Current Liability	47.76	37.89

VII Risk exposure

Through its defined benefit obligation, the Company is exposed to a number of risks, the most significant of which are detailed below:

Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

VIII Investment Details

The management of 100% of the gratuity funds is entrusted with the Life Insurance Corporation of India.

IX The sensitivity analysis of the defined benefit obligation based on changes in significant assumptions is provided in following table:

	As at March 31, 2024	As at March 31, 2023
A. Impact of change in discount rate-		
Present value of obligation at the end of the year	58.73	46.79
Impact due to increase of 0.50%	(1.43)	(1.16)
Impact due to decrease of 0.50%	1.51	1.22
B. Impact of change in future salary-		
Present value of obligation at the end of the year	58.73	46.79
Impact due to increase of 1.00%	2.95	2.44
Impact due to decrease of 1.00%	(2.71)	(2.26)
C. Impact of change in withdrawal rate-		
Present value of obligation at the end of the year	58.73	46.79
Impact due to increase of 5.00%	0.02	(0.08)
Impact due to decrease of 5.00%	(0.60)	(0.46)
X Expected benefit payments		
Year 1	11.29	9.18
Year 2	5.91	4.63
Year 3	6.85	5.11
Year 4	6.51	5.23
Year 5	5.99	5.00
After 5th year	55.62	45.81

41 Related party disclosures

A. Names of related parties and nature of relationship :

a) Key managerial personnel:

S.No.	Relationship	Name
(i)	Whole Time Director	Mr. Ashok Kumar Windlass
(ii)	Managing Director	Mr. Hitesh Windlass
(iii)	Joint Managing Director	Mr. Manoj Kumar Windlass
(iv)	Executive Director	Mr. Pawan Kumar Sharma
(v)	Non Executive Director	Mrs. Prachi Jain Windlass
(vi)	Chief Executive Officer (w.e.f. February 8, 2023) & Chief Financial Officer	Mrs. Komal Gupta
(vii)	Company Secretary	Mr. Ananta Narayan Panda
(viii)	Independent Director	Mr. Gaurav Gulati
(ix)	Independent Director	Mr. Vivek Dhariwal
(x)	Independent Director	Mr. Srinivasan Venkataraman

b) Relative of Key Managerial Personnel with whom transaction have taken place:

S.No.	Relationship	Name
(i)	Wife of Mr. Ashok Kumar Windlass	Mrs. Vimla Windlass
(ii)	Wife of Mr. Manoj Kumar Windlass	Mrs. Payal Windlass

c) Companies with Interest by Key Managerial Personnel:

S.No.	Relationship	Name
(i)	Interest by Key Managerial Personnel	AKW WBL Family Private Trust

d) Transactions with related parties are as follows:

S.No.	Nature of transaction	Year ended	Key Managerial Personnel	Relative of Key Managerial Personnel	Companies Interest by Key Managerial Personnel	Total	
(i)	Rent & Power Cost						
		Mr. Ashok Kumar Windlass	March 31, 2024	1.96	-	-	1.96
		Mr. Hitesh Windlass	March 31, 2024	1.96	-	-	1.96
		Mr. Manoj Kumar Windlass	March 31, 2024	1.96	-	-	1.96
		Mr. Ashok Kumar Windlass	March 31, 2023	1.96	-	-	1.96
		Mr. Hitesh Windlass	March 31, 2023	1.96	-	-	1.96
		Mr. Manoj Kumar Windlass	March 31, 2023	1.96	-	-	1.96
(ii)	Salary, allowances and bonus						
		Mr. Ashok Kumar Windlass	March 31, 2024	15.60	-	-	15.60
		Mr. Hitesh Windlass	March 31, 2024	8.70	-	-	8.70
		Mr. Manoj Kumar Windlass	March 31, 2024	8.70	-	-	8.70
		Mr. Pawan Kumar Sharma	March 31, 2024	5.07	-	-	5.07
		Mrs. Komal Gupta	March 31, 2024	16.53	-	-	16.53
		Mr. Ananta Narayan Panda	March 31, 2024	2.52	-	-	2.52

