Panacea Biotec
Innovation in support of life

September 05, 2024

The Manager, Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
NSE Symbol: PANACEABIO

BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001
BSE Scrip Code: 531349

Reg.: Annual Report for the Financial Year 2023-24 including Notice of the 40th Annual General Meeting and details of Book Closure, Cut-off date for E-voting and E-voting Period

Dear Sir/Madam,

This is in continuation to our letter dated August 14, 2024, intimating that the 40th Annual General Meeting ("AGM") of the Company will be held on **Friday, September 27, 2024 at 11:30 A.M. (IST)** through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') in compliance with the applicable General Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to the provisions of Regulation 30 and 34 of the SEBI Listing Obligations and Disclosure Requirements, 2015 ("SEBI LODR Regulations"), please find enclosed the Notice of 40th AGM and the Annual Report for the financial year 2023-24, which is being sent to the Members through electronic mode. The same are also made available on the website of the Company at www.panaceabiotec.com

Also pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI LODR Regulations, the Company is pleased to provide remote e-voting facility to its members to cast their votes electronically on all resolutions set forth in the enclosed AGM Notice.

Further, relating to the AGM of the Company, you are requested to take note of the following:

1. **Register of Members and Share Transfer Books shall remain closed from Friday, September 20, 2024 to Friday, September 27, 2024** (both days inclusive).
2. **The cut-off date for the purpose of exercising remote e-voting, shall be Friday, September 20, 2024**.
3. **The remote e-voting period shall commence on Tuesday, September 24, 2024 (from 09:00 a.m. IST) and end on Thursday, September 26, 2024 (upto 05:00 p.m. IST)**.
4. The remote e-Voting facility will also be available during the AGM for the members attending the AGM.

This is for your kind information and record please.

Thanking you,

Sincerely yours,

For **Panacea Biotec Limited**

Vinod Goel
Digitally signed by Vinod Goel
Date: 2024.09.05 17:57:07 +05'30'

Vinod Goel
Group CFO and Head Legal & Company Secretary
Encl.: As Above

ANNUAL REPORT
2023-24

Panacea Biotec
Innovation in support of life

NOURISHING LIVES
for a Healthier Tomorrow

Panacea Biotec
Innovation in support of life

Contents

Safe Harbour Statement

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about Company's future growth drivers, product development, market position and expenditures are forward looking statements. Forward looking statements are based on certain assumptions and expectations for future events. The Company may not guarantee that these assumptions and expectations are accurate and will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any forward looking statements. The Company assumes no responsibility to publicly amend, modify, revise any forward-looking statements, on the basis of any subsequent developments, information and events.

Corporate Information

Board of Directors

Executive Directors:

Dr. Rajesh Jain - Chairman and Managing Director

Mr. Sandeep Jain - Joint Managing Director

Mr. Ankesh Jain - Whole-time Director

Non-Executive Directors:

Mrs. Ambika Sharma

Mr. Bhupinder Singh

Mrs. Manjula Upadhyay

Mr. Mukul Gupta

Mr. Narotam Kumar Juneja

Company Secretary

Mr. Vinod Goel - Group CFO and Head Legal & Company Secretary

Chief Financial Officer

Mr. Devender Gupta - Chief Financial Officer & Head Information Technology

Registered Office

Ambala-Chandigarh Highway
Lalru - 140501, Punjab, India

Corporate Offices

- B-1 Extn./G-3, Mohan Co-operative Indl. Estate Mathura Road, New Delhi - 110044, India
- B-1 Extn./A-27, Mohan Co-operative Indl. Estate Mathura Road, New Delhi - 110 044, India

Manufacturing Facilities

- Malpur, Baddi, Dist. Solan, Himachal Pradesh - 173 205, India
- Ambala - Chandigarh Highway, Lalru - 140 501, Punjab, India

R&D Centres

- B-1 Extn./A-24-25, Mohan Co-operative Indl. Estate Mathura Road, New Delhi -110 044, India
- Ambala - Chandigarh Highway Lalru - 140 501, Punjab, India

Statutory Auditors

M/s Walker Chandiok & Co. LLP
Chartered Accountants, Gurugram, India

Secretarial Auditors

M/s R&D Company Secretaries, Delhi, India

Cost Auditors

M/s Jain Sharma & Co., Cost Accountants, New Delhi, India

Registrar & Transfer Agent

M/s Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Indl. Area, Phase-I
New Delhi - 110020, India

Banks

- Axis Bank Limited
- ICICI Bank Limited
- IDBI Bank Limited
- Kotak Mahindra Bank Limited
- State Bank of India

www.panaceabiotec.com
CIN: L33117PB1984PLC022350

Information as on August 14, 2024

Panacea Biotec
Innovation in support of life

Our Values

Mission

Innovation in Support of Life

Vision

Leading Health Management Company

Goal

To Meet Every Healthcare Need with a Panacea Biotec Brand and Service

Objective

Take Ideas from Grey Cell to Markets in a Proactive Manner

Innovation

- A process which transforms business ideas to marketable products
- Bringing together different functions of the organisation like marketing, finance, R&D, manufacturing to meet a common goal
- A 'way of life' in every activity, from administration to innovation
- To challenge every process & solution to discover ways to make them better
- Intolerance towards stability, encouraging continuous change
- Thinking about the impossible and discovering ways to execute it
- Deep rooted and sustainable change and superficial efforts

Integrity

- Honesty
- Ethical practices
- Transparent and clear communication
- Always learning & improving

Pioneer

- Striving for leadership in every activity and to become the guiding star
- Having a vision of the future and succeed in reaching there before anyone else
- Persevere in owning innovation and be the first mover in the market
- Empowering people to speed up the organisation growth
- Always embracing new technology and processes
- Confidence to stand apart from competitive organisations

Humane

- Humility to respect all individuals
- Care for individuals and environment
- Placing betterment of people (external and internal) at the core of each activity
- Core of new developments

Message from Chairman and Managing Director

Dear Stakeholders,

I am pleased to connect with you once again and present the Annual Report for the financial year 2023-24. I would also like to invite you to participate in the ensuing Annual General Meeting of your Company which will be held on September 27, 2024 through video conferencing and other audio / visual means.

In the pursuit of a healthier tomorrow, we are steadfast in our mission to nourish lives through ground-breaking innovations. As a leader in research and development, specializing in innovative vaccines and high-end pharmaceutical generics, we are deeply committed to addressing the world's most pressing health challenges.

The global vaccine market continues to be supported by governments, multilateral agencies, large scale donors and investors all across the globe. After the adoption of the wP-IPV based fully liquid hexavalent vaccine by WHO's Strategic Advisory Group of Experts (SAGE) in October 2021 in the global immunization program, now PAHO and Gavi, the Vaccine Alliance have also adopted the same in the year 2023 for the countries covered by these institutions. Recommendations on the use of dengue vaccines were issued by the SAGE on immunization at its meeting in September 2023 and endorsed by the WHO thereafter.

Having played a pivotal role in eradication of polio from India and other developing countries, and having changed the landscape of global immunization by introducing the world's first wP-IPV based hexavalent vaccine, your Company has undertaken capacity expansion project with an investment of ~US$ 27 million to align the manufacturing capacities of the Drug Substance and Drug Product related to the wP based fully liquid hexavalent vaccine EasySix® to supply this vaccine to UN Agencies and other public health organizations. Vaccine Business: During the year, your Company has launched world's first fully liquid wP-IPV based pentavalent vaccine, EasyFourPol® (DTwP-Hib-IPV) in India.

During the year, your Company's vaccine manufacturing facilities were inspected by WHO for the pentavalent vaccine Easyfive-TT® and Bi-OPV®. The said inspection was successfully completed without any critical observation.

New Vaccines: Your Company has also made significant progress towards the development of the Country's first dengue vaccine DengiAll®. We are pleased to share that the Phase III clinical trial of DengiAll® has been initiated in India in collaboration with ICMR on August 14, 2024, to be conducted across 19 sites in 18 States and Union Territories of India, involving more than 10,335 healthy adult participants.

Your Company has already completed the Phase III clinical trial of Td (tetanus and diphtheria reduced) vaccine - TedShot® and the same will be launched after receipt of necessary regulatory approvals. Your Company is also in the process of initiating the Phase III clinical trial for its 11-valent pneumococcal vaccine NucoVac®11, which is expected to begin during Q4 FY2024-25 after receiving necessary regulatory approvals.

We are also pleased to share that your Company's wholly-owned subsidiary, Panacea Biotec Pharma Limited (PBPL) has launched the nanotechnology-based generic product, Paclitaxel protein bound in human albumin particles, in Canada during the financial year 2023-24. PBPL exports its products to more than 30 countries worldwide including the countries in Europe, Asia, Africa and LATAM. During the financial year 2023-24, PBPL received approval for its product Valgapan (valganciclovir powder for oral suspension) in Germany which will be launched during the current year.

While Panacea Biotec continues to focus on improving the existing business and expediting the future growth projects, it is also giving equal attention to the ongoing litigations by engaging best of the counsels to safeguard the interest of the group. We are confident that considering the merits of the cases and the legal opinions received, we do not anticipate any adverse impact on the business or operations or otherwise. Continuation of the USFDA's warning letter for PBPL's pharmaceutical formulation & oncology facilities at Baddi, Himachal Pradesh continues to be a matter of concern, however we are fully committed and are taking all the necessary steps to address USFDA concerns and are working closely with USFDA to close their observations and the closure of warning letter. Panacea Biotec remains committed to patient safety and quality. We take quality and compliance matters seriously and stand by our commitment to fully comply with the cGMP quality standards.

Nutrition Business: Panacea Biotec believes in Nourishing Lives, Protecting Futures through the dual power of vaccination and nutrition. During the financial year 2023-24, PBPL completed setting up of a manufacturing facility for nutrition products at its existing campus at Baddi, Himachal Pradesh. PBPL entered into nutrition market under 7N Food & Nutrition SBU with launch of in-house developed and manufactured ChilRun® range of products under the brand name, ChilRunfull®, ChilRun®7+, ChilRun®No Sucrose in ~150 territories across India covering almost 15,000 paediatricians presently. The products are also made available online on major e-commerce platforms like Amazon, Tata 1mg etc. for sale. PBPL plans to add more products going forward to expand the product portfolio and markets including other specialties like women and adult nutrition.

From harnessing cutting-edge technologies to leveraging data-driven insights, our efforts are paving the way for a future where healthcare is more equitable and sustainable thus enabling a healthier and longer life.