	Mr. Ashok Kumar Windlass	March 31, 2023	15.60	-	-	15.60
	Mr. Hitesh Windlass	March 31, 2023	8.70	-	-	8.70
	Mr. Manoj Kumar Windlass	March 31, 2023	8.70	-	-	8.70
	Mr. Pawan Kumar Sharma	March 31, 2023	4.61	-	-	4.61
	Mrs. Komal Gupta	March 31, 2023	11.48	-	-	11.48
	Mr. Ananta Narayan Panda	March 31, 2023	2.25	-	-	2.25
(iii)	Commission					
	Mr. Hitesh Windlass	March 31, 2024	8.80	-	-	8.80
	Mr. Manoj Kumar Windlass	March 31, 2024	8.80	-	-	8.80
	Mr. Hitesh Windlass	March 31, 2023	6.00	-	-	6.00
	Mr. Manoj Kumar Windlass	March 31, 2023	6.00	-	-	6.00
(iv)	Security Deposit refund.					
	Mr. Ashok Kumar Windlass	March 31, 2024	1.78	-	-	1.78
	Mr. Hitesh Windlass	March 31, 2024	1.78	-	-	1.78
	Mr. Manoj Kumar Windlass	March 31, 2024	1.78	-	-	1.78
	Mr. Ashok Kumar Windlass	March 31, 2023	1.77	-	-	1.77
	Mr. Hitesh Windlass	March 31, 2023	1.77	-	-	1.77
	Mr. Manoj Kumar Windlass	March 31, 2023	1.77	-	-	1.77
(v)	Dividend Paid					
	Mr. Ashok Kumar Windlass	March 31, 2024	17.60	-	-	17.60
	Mr. Hitesh Windlass	March 31, 2024	0.00	-	-	0.00
	Mr. Manoj Kumar Windlass	March 31, 2024	0.00	-	-	0.00
	Mrs.Prachi Jain Windlass	March 31, 2024	0.00	-	-	0.00
	Mrs. Payal Windlass	March 31, 2024	-	0.00	-	0.00
	Mrs. Vimla Windlass	March 31, 2024	-	1.14	-	1.14
	AKW WBL Family Private Trust	March 31, 2024	-	-	33.53	33.53
	Mr. Ashok Kumar Windlass	March 31, 2023	15.40	-	-	15.40
	Mr. Hitesh Windlass	March 31, 2023	0.00	-	-	0.00
	Mr. Manoj Kumar Windlass	March 31, 2023	0.00	-	-	0.00
	Mrs.Prachi Jain Windlass	March 31, 2023	0.00	-	-	0.00
	Mrs. Payal Windlass	March 31, 2023	-	0.00	-	0.00
	Mrs. Vimla Windlass	March 31, 2023	-	0.99	-	0.99
	AKW WBL Family Private Trust	March 31, 2023	-	-	29.33	29.33
(vi)	Director Sitting Fees					
	Mr. Gaurav Gulati	March 31, 2024	0.54	-	-	0.54
	Mr.Vivek Dhariwal	March 31, 2024	0.38	-	-	0.38
	Mr. Srinivasan Venkataraman	March 31, 2024	0.45	-	-	0.45
	Mr. Gaurav Gulati	March 31, 2023	0.55	-	-	0.55
	Mr.Vivek Dhariwal	March 31, 2023	0.31	-	-	0.31
	Mr. Srinivasan Venkataraman	March 31, 2023	0.41	-	-	0.41

e) Balances outstanding are as follows:

S.No.	Nature of transaction	Year ended	Key Managerial Personnel	Relative of Key Managerial Personnel	Companies Interest by Key Managerial Personnel	Total
(i)	Security deposit					
	Mr. Ashok Kumar Windlass	March 31, 2024	1.95	-	-	1.95
	Mr. Hitesh Windlass	March 31, 2024	1.95	-	-	1.95
	Mr. Manoj Kumar Windlass	March 31, 2024	1.95	-	-	1.95
	Mr. Ashok Kumar Windlass	March 31, 2023	3.73	-	-	3.73
	Mr. Hitesh Windlass	March 31, 2023	3.73	-	-	3.73
	Mr. Manoj Kumar Windlass	March 31, 2023	3.73	-	-	3.73
(ii)	Salary Payable					
	Mr. Ashok Kumar Windlass	March 31, 2024	1.30	-	-	1.30
	Mr. Hitesh Windlass	March 31, 2024	0.73	-	-	0.73
	Mr. Manoj Kumar Windlass	March 31, 2024	0.73	-	-	0.73
	Mr. Pawan Kumar Sharma	March 31, 2024	0.42	-	-	0.42
	Mrs. Komal Gupta	March 31, 2024	3.67	-	-	3.67
	Mr. Ananta Narayan Panda	March 31, 2024	0.21	-	-	0.21
	Mr. Ashok Kumar Windlass	March 31, 2023	1.30	-	-	1.30
	Mr. Hitesh Windlass	March 31, 2023	0.73	-	-	0.73
	Mr. Manoj Kumar Windlass	March 31, 2023	0.73	-	-	0.73
	Mr. Pawan Kumar Sharma	March 31, 2023	0.38	-	-	0.38
	Mrs. Komal Gupta	March 31, 2023	0.78	-	-	0.78
	Mr. Ananta Narayan Panda	March 31, 2023	0.19	-	-	0.19
(iii)	Rent Payable					
	Mr. Ashok Kumar Windlass	March 31, 2024	0.16	-	-	0.16
	Mr. Hitesh Windlass	March 31, 2024	0.16	-	-	0.16
	Mr. Manoj Kumar Windlass	March 31, 2024	0.16	-	-	0.16
	Mr. Ashok Kumar Windlass	March 31, 2023	0.16	-	-	0.16
	Mr. Hitesh Windlass	March 31, 2023	0.16	-	-	0.16
	Mr. Manoj Kumar Windlass	March 31, 2023	0.16	-	-	0.16
(iv)	Commission Payable					
	Mr. Hitesh Windlass	March 31, 2024	8.80	-	-	8.80
	Mr. Manoj Kumar Windlass	March 31, 2024	8.80	-	-	8.80
	Mr. Hitesh Windlass	March 31, 2023	6.00	-	-	6.00
	Mr. Manoj Kumar Windlass	March 31, 2023	6.00	-	-	6.00