Your Company believes employees are the core strength of its continuous growth in all the segments. We continue to build our internal talent pipeline through cadre and capability building interventions. Panacea Biotec strongly believes in developing and grooming managers and leaders from within the organization and has started recruiting freshers directly from the campus for different functions including manufacturing, research & development. Diversity and inclusion are an important organizational agenda. Taking our agenda of increasing diversity representation in the organization we have undertaken a target to increase women representation to upto 16% of our total manpower, over the next 3 years from 8.5% at present. The total employee's strength of the group has increased to 2,209 as on March 31, 2024.

Financial Performance: During the financial year 2023-24, your Company's consolidated revenues from operations has grown by ~22% to ₹5,592 million. The vaccine business contributed revenues of ₹3,596 million and the pharmaceuticals business contributed revenue of ₹1,996 million. The consolidated loss before exceptional items and tax was reduced by ~62% to ₹346 million. On standalone basis, the Company's revenue from operations has grown by ~40% to ₹3,596 million on account of higher institutional sales. The Company's earnings before interest, tax, depreciation and amortizations for financial year 2023-24 was ₹142 million as against loss of ₹626 million during previous financial year. The profit before tax was ₹42 million against loss of ₹628 million during financial year 2022-23. Both the Company and PBPL continue to remain free of any external debts.

Your Company has strong fundamentals in place and is building upon these to attain long term future growth. I am sure you will be excited to know that your Company has taken several strategic steps, as explained above, for achieving sustainable future growth. We are sure these efforts will provide significant impetus to the future growth of your Company and its subsidiaries.

As we look ahead, we remain committed to nourishing lives by pushing the boundaries of scientific innovation. Our work is far from over, and we will continue to invest in the research and development needed to tackle the health challenges of tomorrow. Together, with our partners and stakeholders, we are building a healthier world - one innovation at a time.

We are grateful to our Board of Directors for their continued guidance and support, our employees for their tireless efforts and contributions, our customers and suppliers for their business support and our stakeholders for their continued confidence in us and hope to receive the same in future as well.

Best wishes

Dr. Rajesh Jain, Ph.D.
Chairman and Managing Director

Panacea Biotec At A Glance

Panacea Biotec
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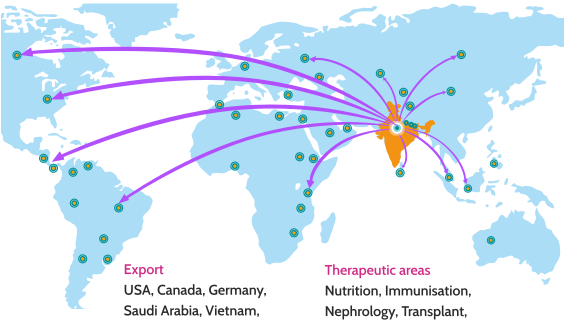
Panacea Biotec

Live Well and Live Longer

10 billion+	Polio immunisations in developing countries
190 million+	Immunisations by innovative fully-liquid combination vaccines
36 million+	Patients treated by Gastro intestinal diseases including Piles / Haemorrhoids etc.
33 million+	Patients being treated by Diabetes franchise
6.4 million+	Patients treated by Organ transplantation franchise
400,000+	Patients treated by Oncology franchise

Panacea Biotec brands are used in over 89+ countries



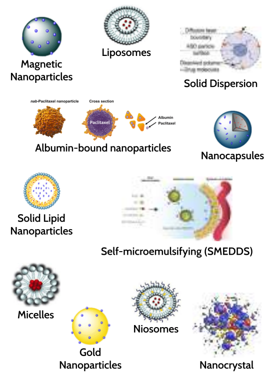
Export
USA, Canada, Germany, Saudi Arabia, Vietnam, Thailand, Colombia, Brazil and many more countries across the world!

Therapeutic areas
Nutrition, Immunisation, Nephrology, Transplant, Oncology, Rheumatology, ENT, Pain, Diabetes, Gastroenterology

Areas of research

- Drug delivery & Complex generics
- NCE
- Vaccine research

Drug Delivery System



Research
- ✓ 1 NCE commercialised
- ✓ Adjuvants (1 commercialised, 1 in Phase III)

Development
- ✓ 110+ Phase-III trials
- ✓ 70+ BA/BE studies

Manufacturing & QMS
- ✓ Harmonised QMS for global compliance
- ✓ Over 50 audits from global stringent regulatory bodies such as US FDA, Bfarm, WHO PQ, ANVISA, Australia TGA etc.

New and Exciting

ChilRun full™ — TOTAL NUTRITION TO SUPPORT BOYS' & GIRLS' GROWTH & DEVELOPMENT

ChilRun NO SUCROSE™ — TOTAL NUTRITION FOR OBESE GROWING BOYS' & GIRLS'

ChilRun 7+™ — TOTAL NUTRITION FOR MODERN-DAY GROWING BOYS' & GIRLS'

Pipeline

DengiAll™ — Live, attenuated chimeric recombinant tetravalent candidate vaccine

NuCoVac 11 — Pneumococcal polysaccharide conjugate vaccine containing serotype with ≥70% IPD coverage

First In The World

Sitcom Tablets — Euphorbia Prostrata Extract Tablets 100mg

Sitcom Cream — Euphorbia Prostrata Dry Extract Ethanolic 80% (v/v) [(35-70):1] Cream 1% w/w 10mg

EasySix® (DTwP-Hep B-Hib-IPV) — Complete Sustainable Protection

EasyFourPol® (DTwP-Hib-IPV)

Easyfive-TT® (DTwP-Hep B-Hib) — Trusted Effective Protection

Easyfour®-TT (DTwP-Hib) — Protection Made Easy

Bi-OPV — BI-VALENT POLIOMYELITIS VACCINE TYPE 1 & TYPE 3, LIVE (ORAL) — Trusted Safe Protection

Complex Delivery Systems

PacliALL — Nanoparticle	PanGraf® — Solid Dispersion
GLIZID-MR — Modified Release	GLIZID® — Micronized Technology
Panimun Bioral® — Micro Emulsion	LIVOLUK FIBRE — Synergistic Combination
Nimulid®-MD — Mouth Dissolving	Nimulid TransGel — Transdermal Delivery

Manufacturing facilities


Pharmaceutical Facility, Baddi, Himachal Pradesh


Oncology Facility, Baddi, Himachal Pradesh

Pharmaceuticals
State-of-the-art cGMP-compliant Pharmaceutical Manufacturing Facilities

- US FDA, EU GMP, MCC, Saudi FDA, ANVISA certifications for Pharmaceutical facility
- US FDA, EU GMP compliant Oncology facility


Drug Substance Facility, Lalru, Punjab


Drug Product Facility, Baddi, Himachal Pradesh

Biologicals
State-of-the-art cGMP-compliant Vaccine Manufacturing Facilities

- WHO PQ
- Indian NRA - CDSCO

Nutrition
cGMP compliant Nutrition product Manufacturing Facility

- Hygienic Zoning to prevent contamination
- Allergen Labelling and Management
- FDA, FSSAI / BIS / ISO 17025 approved

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Key Strengths

Panacea Biotec
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Panacea Biotec

Leading biotechnology company with over 30 years experience in development, manufacturing and commercialization of vaccines, pharmaceutical formulations

Global footprint exports to over 50 countries

State-of-the-art manufacturing facilities cGMP compliant and approved by global regulatory authorities

Established research & development and clinical research capabilities with multi-disciplinary R&D Centers

Robust product pipeline of promising products to fuel long-term growth

Reestablishing extensive sales and distribution network across India

Growing Strategic partnerships and collaborations

Strong promoter group supported by experienced and qualified management team

Financial Highlights

Particulars	2023-24*		2022-23*	2021-22*	2020-21*#	2019-20*#	2018-19*	2017-18*	2016-17*	2015-16	2014-15
	(₹ in million)	US$ million**	(₹ in million)								
Consolidated Financial Performance Summary											
Revenue from operations	**5,591.68**	**67.05**	4,599.46	6,612.32	6,248.05	5,440.62	4,566.96	5,961.61	5,579.51	6,530.80	6,871.90
Total Income	**5,849.64**	**70.14**	5,116.09	6,722.01	6,347.82	5,737.49	4,611.79	6,043.94	6,045.46	6,734.30	7,156.70
EBITDA	**(200.61)**	**(2.41)**	(979.59)	(132.03)	766.29	313.59	(1,311.94)	847.40	626.90	1,117.20	438.80
PBT^	**14.77**	**0.18**	128.05	14,493.56	(1,450.30)	(1,773.44)	462.25	(661.39)	(671.80)	(189.30)	(994.10)
PAT^	**(15.05)**	**(0.18)**	(337.45)	10,783.34	(1,476.58)	(1,942.96)	376.67	(759.97)	(562.00)	(182.90)	(1,065.00)
Equity Share Capital	**61.25**	**0.73**	61.25	61.25	61.25	61.25	61.25	61.25	61.25	61.25	61.25
Reserves & Surplus / Other Equity	**8,359.21**	**100.23**	8,374.78	8,705.11	(2,348.18)	1,926.62	3,442.72	3,025.60	3,495.50	4,424.85	4,650.65
Shareholders' Funds	**8,420.46**	**100.96**	8,436.03	8,766.36	(2,286.93)	1,987.87	3,503.97	3,086.85	3,556.75	4,486.10	4,711.90
Total Liabilities	**12,406.71**	**148.76**	12,711.66	17,588.69	11,775.32	13,903.00	13,755.20	16,075.56	18,001.38	18,544.10	19,304.70
Net Fixed Assets	**6,833.47**	**81.94**	6,482.76	6,793.24	6,798.61	7,996.01	8,819.76	9,880.00	10,308.84	12,256.80	12,930.60
Total Assets	**12,406.71**	**148.76**	12,711.66	17,588.69	11,775.32	13,903.00	13,755.20	16,075.56	18,001.38	18,544.10	19,304.70
Key Performance Indicators											
Profitability Ratios											
EBITDA Margin (%)	**(3.59)**	-	(21.30)	(2.10)	12.26	5.76	(28.73)	14.21	11.24	17.11	(6.39)
PBT Margin (%)^	**0.26**	-	2.78	219.19	(23.21)	(32.60)	10.12	(11.09)	(12.04)	(2.90)	(14.47)
PAT Margin (%)^	**(0.27)**	-	(7.34)	163.08	(23.63)	(35.71)	8.25	(12.75)	(10.07)	(2.80)	(15.50)
Shareholders Related Ratios											
EPS (Basic & Diluted)* (in ₹)**	**(0.19)**	**(0.00)**	(5.43)	176.05	(24.11)	(31.72)	6.15	(12.42)	(9.18)	(2.99)	(17.39)

* Figures are as per Indian Accounting Standard (Ind AS)
# include figures for the discontinued operations
** 1 US$ = ₹83.40 as on 31.03.2024

*** Per Equity Share of ₹1 each
^ after exceptional items
Note: Figures in brackets are negative numbers

Management Discussion & Analysis

GLOBAL VACCINE MARKET

The global vaccine industry continues to attract significant attention from governments, multilateral agencies, large scale donors and investors all across the globe. Vaccine immunization programs that are run across various countries have saved millions of lives every year. Covid-19 pandemic has given further impetus to the importance of vaccines as a life-saving tool resulting into a strong push to the vaccine industry. With increased awareness, resounding success of current vaccination programs, and successful model developed by Gavi, the Vaccine Alliance (Gavi) for adoption and funding, the number of vaccines being targeted are increasing as per the World Health Organisation (WHO) Immunization Agenda 2030 (Ia2030), Gavi 6.0 and Gavi's Vaccine Innovation Prioritisation Strategy (VIPS).

As per industry estimates, the global vaccine market declined from US$144 billion (including Covid-19 vaccine sales) to about US$ 124 billion in 2022, however the other vaccines (other than Covid-19 vaccine) market grew from US$ 43 billion in 2021 to US$ 46 billion in 2022 and is estimated to be at US$ 48 billion in 2023. It is estimated to grow at a rate of ~4.4% annually until 2030. Excluding the Covid-19 vaccine portion of the market, global vaccine market has continued to grow over the past four years, driven partly by increasing use of high-priced adult vaccines (pneumococcal conjugate vaccine and shingles) as well as significant value growth in China driven primarily by private market demand for human papilloma virus vaccine.

Concentration of vaccine manufacturing remains with 10 manufacturers alone providing 75% of vaccine doses (excluding Covid-19 vaccines) and capturing 85% of the global value of vaccines, with more than 80 manufacturers serving the remaining market.

Future growth in the global vaccine market is expected to be driven by increased availability of affordable vaccines, growing awareness on immunization and vaccination benefits in emerging markets supported by government led immunization programs. WHO continues to take initiatives to increase awareness of immunization through Global Vaccine Action Plan (GVAP) and Global Immunization Vision and Strategy (GIVS). Growth in the Asia-Pacific markets is driven by large population base, rising prevalence of infectious diseases, increasing vaccination awareness & acceptance and high expenditure by governments.

Dynamics of Global Vaccine Market

- Driver: Increasing focus on immunization programs: The focus on immunization has increased considerably with rising healthcare awareness and several government organizations are undertaking initiatives to meet this goal.

  National Governments fund National Immunization Programmes (NIP) through public market tenders or procurement through UN Agencies like United Nations Children's Fund (UNICEF), Pan American Health Organization (PAHO), etc. There are vaccines for over 16 diseases, including measles, diphtheria and whooping cough (pertussis) as well as the more recently developed vaccines, such as the human papilloma virus (HPV) and meningococcal quadrivalent (ACWY) vaccines that are covered by NIPs. Gavi and other donor agencies are routinely providing support including technical expertise and funds to national Governments to adopt new vaccines.

  Over 100 million children born in the Rest of the World (ROW) countries receive vaccines through UN Agencies or through their national Governments. These purchases have ramped up the growth in the vaccine market since early 2000, wherein Gavi has helped adopt more than 16 vaccines in global immunisation programs through market and non-market activities including providing funding to different manufacturers for development of vaccines.

- Restraints: Low purchasing power in developing countries: The traditional six vaccines under the Expanded Programme on Immunization (EPI), viz. measles, diphtheria, pertussis, tetanus, oral polio, and bacille calmette-guerin (BCG – vaccine for tuberculosis disease) are mature products and offered as combination vaccines. High fixed costs and a steep learning curve make new vaccines relatively expensive, as the investments in R&D and production facilities need to be recovered and production techniques need to be optimized and perfected to bring down variable production costs. New vaccines that involve recombinant DNA (rDNA) or messenger RNA (mRNA) technology are newer age technologies that have been proven during the Covid-19 pandemic and pose new threats to replace traditional vaccines. However, cost considerations, ease of use and high acceptance rates of traditional vaccines will continue to remain barriers in adoption of newer vaccine technologies that are expensive, unsuitable for traditional refrigerators, and more carbon intensive (due to requirement of specialized chemicals and raw materials, transportation challenges, lyophilization, specialized refrigerators, etc.).

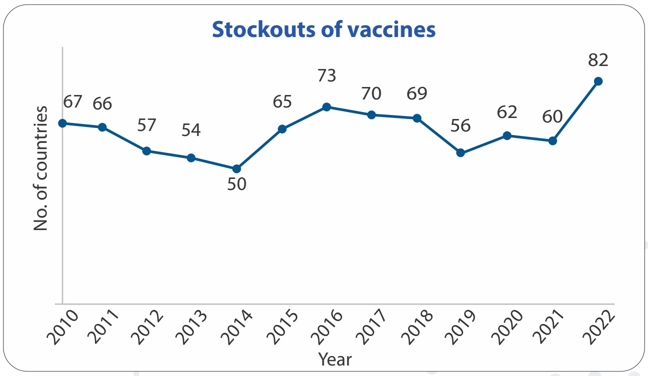
  Non-market activities undertaken by international organisations without competitive process may discourage private investments in development of vaccines as it creates unreal pricing pressures for manufacturers trying to enter the market without such extramural funding (like grants, etc.), creating barriers to entry, and uncertainty regarding commercial viability. These market and non-market factors together continue to threaten the business case of developing novel vaccines that are or could potentially be included in the priority pathogen list.

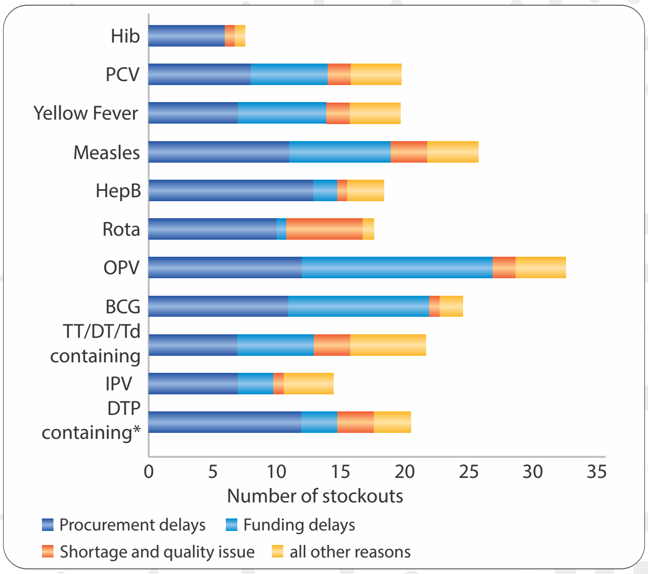
- Opportunities:
  - Growing Global Demand: Increased awareness of the importance of vaccination can expand market opportunities.
  - Technological Advancements: Innovations like mRNA technology can lead to the development of more effective vaccines.
  - Focus on newer technologies, therapeutic vaccines and pandemic preparedness: Therapeutic vaccines enable corrective treatment, as opposed to preventive vaccines. An improved understanding of immunology has resulted in the opportunity to develop therapeutic vaccines for the treatment of cancer, allergies, physiological disorders and infectious diseases. Such diseases have a large patient base that desperately seeks alternative safer treatments. Scientists have attempted to develop novel therapeutic vaccines against hypertension, dyslipidaemia, alzheimer's disease, cancer and inflammatory diseases by targeting self-antigens. If the efficacy and safety of vaccines can achieve an effect equivalent to that of medication, vaccines may be an alternative to daily medication for the treatment of lifestyle diseases.
  - Partnerships and Collaborations: Collaborating with Governments, NGOs, and other pharma companies to enhance reach and resources.
  - Public Health Initiatives: Leveraging global health campaigns to promote vaccination programs.

  Market generation activities undertaken by international organisations continue to increase the number of vaccines being covered by the National Immunization Programs and the number of countries are rolling out the WHO's recommended schedule for vaccination either through self-funded or donor funded programs. Vaccines targeting priority pathogens continue to provide large-scale opportunities for expansion as each such vaccine can immediately reach to more than 100 million babies born every year. As of June 2024, Gavi supports vaccine against 20 infectious diseases through 53 product presentations.

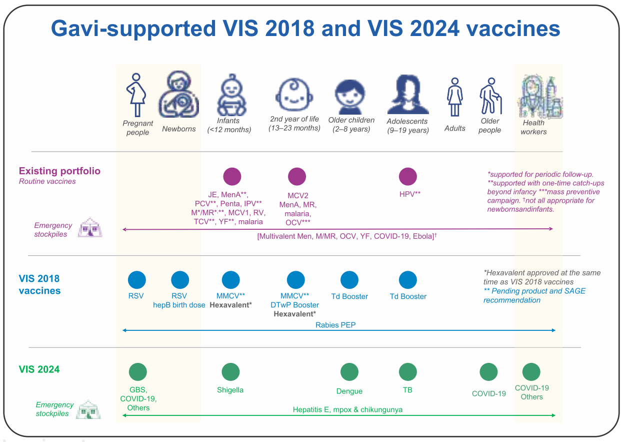
  Such efforts by agencies like Gavi will continue to benefit Panacea Biotec's pipeline candidates. Under Gavi 4.0, Gavi Board's "in principle" support decision in 2018 was a strong signal that incentivised multiple manufacturers to pursue their hexavalent vaccine development plans which will help create a healthier and more competitive market in the medium and long term. Additional engagement by Alliance partners has improved several market attributes to ensure a successful launch of hexavalent vaccine, especially at a price that was optimized in the latest UNICEF tender owing to a cross-alliance effort. As part of the Gavi's Vaccine Investment Strategy (VIS 2018), the wP-hexavalent vaccine (first launched by Panacea Biotec in March 2017 under the brand name, EasySix®) was prioritized. In June 2023, Gavi confirmed the adoption of the wP-hexavalent vaccine creating a market for over 100 million doses annually by 2030 in Gavi countries.

  - Stockouts of existing vaccines: The market continued to witness more than 80 stockouts of essential vaccines across the year in 2022. These were majorly due to procurement, funding, shortage or quality issues. Such shortages continue to incentivize manufacturers to maintain high levels of inventory of vaccines and raw materials to cater to such stockouts to ensure that paediatric immunization programs are not impacted anywhere. Due to Covid-19 related delays, more than 100 million doses of Pentavalent vaccines are now required in 2024 and 2025 to finish catchup immunization programs. Gavi has decided to fully fund these catchup immunizations but with exit of a manufacturer from the market, remaining existing manufacturers are going to be under pressure to meet the tight timelines for vaccine supply.