Note:

- (i) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end/ year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (ii) Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the company as a whole.

(iii) The Company has recognised an expenses of Rs. 8.83 millions (previous year Rs. 2.45 millions) towards employee stock options granted to Key Managerial Personnel. The same has not been considered as managerial remuneration of the current year as defined under Section 2(78) of the Companies Act, 2013 as the options have not been exercised.

42 Short term leases

Short term leases are mainly in the nature of premises and godowns and are renewable / cancellable at the option of either of the party. The aggregate amount of short term lease payment recognised in the statement of Profit and Loss account is March 31, 2024: ₹ 4.85 millions, March 31, 2023: ₹ 3.92 millions.

43 Fair Value Measurement

A. Financial instruments by category	March 31, 2024			March 31, 2023		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
(a) Investment	1,734.35	-	-	1,065.14	-	-
(b) Cash and cash equivalents	-	-	52.88	-	-	36.86
(c) Bank balances Other then Cash and cash equivalents	-	-	256.57	-	-	217.68
(d) Trade Receivables	-	-	1,362.77	-	-	1,168.60
(e) Other financial assets	-	-	58.58	-	-	91.05
Total	1,734.35	-	1,730.80	1,065.14	-	1,514.19
Financial liabilities						
(a) Borrowings	-	-	1.09	-	-	4.44
(b) Lease liability	-	-	35.32	-	-	45.49
(c) Trade payables	-	-	1,315.11	-	-	877.43
(d) Other financial liabilities	-	-	333.99	-	-	267.65
Total	-	-	1,685.51	-	-	1,195.01

B. Fair Value Hierarchy

Assets and liabilities measured at amortised cost for which fair value are disclosed as at March 31, 2024	March 31, 2024				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
(a) Investment	9	1,734.35	-	-	1,734.35
(b) Cash and cash equivalents	14	-	-	52.88	52.88
(c) Bank balances Other then Cash and cash equivalents	15	-	-	256.57	256.57
(d) Trade Receivables	13	-	-	1,362.77	1,362.77
(e) Other financial assets	10	-	-	58.58	58.58
Total		1,734.35	-	1,730.80	3,465.15
Financial liabilities					
(a) Borrowings	18	-	-	1.09	1.09
(b) Lease liability	19	-	-	35.32	35.32
(c) Trade payables	23	-	-	1,315.11	1,315.11
(d) Other financial liabilities	20	-	-	333.99	333.99
Total		-	-	1,685.51	1,685.51

Assets and liabilities measured at amortised cost for which fair value are disclosed as at March 31, 2023	March 31, 2023				
	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
(a) Investment	9	1,065.14	-	-	1,065.14
(b) Cash and cash equivalents	14	-	-	36.86	36.86
(c) Bank balances Other than Cash and cash equivalents	15	-	-	217.68	217.68
(d) Trade Receivables	13	-	-	1,168.60	1,168.60
(e) Other financial assets	10	-	-	91.05	91.05
Total		1,065.14	-	1,514.19	2,579.33
Financial liabilities					
(a) Borrowings	18	-	-	4.44	4.44
(b) Lease liability	19	-	-	45.49	45.49
(c) Trade payables	23	-	-	877.43	877.43
(d) Other financial liabilities	20	-	-	267.65	267.65
Total		-	-	1,195.01	1,195.01

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted prices. The fair value of all equity instruments (including bonds) which are traded in stock exchanges is valued using the closing prices as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximises the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in level 3.

During the year, there were no transfers between Level 1 and Level 2, and no transfers into and out of Level 3 fair value measurements.

The Group's policy is to recognise transfers into and transfer out of fair value hierarchy levels as at the end of the reporting period.

C. Accounting classification and fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

	Carrying value		Fair value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial assets				
(a) Investment	1,734.35	1,065.14	1,734.35	1,065.14
(b) Cash and cash equivalents	52.88	36.86	52.88	36.86
(c) Bank balances Other than Cash and cash equivalents	256.57	217.68	256.57	217.68
(d) Trade Receivables	1,362.77	1,168.60	1,362.77	1,168.60
(e) Other financial assets	58.58	91.05	58.58	91.05
Total	3,465.15	2,579.33	3,465.15	2,579.33
Financial liabilities				
(a) Borrowings	1.09	4.44	1.09	4.44
(b) Lease liability	35.32	45.49	35.32	45.49
(c) Trade payables	1,315.11	877.43	1,315.11	877.43
(d) Other financial liabilities	333.99	267.65	333.99	267.65
Total	1,685.51	1,195.01	1,685.51	1,195.01

The carrying amount of financial instruments such as cash and cash equivalents, other bank balances, trade payables, and other current financial assets and liabilities are considered to be same as their fair value due to their short term nature. The carrying amount of borrowings are considered to be same as their fair value since it comprises the working capital loan and bank overdraft which are short term in nature.

D. Valuation technique used to determine fair value

The fair value of security deposits were calculated based on discounted cash flows using current lending rate. The fair value of other financial instruments viz. cash and cash equivalents, borrowings, trade payables and other financial assets and liabilities are considered to be same as their carrying value due to their short term nature.

E. Valuation process

A team in the finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes including level 3 fair values. It directly reports to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and valuation team on periodic basis in line with the Company's reporting period.

The level 3 input for security deposits is derived at using the current lending rate of Company's borrowings. Changes in level 2 and level 3 fair values, if any, are analysed at the end of the reporting period and reasons for such movements are provided by the valuation team.

44 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables etc. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, other bank balances, trade receivables, security deposits, etc. that derive directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The management is responsible for formulating an appropriate financial risk governance framework for the Company and for periodically reviewing the same. The senior management ensures 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:

Risk	Exposure arising from	Measurement	Management
Market risk-interest rate	Borrowings	Sensitivity analysis	Mix of borrowings with fixed and floating interest rates
Market risk-foreign exchange	Recognised financial liabilities not denominated in INR	Sensitivity analysis	Foreign currency exposure is unhedged
Credit risk	Financial assets measured at amortised costs	Ageing analysis	Credit limits
Liquidity risk	Borrowings and other liabilities	Cash flow forecasting	Availability of committed credit lines and borrowing facilities

a. 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 prices comprises two types of risk: foreign currency risk and interest rate risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis excludes the impact of movement in market variables on the carrying values of gratuity and other post- retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss items and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.

i. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

(i) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs. 51.97 in millions is as follows:

Particulars	March 31, 2024	March 31, 2023
Financial liabilities		
Import Creditors		
USD	0.09	2.94
Total	0.09	2.94
Financial assets		
Export Debtors		
EURO	-	0.07
USD	32.21	66.20
EEFC Account		
USD	19.67	0.25
Total	51.88	66.53

(ii) Sensitivity analysis

The following table demonstrate the sensitivity to a reasonably possible change in USD and EURO exchange rates, with all other variables held constant:

Particulars	Impact on profit or loss	
	March 31, 2024	March 31, 2023
USD sensitivity		
INR/USD- increase by 5%	2.59	3.18
INR/USD- decrease by 5%	(2.59)	(3.18)
EURO sensitivity		
INR/EURO- increase by 5%	-	0.00
INR/EURO- decrease by 5%	-	(0.00)

II. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

b. 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, security deposits and other financial instruments.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Asset company	Description	Provision for expected credit loss*
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/ life time expected credit loss
Moderate credit risk	Trade receivables, loans and other financial assets	12 month expected credit loss/ life time expected credit loss
High credit risk	Trade receivables, loans and other financial assets	Life time expected credit loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

* Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Trade receivables

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security. The Group's credit period generally ranges from 30-60 days or as per agreed contractual terms and conditions.