- Opportunities in the Indian vaccine market:
  - The Government of India is the single largest buyer of vaccines with procurement being undertaken for ~27 million babies annually.
  - Higher local content requirements in Indian tenders continue to offer opportunities for Indian manufacturers to develop and commercialise EPI vaccines for the high-volume but low-value Indian market.
  - Gavi 5.0 / 6.0's push for inclusion of more vaccines in the global EPI schedules and Government of India's new commitments to reduce infant mortality and boost maternal health will continue to provide more opportunities for sustainable market development leveraging existing vaccine platforms.



  - With Gavi 5.0 (2021-2025), there is renewed interest in the public market adoption of dengue vaccine. The Alliance's proposal to encourage large-scale immunization programs will create a sustainable market for such vaccines beyond India. Panacea Biotec has recently initiated Phase III clinical trials of its candidate tetravalent dengue vaccine, DengiAll® in India in collaboration with ICMR.

Challenges:

- Vaccine misinformation: Misconception about vaccines often arises when there are information gaps or unsettled science, as human nature seeks to reason, better understand, and fill in the gaps. Vaccine misconceptions and misinformation are major concern among governments, funding agencies, vaccine manufacturers and suppliers, and other stakeholders alike. Low acceptance rates due to vaccine misinformation result in the lower market penetration of effective and safe vaccines, which could adversely affect the market.
- Regulatory hurdles: Stringent and varying regulations across countries can delay market entry.
- Competition: Increasing competition from other pharmaceutical companies developing similar vaccines.
- Supply Chain disruptions: Natural disasters, pandemics or geopolitical issues can disrupt the supply chain.
- Adverse events and Safety concerns: Reports of adverse events can lead to loss of trust and legal liabilities.
- Intellectual Property disputes: Legal challenges over patents and proprietary technologies.

INDIAN VACCINE MARKET

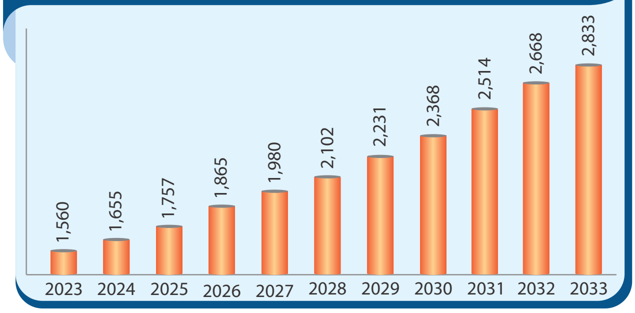
The Indian vaccine industry has seen a significant increase in demand for vaccines, especially after the sudden outbreak of Covid-19. The Government's continued efforts and awareness programs to promote the usage of vaccines has resulted in the public becoming more aware, comfortable and familiar with vaccinations. All this is expected to add to the market growth in the future years.

The rising number of private companies in India has also aided in the growth of the market share. Many pharmaceutical and biotechnology firms have made efforts to offer low-cost vaccine solutions and are gradually turning their attention to innovation to elevate their revenues. The Government is also fostering market expansion by easing the rules and regulations and inviting foreign investments in order to accelerate the establishment of a better medical research infrastructure.

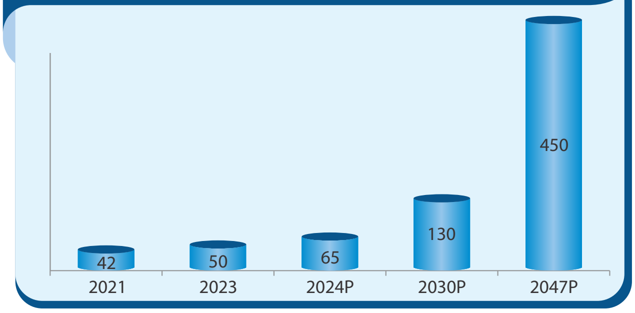
India continues to be one of the largest vaccines producing countries and a global leader in the supply of diphtheria, tetanus and pertussis (DPT) and DPT based combination vaccines, bacillus calmette–guerin (BCG) and Measles vaccines. Being one of the biggest suppliers of affordable vaccines in the world, India accounts for ~60% of global vaccine production, contributing ~40 to 70% of the WHO demand for DPT and BCG vaccines, and ~90% of the WHO demand for the Measles vaccine. Universal Immunization Programme (UIP) run by the Government of India is one of the largest public health programmes in the world, covering ~30 million pregnant women and ~27 million newborn babies annually. Under UIP, the Government of India is providing free of cost vaccination against 12 vaccine preventable diseases.

The Indian vaccine market is estimated at ~₹290 billion (~US$ 3.5 billion) in 2023. The market is further expected to reach ~₹996 billion (~US$ 12 billion) by 2030, growing at a compound annual growth rate (CAGR) of ~10-12% in the near future. The future growth in the Indian vaccine industry will be

Pharmaceuticals Market Size 2023 to 2033 (US$ billion)



Indian Pharmaceuticals Market (US$ billion)



driven by several factors like Government initiatives, population growth, advancements in vaccine technology, government led immunization programs, investment support in research & development (R&D) by government funding agencies, increased awareness & access and income levels allowing people to vaccinate their families against deadly diseases. In addition, technological advancements, higher manufacturing capacities and cold chain storage facilities are also expected to support the future growth of the Indian Vaccine Industry.

India is among the top 12 destinations for biotechnology worldwide and third largest in Asia-Pacific. The country holds 3-5% of the global biotechnology industry pie. In 2022, India's bioeconomy was valued at US$ 137 billion, and aims to achieve US$ 300 billion mark by 2030.

Panacea Biotec is committed towards growth of the Indian private market vaccine franchise with additional launches scheduled in the next 18 to 24 months and hopes to introduce NucoVac®11 and DengiAll® among other products to meet unmet medical needs in 2026, subject to successful completion of the Phase III clinical trials and receipt of requisite regulatory approvals. EasySix® (the world's first fully liquid wP-based Hexavalent vaccine) continues to be the market leader.

GLOBAL PHARMACEUTICAL MARKET

The global pharmaceutical market is estimated at ~US$ 1,560 billion in 2023 and is expected to grow to ~US$ 2,833 billion by 2033 growing at a CAGR of 6.15% during 2024 to 2033. North America dominates the global market with ~38% market share followed by Europe ~30% and Asia-Pacific region ~25%.

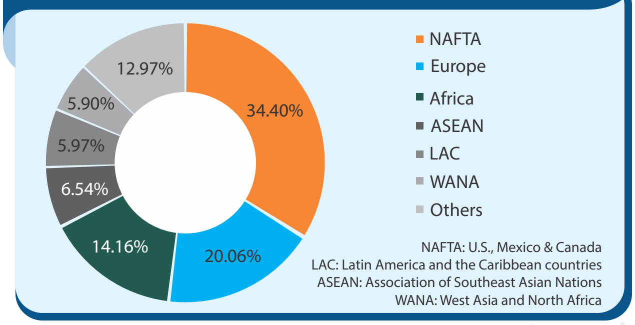
The expansion can be ascribed to an upswing in healthcare awareness, a heightened prevalence of respiratory diseases, shift in lifestyles, surge in pharmaceutical research and development (R&D) expenditure, a growing aging population, rise in the number of surgical procedures, robust economic growth in emerging markets and increased number of approvals for haematology / oncology (cancer) drugs.

The future growth will mainly be driven by critical therapeutic areas like oncology, immunology, cardiology and neurology which are the fastest-growing therapeutic areas at present and will continue in future. An ageing population in many developed markets will also create higher demand for medicines. In particular, demand for chronic disease medicines will grow in the mid and long-term. Pharmaceuticals demand in emerging markets is set to increase due to growing government support, increase in healthcare access, rise in investments, rapid growth in the elderly population, upsurge in healthcare expenditure and heightened awareness of immunization and vaccination.

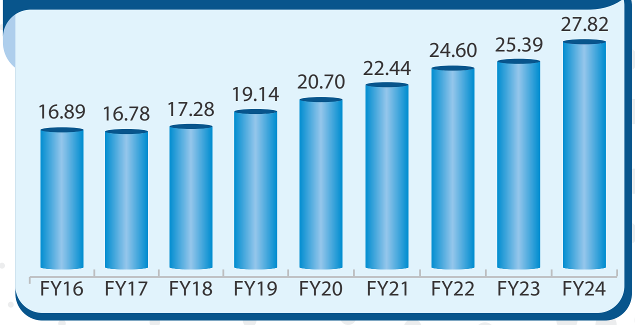
INDIAN PHARMACEUTICAL MARKET

India continues to be the 3rd largest worldwide for pharmaceutical production in terms of volume and 14th in terms of value. During financial year 2017-18 to 2022-23, the Indian pharmaceutical industry grew at a CAGR of 6-8%, primarily driven by an 8% increase in exports and a 6% rise in the domestic market. According to Government data, the Indian pharmaceutical industry is worth ~US$ 50 billion with exports contributing ~US$ 27 billion. The country has ~20% share in the global supply volume and contributes to ~60% of the global vaccines. Key segments of the Indian Pharmaceutical industry are OTC medicines, generics, active

Major Export Destinations in India's Pharma Export in FY24 (%)



Drugs & Pharmaceuticals Exports from India (US$ billion)



pharmaceutical ingredients (APIs), vaccines, biosimilar and contract research manufacturing (CRM). The pharmaceutical exports from India reach more than 200 nations around the world, including highly regulated markets of the USA, Europe, Japan and Australia.

The country has an established domestic pharmaceutical industry, with a strong network of ~3,000 pharmaceutical companies and ~10,500 manufacturing units. The pharma sector currently contributes to ~1.8% of the country's GDP. The production linked incentive (PLI) scheme for pharmaceuticals is being implemented by the Government of India with a total outlay of ~US$ 2.04 billion (₹15,000 Crore) spanning from 2020-21 to 2028-29, to boost India's manufacturing capacity, elevate investment, and diversify product offerings in the sector. Pharmaceutical industry in India is expected to reach ~US$ 65 billion by 2024 and to ~US$ 130 billion by 2030. India supplies over 50% of Africa's requirement for generics, ~40% of generic demand in the US and ~25% of all medicines in the UK.

Nutrition Market

The baby food and infant formula market is estimated to be ~US$ 5.7 billion in 2023 (~₹475 billion) in India. As per industry estimates, this market is expected to grow to ~US$ 9.0 billion (~₹ 751 billion) by 2032, growing at a CAGR of 5% during 2024-2032. The growth in this market will be driven by increasing awareness among the parents for overall development of children through nutritional products. Consumers are increasingly using baby food products to give additional supplements to increase the immunity and health of infants and young children. The future growth will also be driven by other innovative products including ready-to-feed baby food products, that are easy to use, portable and rich in nutritional values.

PANACEA BIOTEC'S BUSINESS AND STRATEGY

Panacea Biotec group continues to focus on its vaccines and pharmaceutical business including the recently launched nutrition products. Vaccines business contributes the largest share in the group's revenues with the remaining coming from pharmaceutical formulations and nutrition products.

We believe that we have a strong pipeline and are well positioned for future growth. Research & Development is at the heart of fulfilling our purpose to deliver affordable innovations that enable people to live well and live longer. Our R&D efforts seek to add value to our existing products by improving their effectiveness, ease of dosing and reducing cost of manufacturing. We seek to leverage a strong pipeline, organize around expected operational growth drivers and capitalize on trends creating long-term growth opportunities.

We are committed to strategically capitalizing on growth opportunities, primarily by advancing our own product pipeline and maximizing the value of our existing products, but also through various business development activities. We view our business development activity as an enabler of our strategies and seek to generate growth by pursuing opportunities and transactions that have the potential to strengthen our business and our capabilities. We assess our business, assets and scientific capabilities / portfolio as part of our regular, ongoing portfolio review process and also continue to consider business development activities that will help advance our business strategy.

VACCINES BUSINESS

Panacea Biotec is one of the leading manufacturers of paediatric vaccines and has played a pivotal role in eradication of Poliomyelitis from India and many other countries. Panacea Biotec had been one of the largest suppliers of oral polio vaccines to UNICEF, the Government of India and other developing countries. In last over two decades, the Company has supplied more than 10 billion doses of polio vaccine in India and developing countries and enabled more than 190 million immunizations by supplying fully liquid wP based combination vaccines. Our innovations have helped increase paediatric immunization coverage, provided significant savings in the overall cost of immunization and saved the lives of millions of children in developing countries.

We believe that the following are the key strengths of Panacea Biotec:

- Advanced Research and Development Capabilities: Strong R&D teams and state-of-the-art laboratories enable the development of innovative vaccines.

- Strong Regulatory Knowledge: Expertise in navigating complex regulatory environments to secure approvals.
- Robust Supply Chain: Efficient manufacturing and distribution networks ensure timely delivery of vaccines.
- Established Brand and Reputation: Trusted by healthcare providers and the public, leading to higher acceptance rates.
- Intellectual Property: Patents and proprietary technologies provide a competitive edge.

The Company has pioneered in the development of vaccines ranging from recombinant, polysaccharide conjugate and viral vaccines. The Company has a strong pipeline of vaccines under development to boost its future growth including DengiAll® a single dose live-attenuated tetravalent vaccine against Dengue fever, NucoVac®11 a pneumococcal polysaccharide conjugate vaccine (11-valent), Hepatitis A vaccine and a multi-epitope nanoparticle based broadly protective Betacoronavirus candidate vaccine.

The Company has, in collaboration with Indian Council of Medical Research (ICMR), recently initiated a Phase III clinical trial for India's first dengue vaccine DengiAll® to be conducted at19 trial sites covering ~10,335 subjects across India.

Our paediatric vaccine franchise largely focuses on providing newborns protection against deadly diseases like Diphtheria, Tetanus Toxoid, B. Pertussis, Hepatitis B, Hib Type b, and Polio.

We have a strong legacy as a global vaccine player with a track record to bring first-to-market innovative vaccines like:

- World's first fully liquid wP-IPV based hexavalent vaccine, EasySix® (DTwP-HepB-Hib-IPV)
- World's first fully liquid wP-IPV based pentavalent vaccine, EasyFourPol® (DTwP-Hib-IPV)
- World's first fully liquid wP based pentavalent vaccine, Easyfive-TT® (DTwP-HepB-Hib)
- World's first monovalent oral polio vaccines (mOPVs) and bivalent oral polio vaccine (bOPV with Poliovirus Type 1 and Type 3), Bi-OPV®.

During the financial year 2023-24, total consolidated revenues from vaccines business increased to ₹3,595.90 million from ₹2,569.87 million in the previous financial year, registering a growth of ~40%. The revenue from export of vaccines also increased by ~50% to ₹3,158.21 million as against ₹2,102.25 million during previous year. During the year, the Company has launched the EasyFourPol® vaccine in Indian private markets. The Company has also started generating royalty income from Serum Institute of India Pvt. Ltd. against sale of hexavalent vaccine developed by it under the collaboration agreement signed earlier with the Company.

The existing commercialized product portfolio of the Company includes key proprietary vaccines, hexavalent vaccine EasySix®, fully liquid pentavalent vaccine, EasyFourPol®, fully liquid tetravalent vaccine, Easyfour-TT® and WHO pre-qualified fully liquid pentavalent vaccine Easyfive-TT® and bivalent poliomyelitis vaccine Bi-OPV®.

About Easyfive-TT®

Easyfive-TT® is the world's first fully liquid wP-based Pentavalent vaccine that was launched in India in 2005. After receiving WHO pre-qualification in 2008, more than 190 million doses have been supplied to over 75 countries globally. It is a ready-to-use combination vaccine that does not require preparation by healthcare workers at the clinic, reduces the number of visits to vaccination centres, and reduces the overall cost of immunization for all the stakeholders.

About EasySix® and EasyFourPol®

Panacea Biotec is the innovator and intellectual property rights holder of EasySix®, the world's first wP based fully liquid hexavalent vaccine. The WHO's Strategic Advisory Group of Experts on Immunization (SAGE) has supported the global rollout of wP-IPV based hexavalent vaccine in the global immunization schedule – creating an opportunity for more than 250 million doses of hexavalent vaccine annually. Panacea Biotec is in the process of expanding its manufacturing capacities at Lalru, Punjab for manufacturing of vaccine drug substance in order to meet the growing demand of vaccines in future by public health agencies.

In India, the Company has a field force of around 150 persons spread across the country to regularly reach out to nearly 10,000 paediatricians across India. Over 400,000 children are vaccinated in the private market in India. EasySix® is the brand leader in India in wP-IPV based hexavalent vaccine market with the largest market share in its segment (IQVIA March 2024). The wP-IPV based hexavalent vaccines also competes with aP-IPV based vaccines in the private market in India.

During the year, Panacea Biotec also launched the world's first fully liquid wP-IPV based Pentavalent vaccine under the brand name of EasyFourPol®. It provides protection against Diphtheria, Tetanus Toxoid, B. Pertussis, Hib Type b and Polio. It is the only vaccine in its segment of wP-IPV based vaccine and aids healthcare practitioners who prefer to give Hepatitis B as a standalone vaccine or in mixed schedules due to high-risk births.

Our combination vaccines led by EasySix® and EasyFourPol® also set the precedent of promoting environmental sustainability. Adoption of EasySix® in the immunization program is expected to lead to reduction of over 60% carbon emissions, helps make a single immunisation program (3 vs. 1), over 50% reduction in supply chain costs and storage benefits, and also more than 50% reduction in biological waste.

Apart from lower number of injections and less pain for children, EasySix® provides additional benefits to parents and governments. As parents can get all the vaccinations completed in fewer visits, they are more likely to get their children vaccinated. With higher vaccination rates, governments shall have to spend less money to create healthcare infrastructure and doctors / nurses shall spend less time on treating avoidable diseases among children; families also get benefited as they truly spend their income to improve their quality of life. Hence, overall society benefits from critical combination vaccines like EasySix®.

Reduces number of visits to 4 (from 8) leading to higher and better vaccine coverage

- As parents do not have to visit often, there is higher compliance to get all three-doses of the vaccine.
  - **Mothers must travel for hours to get to vaccination centres; losing income. This makes them less likely to their Children vaccinated**
- **Reduces number of vaccine programs from 3 to 1:**
  - Less requirement of campaigns and free's up essential Healthcare staff to save lives rather than undertaking door-to-door vaccine campaigns
  - Does not require re-constitution - single-vial shipping

More school days, and higher earnings

- **Children gain school days:** children attend school more, thereby, creating better prospects for their lives
- **Parents gain Wage days:** due to visit to vaccination centres or while taking care of sick children or paying for unnecessary treatments
- With Children falling sick less, Parents can spend money to improve their quality of life

Lower need for Donations for hospitals, cold storage, etc.

- Free's up Doctors, Nurses, and Hospital infrastructure to take care of those who truly need it.
- **Right-size hospital infrastructure and healtcare investments**

Considering the benefits that EasySix® offers, WHO SAGE in October 2021 approved adoption of hexavalent vaccine in the global immunization program. This led to PAHO's adoption in May 2023 and Gavi's adoption in June 2023. Further, UNICEF has already updated its forecast for hexavalent vaccines as stated below:

UNICEF forecast	2024	2025	2026	2027	2028	2029	2030	Total
Gavi-73	3	19	44	71	97	105	107	446
Gavi-64	3	19	41	60	83	90	90	385

Giving further impetus to hexavalent vaccine adoption, Gavi has also given its preference to introduce a fourth dose for every child in the second year of life - this will replace the ongoing commitment for adoption of a DTP based booster in the second year of life.

Pipeline vaccines

The Phase III clinical trial for Td (Tetanus and Diphtheria reduced) vaccine - TedShot® has been completed and licensure for India will be completed in due course. The vaccine is planned to be launched during current financial year. We expect it to compete in the annual ₹250 million private market in India.

The Phase III clinical trial for DengiAll® has recently been initiated in collaboration with ICMR and Phase II / III clinical trial for NucoVac®11 vaccines is expected to commence in India during the current calendar year.

Global business for Vaccines

Panacea Biotec has been one of the largest suppliers of vaccines to multilateral agencies like UNICEF, PAHO, etc. and has been supplying vaccines to institutional customers and national Governments for over two decades. The Company's vaccines are exported to ~50 countries in Africa, Asia and Latin America. Besides supplying Easyfive-TT® and Bi-OPV®, the Company will also be seeking WHO pre-qualification of its pipeline products for supply to UN agencies and other national Governments. As a part of the Company's strategy to enter into the international private vaccine market, the Company has already registered its vaccines in 13 countries. The product registration in 18 countries (including African Medicines Regulatory Harmonization (AMRH) which will inter-alia enable launch of product in~29 countries in African region who have ratified the African Medicines Agreement (AMA)) is in progress and is expected to be approved in due course.