The ageing of trade receivables is given below:

	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	686.38	546.32
Past due but not impaired		
-upto 90 days	619.75	582.85
-90-180 days	50.37	31.77
-More than 180 days	42.28	41.58
	1,398.78	1,202.52
Less: Allowance for expected credit losses	(36.01)	(33.92)
Total	1,362.77	1,168.60

Financial instruments and other deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at March 31, 2024 and March 31, 2023 is the carrying amounts.

c. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective at all times is to maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Contractual maturities of financial liabilities	Less than 1 Year	1-5 Years	Above 5 years	Total
Non-derivatives				
As on March 31, 2024				
Borrowings	1.09	-	-	1.09
Trade and other payables	1,315.11	-	-	1,315.11
Lease liabilities	15.14	20.18	-	35.32
Other financial liabilities	332.19	1.80	-	333.99
Total Non-derivative liabilities	1,663.53	21.98	-	1,685.51
As on March 31, 2023				
Borrowings	3.35	1.09	-	4.44
Trade and other payables	877.43	-	-	877.43
Lease liabilities	15.32	30.17	-	45.49
Other financial liabilities	264.47	3.18	-	267.65
Total Non-derivative liabilities	1,160.57	34.44	-	1,195.01

Capital management

The Company's objective when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.- In order to maintain capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants consistent with others in the industry. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt the loans and borrowing less cash and cash equivalents and bank balance other than cash and cash equivalent. Capital includes equity attributable to the owners of the Company.

	As at March 31, 2024	As at March 31, 2023
Borrowings (long-term and short term, including current maturities)- (Refer Note 18 & 22)	1.09	4.44
Less : Cash and cash equivalents and Bank Balance other than cash and cash equivalents- (Refer Note 14 & 15)	309.45	254.55
Net Debt (a)	(308.36)	(250.11)
Equity- (Refer Note 16)	103.99	104.63
Other equity- (Refer Note 17)	4,395.37	3,918.08
Total Equity (b)	4,499.36	4,022.71
Net debt to equity ratio (c=a/b)	NA*	NA*

* This ratio is not relevant for the current year as the cash and cash equivalents and bank & balances other the cash and cash equivalents exceeds borrowings.

45. Details of Utilization of IPO money

The Company has completed the Initial Public Offer ("IPO") of 8,729,023 Equity Shares of the face value of Rs. 5/- each at an issue price of Rs. 460/- per Equity Share, comprising offer for sale of 5,142,067 shares by Selling Shareholders and fresh issue of 3,586,956 shares. The Equity Shares of the Company are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on August 17, 2021.

The utilisation of the net IPO proceeds is summarised below:

Objects of the issue	Amount as per Prospectus	Revised Amount	Utilisation upto 31-March-23	Un-Utilised Amount as at 31-March-23
Capital expenditure towards expansion of manufacturing facility	500.00	500.00	500.00	-
To meet working capital requirement	475.62	475.62	475.62	-
Repayment/ Prepayment of certain of our borrowings	200.00	200.00	200.00	-
General corporate purposes	346.03	355.10	355.10	-
Total	1,521.65	1,530.72	1,530.72	-

The total offer expenses are Rs. 247.26 million which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The Company's share of these expenses is Rs. 101.96 millions which has been adjusted against securities premium.

46. Buyback of Shares

The Board of Directors of the company in their meeting held on November 08, 2022, has decided for Buy-back of Equity shares of Face Value Rs.5 each for an amount not exceeding Rs. 250.00 Million at a price not exceeding Rs. 325/- (Rupees Three Hundred and Twenty Five Only) per equity share ("Maximum Buy-back Price") payable in cash from the equity shareholders/beneficial owners of the equity shares of the Company other than the Promoters, members of Promoter Group and persons in control of the Company ("Buyback Offer") from Open Market through Stock Exchange Mechanism in terms of the provisions of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 ("Buyback Regulations"). The company had based on the above approval bought back 867,747 number of Equity share having face value of Rs. 5 each for an amount Rs. 217.966 Million at the average price of Rs. 251.19 from the open market till March 31, 2023.

The Company, completed the Buyback on May 03, 2023 by purchase of 995,800 equity shares aggregating to Rs. 250.039 Million (excluding Transaction Costs) from the equity shareholders of the Company (other than the promoters, promoter group and persons in control of the Company) via the open market route. The amount utilised towards the Buyback exceeded by Rs. 0.039 Million due to reasons beyond control, which is 0.0159% of the amount earmarked for the Buyback. The board has approved the total amount of buyback of Rs. 250.039 Million.

Note 47 - Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of Restated Consolidated Financial Information' of Division II of Schedule III.

As at March 31, 2024

Name of entity in the group	Net Assets		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	(Total Assets - Total Liabilities)		As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	As % of consolidated net assets	Amount						
Parent								
Windlas Biotech Limited	100.07%	4,502.66	99.98%	581.78	97.98%	(2.43)	99.99%	579.35
Subsidiary								
Windlas Inc. (w.e.f. April 16, 2020)	(0.07%)	(3.30)	0.02%	0.10	2.02%	(0.05)	0.01%	0.05
Joint Venture								
US Pharma Windlas Inc. LLP (w.e.f. April 16, 2020)	-	-	-	-	-	-	-	-
Elimination/Adjustments	-	-	-	-	-	-	-	-
Total	100.00%	4,499.36	100.00%	581.87	100.00%	(2.48)	100.00%	579.39
Consolidated net assets/ Profit/ (loss) after tax								
Attributable to shareholder's of the company	100.00%	4,499.36	100.00%	581.87	100.00%	(2.48)	100.00%	579.39
Attributable to non-controlling interest	-	-	-	-	-	-	-	-

As at March 31, 2023

Name of entity in the group	Net Assets		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	(Total Assets - Total Liabilities)		As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	As % of consolidated net assets	Amount						
Parent								
Windlas Biotech Limited	100.08%	4,025.97	100.04%	426.44	85.24%	(1.56)	100.11%	424.88
Subsidiary								
Windlas Inc. (w.e.f. April 16, 2020)	(0.08%)	(3.26)	(0.04%)	(0.18)	14.76%	(0.27)	(0.11%)	(0.45)
Joint Venture								
US Pharma Windlas Inc. LLP (w.e.f. April 16, 2020)	-	-	-	-	-	-	-	-
Elimination/Adjustments	-	-	-	-	-	-	-	-
Total	100.00%	4,022.71	100.00%	426.26	100.00%	(1.83)	100.00%	424.43
Consolidated net assets/ Profit/ (loss) after tax								
Attributable to shareholder's of the company	100.00%	4,022.71	100.00%	426.26	100.00%	(1.83)	100.00%	424.43
Attributable to non-controlling interest	-	-	-	-	-	-	-	-

48 Contingent Liabilities and Commitments (to the extent not provided for)

i. Contingent Liabilities

There is no contingent liabilities.

ii. Capital Commitments

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for*	152.87	141.12

* Capital commitment for the year ended March 31, 2023 is related to Injectable plant, the contract of the same will be executed in the next few months

49 Other Statutory information

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property
- ii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- iv. 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 Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- v. 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
- vi. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).
- vii. The Company does not have 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).
- viii. 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.
- ix. The company has not granted any loans or advances in the nature of loans either repayable on demand.

50. Significant Events after the Reporting date

There were no significant adjusting events that occurred subsequent to the reporting date.

As per our report of even date

For S S Kothari Mehta & Co LLP

Chartered Accountants

Firm Registration Number - 000756N/N500441

For and on behalf of the board of directors of Windlas Biotech Limited

(formerly known as Windlas Biotech Private Limited)

Vijay Kumar

Partner

Membership No. - 092671

Place: Delhi

Date: May 20, 2024

Ashok Kumar Windlass

Whole Time Director

DIN: 00011451

Place: Dehradun

Date: May 20, 2024

Hitesh Windlass

Managing Director

DIN: 02030941

Place: Gurgaon

Date: May 20, 2024

Manoj Kumar Windlass

Joint Managing Director

DIN: 00221671

Place: Dehradun

Date: May 20, 2024

Komal Gupta

Chief Executive Officer & Chief Financial Officer

Place: Gurgaon

Date: May 20, 2024

Ananta Narayan Panda

Company Secretary

Place: Gurgaon

Date: May 20, 2024

NOTICE OF 23rd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 23rd Annual General Meeting of Members of **Windlas Biotech Limited** will be held on Tuesday, the 24th day of September, 2024 at 02:30 P.M. (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Auditors and the Board of Directors thereon.

a) **"RESOLVED THAT** the audited standalone financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2024 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To declare a Final Dividend of ₹5.50/- per Equity Share for the financial year 2023-24.

3. To appoint a Director in place of Mr. Manoj Kumar Windlass, Joint Managing Director (DIN: 00221671) who is liable to retire by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act 2013, Mr. Manoj Kumar Windlass, (DIN: 00221671), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

Special Business:

4. Ratification of the remuneration of the Cost Auditor

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, remuneration of M/s Sourabh Jain & Associates, the Cost Auditors, appointed by the Board of Directors of the Company, to conduct audit of the cost records of the Company for the financial year ending March 31, 2025,

at a remuneration of ₹60,000/- (Rupees Sixty Thousand Only), excluding G.S.T. as applicable and reimbursement of other out-of-pocket expenses actually incurred by the said Auditors in connection with the cost audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company is hereby authorised to do all acts, deeds, matters and things as may be deemed necessary or expedient in connection therewith and incidental thereto."