Panacea Biotec is supporting global cause of providing affordable vaccines to the children across the globe and it works closely with global organizations like WHO, Gavi,

US delegation led by Ambassador to India, Mr. Eric Garcetti; Ms. Loyce Pace, Assistant Secretary for Global Affairs at Dept. of Health and Human Services (HHS) and Ms. Genessa Giorgi, Health Attaché, HHS visited Panacea Biotec R&D Centre, developing novel tetravalent dengue vaccine "DengiAll"

UNICEF, PAHO, CEPI, Gates Foundation and Clinton Health Access Initiative (CHAI), etc. The Company is a member of Developing Countries Vaccine Manufacturers Network (DCVMN), a public health driven international alliance of manufacturers and shares common vision and mission of combating infectious diseases and accelerating access to affordable high-quality vaccines.

PHARMACEUTICAL FORMULATIONS AND NUTRITION BUSINESS

Panacea Biotec through its wholly owned subsidiary Panacea Biotec Pharma Limited ("PBPL" or "Panacea Biotec Pharma") has an established business of pharmaceutical formulations in India and exports its pharmaceutical products to ~36 countries worldwide including the United States, Canada, Germany, UAE, Saudi Arabia, Jordan, Qatar, Turkey, Russian Federation, Kazakhstan, Uzbekistan, Serbia, Tanzania, Kenya, Uganda, Vietnam, Philippines, Thailand, Sri Lanka, Brazil, Panama, Ecuador, Paraguay, Trinidad & Tobago, etc. Another indirect wholly owned subsidiary Panacea Biotec Germany GmbH, Germany is also engaged in sales of pharmaceutical products in Germany.

During financial year 2023-24, PBPL also entered into nutrition market with launch of ChilRun® range of products.

During the year, total consolidated revenues from pharmaceuticals and nutrition business was ₹1,995.78 million as against ₹2,029.59 million during previous financial year. The exports contributed revenues of ₹1,655.79 million as against ₹1,387.77 million during previous financial year, registering a growth of 19%. The domestic revenues declined to ₹339.99 million as against ₹641.82 million during previous financial year mainly due to decline in revenue from contract manufacturing.

During the year under review, PBPL has launched the nanotechnology-based generic product, Paclitaxel protein bound in human albumin particles, in Canada during the financial year 2023-24. PBPL received approval for its product Valgapan (valganciclovir powder for oral suspension) in Germany. The product is planned for launch through PBGG during the current year. PBPL exports its products to more than 30 countries worldwide including the countries in Europe, Asia, Africa and LATAM.

The international pharmaceutical formulation product portfolio includes prescription products in niche therapeutic areas such as transplantation, renal disease, oncology, respiratory, pain management, diabetes and gastro-intestinal care. PBPL has continued its focus on development, registration and marketing of products portfolio catering to chronic therapies in private markets in several countries.

PBPL is continuously filing new product registration dossiers in existing as well as new markets to further strengthen and grow its exports in the future. The Abbreviated New Drug Applications (ANDA) submitted under section 505 (j) of the Federal Food, Drug & Cosmetics Act are in process of approval by the U.S. Food and Drug Administration ("USFDA"). PBPL plans to launch these products in US, Europe, etc. through strategic collaborations with leading pharma companies. It has key partnerships with global pharmaceutical companies for marketing of pharmaceutical formulations in USA, Canada and other international markets, which has helped in expanding its reach and access to new regulated markets.

PBPL has taken more initiative on brand building & customer connect through various mass promotion programs through online media, in-clinic discussions through digital mobile platform, scientific education initiatives (CMEs), product specific medical trainings, country specific strategies & scientific promotions and medical training programs.

PBPL continuously takes steps to strengthen and grow its exports in the coming years including building a strong portfolio, strengthening marketing team, entering into newer markets, identifying strong distributor and marketing partners in newer regions and registering products in more countries as well as strengthening existing relationships with the partners. It is developing a portfolio of products for European markets, GCC countries and other emerging markets.

NUTRITION BUSINESS

Panacea Biotec Pharma has entered into a new business of research, development, manufacturing and marketing of nutrition products. It has developed its own product portfolio for the nutrition segment at its Sampann R&D Center and has set-up a manufacturing facility to manufacture these products at Baddi, Himachal Pradesh.

To start with, in June 2023, PBPL launched paediatric nutrition products under the brand name, ChilRunfull®, ChilRun®7+, ChilRun®No Sucrose in ~150 territories across India covering almost 15,000 paediatricians presently. The products are also available online on e-commerce platforms as well like Amazon, Tata 1mg etc. It plans to add more products going forward to expand the product portfolio and markets including other specialties like gynaecology and adult nutrition.

As part of the initial launch and subsequent activities, PBPL has undertaken several sales and marketing initiatives to create awareness about the ChilRun® brand portfolio across the country including organizing taste campaigns, Fizz zone camps, Shakti camps and also conducting observation study to assess the impact of its products on the baby's growth. More such activities are planned during the current financial year to ensure that the momentum continues among the consumers.

Supply Chain Management

Panacea Biotec is committed to ensure the timely availability of its products to its business partners and patients. It has an established Supply Chain Management (SCM) system designed for creating end-to-end visibility and controls right from sourcing of materials till collection of receivables for the vaccines, pharmaceuticals and nutrition products.

The Group has a strong logistics network comprising of 2 Central Warehouses and 23 Sales Depots / Carrying & Forwarding Agents (CFAs) (comprising of vaccine and nutrition business). Vaccine and nutrition products availability across India is ensured through vast distribution network of ~1,000 distributors as on March 31, 2024, which enable us to have a Pan India presence and access to a wide market base. A separate trade team has been set-up for regular coordination with stockiests to address supply challenges, if any. The Company continues to increase its customer base by adding more stockiests and plans to add more stockiests to further increase the reach to the customers.

The Company has collaborated with and appointed world class logistics providers, clearing agents and airlines with a proven record of timely delivery of goods in export markets in Asia, Europe, Africa, North & South America.

The Company has got expertise in cold chain management for storage and distribution of vaccines under controlled conditions using a system of Vaccine Vial Monitors (VVMs), data loggers, ice boxes, coolant, cold rooms, refrigerated vehicles and Tyvek sheet for sending temperature controlled products overseas and across India directly from its Vaccine Formulation Facility at Baddi, Himachal Pradesh. This ensures that the Vaccines remain safe and effective against changes in the variant temperature conditions during transit.

Panacea Biotec has a well-established Track and Trace system and documentation quality to ensure timely delivery of goods at the destination and avoid demurrage and detention charges. Panacea Biotec has also optimized raw material, packaging material, finished good inventory to achieve maximum inventory turn and to minimize expiry.

MANUFACTURING FACILITIES

Vaccines Formulation Facility at Baddi

The Company's state-of-the-art manufacturing facilities for vaccine drug substances and drug products, comply with the cGMP practices of the key International regulatory bodies like WHO cGMP standards.

The Vaccine Formulation Facility at Baddi, Himachal Pradesh, which started its operations in the year 2008, comprises of two blocks. The production block is spread over approx. 2,800 M^2 constructed areas at each floor. The warehouse cum cold storage block measures approx. 3 x 2500 M^2. The facility has 2 independent formulation suites and 3 filling lines for manufacturing of bacterial, viral and recombinant vaccines including live attenuated vaccines in pre-filled syringe (PFS) and in single dose and multi-dose vial presentations. The

Panacea team along with WHO audit team led by Dr. Andrea Cornelio Geyer during their visit at vaccine formulation facility at Baddi

facility also has large lyophilization capacity for manufacturing lyophilized vaccines in vials. This facility is approved by Indian National Regulatory Authority (NRA) and is also pre-qualified by WHO for the pentavalent vaccine Easyfive-TT® and Bi-OPV®. There is an additional vial filling line for manufacture of live, attenuated vaccines including oral polio, measles, dengue vaccines, Covid-19 vaccine, etc. The Quality control laboratories of the facility are equipped with an assortment of sophisticated analytical equipment for testing of vaccines and input materials to assure quality of the product at each stage of manufacturing. The warehouse facility is equipped with cold storage and deep freezers for cold chain maintenance and dispatch management of vaccines.

During the year under review, the Company's vaccine facilities at Lalru and Baddi were inspected by WHO in relation to pentavalent vaccine Easyfive-TT® and Bi-OPV®. The inspection was completed without any critical observation and successfully closed with the WHO's acceptance of the corrective and preventive action (CAPA) plan submitted by the Company.

Vaccine Drug Substance & Biosimilar facilities at Lalru

The Company has vaccine drug substance manufacturing facilities at Lalru, Punjab which started operations in the year 2002 with separate blocks for manufacture of recombinant, bacterial and viral vaccine drug substances. An integrated block for vaccines drug substance and bio pharmaceuticals is also established which comprises of 3 independent suites

Vaccine Drug Substance facility at Lalru, Punjab dedicated for manufacture of drug substance for:

a) Bacterial vaccines,

b) Viral vaccines, and

c) Recombinant vaccines

Recombinant hepatitis B surface antigen, Haemophilus influenza type b conjugate (Hib-TT), diphtheria, tetanus toxoids and inactivated whole cell pertussis drug substances are manufactured at these facilities. The drug substances for tetravalent dengue vaccine, DengiAll® and pneumococcal conjugate vaccine, NucoVac®11 are also manufactured in these facilities. The facility is also approved by WHO for producing bulk antigen of hepatitis B and Hib used for the manufacture of WHO pre-qualified pentavalent vaccine Easyfive-TT®.

The Company is undertaking expansion of its vaccine drug substance manufacturing capacities to be able to meet the future growing demand of its vaccines by UN agencies and national Governments in various countries. The expansion project is expected to be completed during current financial year after which the Company will undertake manufacturing of validation batches at new facilities and seek the approval of expanded facilities from the Indian NRA and WHO.

Pharmaceutical Formulations Facility at Baddi

Panacea Biotec Pharma's state-of-the-art pharmaceutical formulations facility at Baddi, Himachal Pradesh became operational in year 2006. The facility is equipped for bilayer tablets, complex sustained release coatings and delayed release coatings. The facility has received several certifications and accreditations from international regulatory authorities including USFDA, The National Institute of Pharmacy and Nutrition (OGYÉI) Hungary (EU), Federal Service for Surveillance in Healthcare (Russian Federation), Ministry of Health Ukraine, National Agency for Drug and Food Control, (Indonesia), Turkish Medicine and Medical Devices Agency, National Health Surveillance Agency (ANVISA), Brazil, South African Health Products Regulatory Authority (SAHPRA) etc.

Quality is a core guiding factor behind Panacea Biotec's decisions and actions. Panacea Biotec Pharma maintains a harmonized Pharmaceutical Quality System (PQS) that caters to all markets. Some of its pharmaceutical formulation products are routinely supplied to low-income countries under access programs through international agencies such as PAHO.