By Order of the Board of Directors

Ananta Narayan Panda

Company Secretary

ACS: 13980

Date: May 20, 2024

Place: Gurgaon

Registered Office:

40/1 Mohabewala Industrial Area, Dehradun,

Uttarakhand - 248110

CIN: L74899UR2001PLC033407

Email: grievance@windlasbiotech.com

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

Notes :

1. The Ministry of Corporate Affairs (MCA) vide its General Circular No. 20/2020 dated May 5, 2020, read with other relevant circulars on the subject, including General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as 'MCA Circulars') has permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) and MCA Circulars, the 23rd AGM of the Company is being held through VC / OAVM on Tuesday, 24th September, 2024 at 02:30 P.M. The deemed venue for the 23rd AGM shall be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Act, setting out the material facts concerning the business under Item No. 4 of the Notice are annexed hereto. The relevant details pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment at this AGM are also annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence, the proxy form and attendance slip and route map of AGM are not annexed to this notice.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 2000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. In line with the MCA Circulars, the Notice of the AGM along with Annual Report 2023-24 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants (DPs)/ Registrar & Transfer Agent (RTA). The Company shall send a physical copy of the Annual Report to those Members who request for the same at grievance@windlas.com mentioning their Folio No./DP ID and Client ID. The Notice convening the 23rd AGM and the Annual Report 2023-24 have been uploaded on the website of the Company at www.windlas.com and may also be accessed from the relevant section on the websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The Notice of the AGM is also available on the website of Link Intime India Private Limited (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in>.
7. As per Regulations 39 and 40 of the SEBI Listing Regulations, as amended, listed companies can effect issuance of duplicate securities certificate; renewal / exchange, endorsement, sub-division / split, consolidation of securities certificate; transfer, transmission and transposition, as applicable in Dematerialised form only with effect from January 24, 2022.

Further, SEBI has introduced common and simplified norms for processing investors' service requests by RTAs and norms for furnishing PAN (Aadhar linked, if applicable), KYC (postal address with PIN code, mobile number, bank account details and specimen signature) and Nomination details. Accordingly, the RTAs cannot process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents / details are updated. FAQs in respect of Investors' Service Requests, published by SEBI can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf.
8. Book Closure and Dividend:
 - (i) The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 18, 2024 to Tuesday, September 24, 2024, both days inclusive.

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

The dividend of ₹5.50/- per equity share of ₹5 each (i.e. 110%), if approved and declared by the Members at the AGM, will be paid subject to deduction of income tax at source (TDS) on or after Tuesday, 24th September, 2024, as under:

For Shares held in electronic (demat) form: To all the Beneficial Owners as at the end of the day on Tuesday, September 17, 2024 i.e Record Date, as per the list of beneficial owners to be furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL);

- (ii) Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from April 1, 2020 and the Company is required to deduct income-tax at source from dividend paid to the Members as per the rates prescribed under the Income Tax Act, 1961 (the IT Act). In general, to enable compliance with the TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number (PAN), Category as per the IT Act with their Depository Participants (DPs) in respect of shares held in demat form.
- (iii) Payment of dividend through Electronic Clearing System or any other means in a timely manner:

Members may please note that their bank account details as furnished by the respective Depositories will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / addition/ deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs.

In respect of Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant / Bankers' cheque / demand draft to such Members.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the

submission of PAN by every participant in the securities market.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
11. All the documents referred to in the accompanying notice and explanatory statement annexed thereto shall be available for inspection from the date of circulation of this notice up to the date of AGM. These documents along with the extracts from Register of Directors and Key Managerial Personnel & their shareholding and the Register of Contracts & Arrangements in which directors are interested shall be available for inspection in electronic mode during the meeting to any person having right to attend the meeting
12. Remote e-voting before/during the AGM:
 - (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 and Regulation 44 of the Listing Regulations, as amended and also the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-voting system as well as e-voting during AGM will be provided by Link Intime India Private Limited.
 - (b) Members of the Company holding shares either in physical form or in demat form as on the cut-off date of September 17, 2024 may cast their vote by remote e-voting. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting before the AGM as well as e-voting during the AGM. Any person holding shares in physical form and shareholder other than individual shareholders who acquires shares of the Company and becomes a Member of the Company after the despatch of the Notice and holding shares as

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

on the cut-off date, i.e. September 17, 2024, may obtain the User ID and Password by sending a request at enotices@linkintime.co.in. In case of Individual Shareholders holding shares in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, i.e. September 17, 2024, may follow steps mentioned below under "Log- in method for e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode".

- (c) The remote e-voting period commences on September 20, 2024 (9.00A.M.) (IST) and ends on September 23, 2024, (5.00P.M.) (IST). The remote e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. September 17, 2024.
- (d) Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote at the end of discussion on the Resolutions on which voting is to be held, upon announcement by the Chairman. Members who have cast their vote on Resolution(s) by remote e-voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote again on such Resolution(s). Subject to the receipt of requisite votes, Resolutions shall be deemed to be passed on the date of the Meeting, i.e. September 24, 2024.
- (e) The remote e-voting module on the day of the AGM shall be disabled by Link Intime India Private Limited for voting 15 minutes after the conclusion of the Meeting.

13. The Scrutiniser will submit his report to the Chairman or to any other person authorised by the Board after the completion of the scrutiny of the e-voting (votes cast before/during the AGM), within two working days from the conclusion of the AGM. The results declared along with the Scrutiniser's Report shall be communicated to the Stock Exchanges on which the Company's shares

are listed, Link Intime India Private Limited and will also be displayed on the Company's website www.windlas.com.

14. INSTRUCTIONS FOR E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS FOLLOWS:

A. Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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

1. Individual Shareholders holding securities in demat mode with NSDL
 1. Existing IDeAS user can visit the e-Services website of NSDL viz. <https://eservices.nsd.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 2. If you are 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>
 3. 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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

3. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in/>
2. Click on **"Sign Up"** under **'SHARE HOLDER'** tab and register with your following details:

A. User ID: Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.


B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.


C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

 Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

 Click "confirm" (Your password is now generated).

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
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Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

B. Process and manner for attending the Annual General Meeting through InstaMeet:

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on **"Login"**.

Select the **"Company"** and **'Event Date'** and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first served basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)

to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 4

The Board of Directors on the recommendation of the Audit Committee has appointed Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 and approved the payment of remuneration payable to the Cost Auditor.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and

Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought by passing an Ordinary Resolutions set out at Item No. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 4 of the accompanying Notice for approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, concerned or interested financially or otherwise in the said resolution as per item no. 4 of the Notice.

By Order of the Board of Directors

Ananta Narayan Panda

Company Secretary

ACS: 13980

Date: May 20, 2024

Place: Gurgaon

Registered Office:

40/1 Mohabewala Industrial Area, Dehradun,





Uttarakhand - 248110

CIN: L74899UR2001PLC033407

Email: grievance@windlasbiotech.com

NOTICE OF 23rd ANNUAL GENERAL MEETING (Contd.)
DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 on General Meeting]

Name of Director	Mr. Manoj Kumar Windlass
DIN	00221671
Age	45
Date of First Appointment on the Board	April 01, 2006
Qualification	He holds a bachelor's degree in business administration from Georgia State University, Atlanta.
Expertise in Specific Functional Areas	He has experience in product development, operations, procurement and portfolio functions of the medicine business.
Profile	Mr. Manoj Kumar Windlass is the Joint Managing Director of our Company. He has set up our CDMO Services and Products SBV and plays a significant role in driving the product portfolio decisions and overall commercial operations including business development, supply chain and procurement of our Company. He joined our Company on April 1, 2006 as a Director of our Company and was appointed as Joint Managing Director of our Company on April 30, 2020.
Directorship in Other Companies	Windlas Exports Private Limited
Name of the Listed Companies from which the Director has resigned in the past 3 years	None
Membership/Chairmanship of Committees in other Companies as on March 31, 2024	-NIL
Number of Meetings of Board during 2023-24	
 Total meetings held during respective tenure :	04
 Attended :	03
Inter-se Relationship with other Directors/ KMP	Mr. Ashok Kumar Windlass- Father Mr. Hitesh Windlass-Brother
Terms and Conditions of Appointment	Joint Managing Director liable to retire by rotation
Details of Remuneration last drawn (2023-24)	Refer Directors' Report/ Corporate Governance Report for the year 2023-24
Details of Remuneration sought to be paid in 2024-25	As approved by NRC and approved by board
No of shares held	
 Own	03
 For other persons on a beneficial basis	Nil



Corporate Office:

705-706, Vatika Professional Point, Sector-66 Golf Course Extension Road
Gurgaon - 122 001 Haryana, India Tel.: +91 124 2821030

Registered Office:

40/1, Mohabewala Industrial Area, Dehradun - 248 110
Uttarakhand, India Tel.: +91 135 6608000