Panacea Biotec Pharma has dedicated and independent Quality Control facilities in the manufacturing facilities comprising of sample preparation with isolator containment, wet lab, lab for atomic absorption spectroscopy, dissolution testing and stability testing as per ICH Guidelines, a packaging-material testing laboratory and a fully self-contained microbiology lab to carry out tests for microbial counts, microbiological assays and assessing environment controls.

Panacea Biotec Pharma's pharmaceutical manufacturing expertise lies in various oral-solids, semi-solids and liquid oral dosage forms such as:

- ✓ Oral-solids - conventional tablets / capsules, controlled / delayed release / enteric coated tablets and capsules, tablet in tablet, tablet in capsule, multi layered capsules, hard gelatin / soft gelatin capsules, mouth dissolving / chewable tablets, beads encapsulation, coating (film, sugar, and functional), taste masking and fast-dissolving tablets;
- ✓ Semi-solids - ointments / creams / gels, transdermal drug delivery system; and
- ✓ Liquids - suspensions / syrups / solutions.

Cytotoxic / Oncology Facility at Baddi

Panacea Biotec Pharma's cytotoxic injectable formulation facility at Baddi, Himachal Pradesh, has dedicated filling lines for liquid & lyophilized injectables as well as pilot scale up batches complying with USFDA, EU and ROW cGMP norms.

Pharmaceutical Formulations Facility, Baddi, Himachal Pradesh

Dr. Rajesh Jain, CMD with Dr. Rajiv Bahl, Director General, ICMR & Dr. Nivedita Gupta Scientist, ICMR and others during visit at ORC, New Delhi

Cytotoxic facility is equipped for manufacturing conventional and technology-based injections e.g. nano-particle and liposomal lyophilized products. This facility has been approved by Indian NRA, USFDA, The National Institute of Pharmacy and Nutrition (OGYÉI) Hungary (EU) and other regulatory agencies.

Panacea Biotec Pharma's above facilities continues to be under the warning letter issued by the USFDA. It has undertaken several corrective and preventive measures to comply with the observations raised by USFDA. Panacea Biotec Pharma has also engaged international consultants as part of its corrective and preventive action plan to ensure that the manufacturing facilities meet the required standards. It is regularly undertaking further corrective and preventive actions as per the commitments made to USFDA. Nevertheless, the supplies of existing products to US market is continuing and there is no material adverse impact on current business from the facility.

Health Supplement Manufacturing Facility at Baddi

Panacea Biotec Pharma has set up a manufacturing facility to manufacture nutrition products at Baddi, Himachal Pradesh which became operational in April 2023. This manufacturing facility currently has installed capacity of ~6 tons per day.

Panacea Biotec Pharma's paediatric nutrition products under the brand name, ChilRunFull®, ChilRun®7+, ChilRun®No Sucrose, are being manufactured at this facility.

The facility holds valid accreditations and certifications from FSSAI (Food Safety and Standards Authority of India), A+ rating in external FSSAI Schedule IV Audit and is audited by the external third parties and found compliant to the GMP Codex Standard. Panacea Biotec Pharma also plans to set up facilities for new dosage forms of nutrition products in future.

RESEARCH & DEVELOPMENT

Panacea Biotec is a progressive & innovative biotechnology company with high focus on research & development, manufacturing and marketing operations across pharmaceuticals, vaccines, nutrition and natural or herbal products. The Company is guided by its vision of "Innovation in Support of Life" and strongly believes that innovation is important to the long-term success of the Company. Panacea Biotec specializes in complex generics, vaccines, and novel drug delivery platforms to offer higher value and better health outcomes for the patients, governments and overall society.

Panacea Biotec's research and development efforts have been its greatest strength. Its ambitions are backed by distinguished, ultra-modern, state-of-the-art R&D Centers with around 73 scientists with deep roots within the academic community in important clusters in India, USA and Germany among other countries.

One-Stream R&D Center at New Delhi

Panacea Biotec's One-Stream Research and Development (R&D) Centre ("ORC") is a state-of-art facility to cater to all the modern aspects of vaccine development. This Centre has the capability of carrying out research activities for developing vaccines using various advanced genetic engineering technologies, molecular biology, bacterial culture, animal cell culture, small scale and pilot scale fermentation, purification & analytical characterization and formulation development. It is equipped with all the necessary infrastructure and scientific manpower to carry out innovative research in the areas of antigen design, expression of antigen in a suitable host system and its purification. This is followed by formulation of antigen with suitable adjuvant and immunological evaluation in animal model.

The Company has pioneered in the development of viral vaccine, recombinant vaccine, sub-unit vaccine and polysaccharide conjugate vaccines, using both mammalian and bacterial expression platforms. In last one year, ORC has done significant progress in these major areas of research including development of DengiAll®, NucoVac®11 and a multi epitope nano-particle based broadly protective beta corona virus vaccine candidate. Each of these programs will significantly address the healthcare burden that the diseases pose and build a sustainable future based on innovation. The R&D center has established a high cell density *E.coli* platform for production of recombinant antigens and proteins. This will help in developing recombinant molecules as antigen / therapeutics and as carrier protein for conjugated vaccine.

The R&D center has a strong team to take care of the conjugation aspect of many polysaccharide-based vaccines such as for typhoid, meningitis and many more in near future. The ORC team is also engaged in carrying out research for development of several other vaccines which are in our future product pipeline.

In R&D Centre we are trying to develop a multi epitope nanoparticle based broadly protective beta coronavirus candidate vaccine to protect against MERS, SARS-CoV-1 and SARS-CoV-2, wherein the focus is to select a lead antigen through pre-clinical testing, and initial clinical development. This research activity is supported by The Coalition for Epidemic Preparedness Innovations (CEPI) and is in collaboration with the Translational Health Science and Technology Institute (THSTI), an autonomous institute of the Department of Biotechnology, Ministry of Science and Technology, Government of India.

We are also continuously exploring to have collaborative research activities with various institutions for development of plant-based protein as nutrition supplement.

SAMPANN R&D Center at Lalru

SAMPANN R&D Center of Panacea Biotec Pharma at Lalru, Punjab continues to focus on Research & Development in various therapeutic areas with a constant focus on developing difficult to develop formulations focused on chronic and super speciality therapeutic areas. Panacea Biotec has deep experience in developing innovative drug delivery based products that enjoy considerable brand equity amongst physicians.

Panacea Biotec's nanotechnology-based product PacliALL® (Paclitaxel protein bound in human albumin particles) was launched in 2011. At the time, it was the world's first generic for Abraxane®, manufactured by Celgene, USA (now part of Bristol - Myers Squibb Group). This demonstrates the Company's ability to handle the most complex generics and deliver a high-quality product in constrained and challenging timelines.

In the field of pharmaceutical research, Panacea Biotec has developed different innovative technologies such as hydro gel based topical drug delivery system of peptides and herbal drugs, solid-solid dispersion for highly variable drugs, Self-emulsifying drug delivery system (SEDDS) and controlled release drug delivery systems in different therapeutic areas.

SAMPANN R&D Center is in the advanced stage of development of new products for US, Europe and ROW markets in the therapeutic segments of immuno-suppressant, diabetes and pain management, etc.

SAMPANN R&D Center has also successfully developed nutrition products in the paediatric segment and is developing new dosage forms and products like baby cereals, bars, gummies, oils, cosmetics to expand the product portfolio in other specialties like gynaecology and adult nutrition.

Clinical Research

Clinical research is a critical function that guides clinical decisions based on facts and scientific data through clinical studies on vaccines and drugs that can affect the health and well-being of millions of people. Panacea Biotec continuously undertakes clinical trials (Phase I, Phase II and Phase III) for all its investigational new vaccines and drugs as well as bioequivalence studies (as per New Drugs and Clinical Trials Rules 2019) for its innovative and generic product portfolios across both vaccines and pharmaceutical products.

SAMPANN Drug Delivery Research and Development Centre, Lalru

Panacea, ICMR, PGIMS and ICMR-NIE teams at PGIMS, Rohtak on the occasion of initiation of Phase III clinical trial of DengiAll®

Phase III Clinical trial for Td (Tetanus and Diphtheria reduced) Vaccine - TedShot® in Adolescents has been completed during the year. Phase III clinical trial for tetravalent Dengue vaccine, DengiAll® in adults, in collaboration with ICMR, has recently been initiated. Phase II/III Clinical trial for 11-valent Pneumococcal Conjugate Vaccine (NucoVac®11) is slated to be initiated this year.

Intellectual Property

Panacea Biotec has a strong portfolio of intellectual property in the form of patents, trademarks and copyrights in both vaccines and pharmaceutical formulations business. As of March 31, 2024, Panacea Biotec Group has filed over 487 patent applications in over 65 countries including India, which include 14 patent applications pending grant and patent applications which were prosecuted.

As of March 31, 2024, Panacea Biotec Group has been granted over 465 patents globally out of which 40 are active. Some of the countries where patents have been granted are India, USA, Germany, Mexico, Brazil, Japan, Russia, Canada, China, Sri Lanka, Ukraine, South Korea, Nigeria, Indonesia, Malaysia, Philippines, Vietnam and the African Regional Intellectual Property Organisation (ARIPO), an internal organisation comprising of 22 countries), etc.

Panacea Biotec Group has filed 476 trademark applications for registrations, out of which 191 have been registered in India, 175 have been registered outside India and 110 applications are pending registration as on March 31, 2024. Further, the Group has 96 registered copyrights as on March 31, 2024.

Human Resources

At Panacea Biotec, employees are the core strength of its continuous growth in all the segments. We continue to build our internal talent pipeline through cadre and capability building interventions. Panacea Biotec strongly believes in developing and grooming managers and leaders from within the organization. We have laun ched campus hiring in manufacturing plants with a clear objective that in next 3 to 4

Women's day celebration at Lalru


Annual Day celebrations at Lalru


Annual Day celebrations at Baddi

years we stop lateral hiring. The Company continues to invest in the creation of a work culture representing a unique mix of its values and functional expertise and the employees are partners to achieve Vision of the Company.

Diversity and inclusion are an important organizational agenda. Taking our agenda of increasing diversity representation in the organization we have undertaken a target to increase women representation to upto 16% of our total manpower, over the next 3 years. Currently around 8.5% of our total manpower comprises of women.

As on March 31, 2024, Panacea Biotec Group had a total manpower of ~2,209 employees (including ~273 through contractors) of which over 1,600 are skilled employees including corporate and managerial staff, sales staff, and staff located at its manufacturing facilities. There are ~129 R&D professionals including ~73 scientists engaged in R&D Centers, ~955 employees are engaged in production, quality control and quality assurance, ~292 employees are engaged in sales & marketing and logistics and ~833 in other functions. Out of total employees, ~907 employees (including ~117 through contractors) are the employees of Panacea Biotec Pharma Limited.

Panacea Biotec provides meaningful opportunities for learning and growth & continuously encourage its employees to widen the horizon for professional growth. Panacea Biotec provides opportunities for employees to reskill, up-skill, multi-skill and multi-task. As a part of this, nearly 95% of the workmen in manufacturing units have undergone certification through LSSDC - Life Sciences Sector Skill Development Council, a not for profit, non-statutory certification body under mandate of Ministry of Skill Development and Entrepreneurship, Government of India. Panacea Biotec's endeavour has been to create a culture of high and differentiated performance where people continue to push boundaries of growth and self-development.

During the financial year, we leveraged digitalization of processes leading to reduced human intervention and are closely tracking productivity metrics across business units to ensure better delivery of business. We have added additional features to our own internally developed tool – NIKHAR - our digital capability to monitor sales productivity and provide data analytics to employees engaged in sales & marketing to take informed and timely decisions. We have implemented Darwin Box, our new Human Resource Management System (HRMS) in the month of October 2023, in line with organization's objective of making HR operations One Click.

To carry forward Panacea Biotec's way of execution excellence, we conducted "Jaan Pehchan Ho, Kaam Aasan Ho - Face to Face Meeting" among employees at manufacturing facilities, across functional areas and across different levels and plan continuing with it. We continue to conduct "Quality is Present" campaign across our manufacturing facilities wherein all the employees are taken through our Quality Mantra "Iss Pal Mein, Har Pal Mein Sahi Se Karna, Likhna and Bolna hi Quality Hai".

Our autonomous team with self-nominated members and a self-nominated CAPTAIN continue to perform at the highest level and ensure quality of the products manufactured by Panacea Biotec with clear objective of "Patient Safety". Currently, there are 76 Captains working in different areas with a team of ~500 employees. These team members are now shaping the new behaviour needed to succeed in all aspects of life including the Quality at Panacea Biotec.

We are very proud to announce that with teamwork and


Deepawali celebrations at Lalru


Plantation by CIGB officials during visit at Lalru

Dr. Rajesh Jain, CMD, Mr. Sandeep Jain, Jt. MD, Mr. Ankesh Jain, WTD with other Board members & Panacea team along with Mr. K.M. Lal, Mr. R.L. Narasimhan & Mr. N.N. Khamitkar, the then Independent Directors on Board

dedication we have been able to finally overcome all the operational and developmental challenges with proper due diligence to manufacture DengiAll® Vaccine. This reflects our mission to continue to research and develop innovative vaccines. The clinical trial batches have been successfully manufactured and Phase-III Clinical Trials have recently been initiated in collaboration with the Indian Council of Medical Research (ICMR).

Birthday celebrations once a month for all the employees born in the month are conducted across the organization with participation across the hierarchy. Festivals are also celebrated across locations. Recognition of good work is done through simple framework of recognition by issuance of Appreciation certificate with a citation. We continue to provide job rotation opportunity for those who desire to be moved around or add / modify areas to their work profile.

We continue to give first opportunity to internal talent for the vacant positions or new positions created due to any reasons through internal job posting across the organization. Also, to ring fence key talent, additional job responsibilities are given to them through market bench marking, structured communication and engagement with employees. We also organize development and coaching programs for leadership teams based on the defined requirements.

Lohri celebrations

Strategic partnerships and collaborations

Panacea Biotec has established relationships with various key business associates, including institutional customers for its products, strategic partners for entry into new international markets and domestic & international partners who market / distribute its products across several countries in the world. Panacea Biotec has a long-standing relationship with the UNICEF, PAHO and the Government of India, which has helped in participating in immunization programs in India and globally.

Panacea Biotec's collaborations has enabled it in developing innovative, cost effective and quality vaccines and helped in achieving its goal of providing cost-effective vaccines to the global population. Panacea Biotec's collaborations include partnership with the National Institutes of Health, USA for development and commercialization in Asia and African countries of its licensed tetravalent dengue vaccine candidate, DengiAll® and its partnership with Serum Institute of India Pvt. Ltd. and its subsidiary for supply of one of the key constituents for the EasySix® vaccine and for introduction of hexavalent vaccine in national immunization programs in developing countries.

The Company has also collaborated with Indian Council of Medical Research (ICMR), Government of India for Phase III clinical trials of DengiAll®. Panacea Biotec has entered into key partnerships with global pharmaceutical companies for marketing of pharmaceutical formulations in USA, Canada, EU and other international markets, which has helped Panacea Biotec in expanding its reach and access to new regulated markets.

Panacea Biotec will continue to strengthen its business development team and leverage its strengths in product development and navigating the regulatory landscape to capitalize on opportunities across new-age technologies that will strengthen and reposition its portfolio in the coming years.

Internal Audit & Internal Financial Control System

Panacea Biotec Group has a comprehensive internal control system that commensurate with the size and nature of

Dr. Rajesh Jain, CMD alongwith other dignitaries at 5th CII Lifesciences Summit 2023

operations of the Group entities. This system spans across the organization including all the manufacturing and research & development facilities, warehouses & sales offices besides corporate office.

The internal financial controls have been developed and implemented at each business process across the Company and PBPL. The user level responsibilities are constantly shared with key users for their implementation and compliance. Checks & balances and control systems have been established to ensure that assets are safeguarded, utilized with proper authorization and recorded in the books of account. There is a proper definition of roles and responsibilities across the organization to ensure information flow and monitoring.

The internal audits are conducted periodically by an internationally renowned independent audit firm PriceWaterhouseCoopers Services LLP (PwC), the internal auditors of Panacea Biotec. The Audit Committee of Panacea Biotec actively reviews the adequacy and effectiveness of internal controls, internal audit systems and advises improvements as may be required. Post audit follow-ups are carried out to ensure identified risks are addressed and recommendations of the Audit Committee are implemented.

Panacea Biotec has established and maintained adequate and effective internal financial controls over financial reporting (IFCoFR) in accordance with the framework. Panacea Biotec with the help of the independent Internal Audit firm viz. PwC has performed an overall design assessment of the business processes as part of the Internal Financial control reviews. This includes review of policies and procedures adopted by Panacea Biotec for ensuring the orderly and efficient conduct of its business and fixing responsibility against all the controls. The design assessment was follow by the management testing of the controls across processes.

FINANCIAL PERFORMANCE

Summarized Consolidated Balance Sheet

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Assets:		
Fixed assets (net)	6,833.47	6,422.76
Financial assets	32.02	52.56
Other non-current assets	689.45	553.14
Current assets	4,851.77	5,623.20
Asset classified as held for sale	-	60.00
Total Assets	12,406.71	12,711.66
Equity & Liabilities:		
Total Equity*	8,420.46	8,436.03
Minority Interest	(38.21)	(34.89)
Non-current liabilities	936.14	992.21
Current liabilities	3,088.32	3,297.31
Liabilities associated with Assets classified as held for sale	-	21.00
Total Liabilities	12,406.71	12,711.66

*Excluding minority interest

Fixed Assets: The net fixed assets have increased to ₹6,833.47 million from ₹6,422.76 million as at the end of previous financial year mainly on account of capital expenditure

Dr. Rajesh Jain, CMD at Wharton International Symposium

incurred on the expansion project at the Company's manufacturing site at Lalru, Punjab.

Non-current Financial Assets: Non-current financial assets include long-term investments, loans and other long-term financial assets. The non-current financial assets as of March 31, 2024 have decreased to ₹32.02 million from ₹52.56 million as at the end of previous financial year, mainly due to decrease in bank deposits having maturity above 12 months.

Other Non-Current Assets: Other non-current assets include deferred tax asset (net of MAT credit) and other non-current assets. The non-current assets as of March 31, 2024 have increased to ₹689.45 million as against ₹553.14 million as at March 31, 2023, mainly due to segregation of GST input credit balances as non-current assets and current assets.

Current Assets: Current assets include inventories, trade receivables, cash & cash equivalents, other bank balances, short-term loans and other current assets. Total current assets as of March 31, 2024 have decreased to ₹4,851.77 million as compared to ₹5,623.20 as at the end of fiscal 2023, mainly due to decrease in the value of inventories and cash & bank balances pursuant to higher sales and capital expenditure incurred by the Company.

Assets held for sale: The Company did not have any fixed assets classified as held for sale as on March 31, 2024. The process of sale of assets held for sale of ₹60.00 million as on March 31, 2023, has been completed during the financial year under review.

Total Equity: Total Equity represents Equity Share Capital and other Equity. Total Equity marginally decreased to ₹8,420.46 million as at March 31, 2024 as compared to ₹8,436.03 million as at March 31, 2023, mainly on account of losses during the financial year under review.

Non-Current Liabilities: Non-current liabilities include long-term borrowings (excluding current maturities), provisions and other non-current liabilities. The non-current liabilities as of March 31, 2024 have decreased to ₹936.14 million as compared to ₹992.21 million as of March 31, 2023, mainly on account of reduction in borrowings.

Current Liabilities: Current liabilities include short-term borrowings, trade payables and other current financial liabilities (including current maturities of long-term borrowings). The current liabilities as at March 31, 2024 have decreased to ₹3,088.32 million as compared to ₹3,297.31 million as at March 31, 2023, mainly due to decline in trade payables on account of higher payments to the suppliers.

Liabilities associated with Assets held for sale: The liabilities directly pertaining to the Company's Assets held for sale as of March 31, 2024 were Nil as compared to ₹21.00 million as of March 31, 2023 as the sale of the relevant immovable property was completed during the year under review.

Summarized Consolidated Statement of Profit & Loss

(₹ in million)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Revenue from operations	**5,591.68**	**4,599.46**
Materials consumed	2,301.26	2,526.60
Employee benefits expense	1,495.67	1,264.84
Other expenses	1,995.36	1,787.61
Earning before Interest, tax, depreciation and amortizations (EBITDA)	(200.61)	(979.59)
Finance Costs	35.81	44.37
Depreciation and amortization expense	367.11	391.23
Other Income	257.96	516.63
Profit / (Loss) before tax and exceptional items	(345.57)	(898.56)
Exceptional items	360.34	1,026.61
Profit / (Loss) Before Tax	**14.77**	**128.05**
Provision for Taxes (including deferred tax)	29.82	465.50
Profit / (Loss) after Tax	**(15.05)**	**(337.45)**
Other comprehensive income (net of tax)	(3.84)	2.04
Total comprehensive income	(18.89)	(335.41)
Basic and Diluted EPS*	**(0.19)**	**(5.43)**

*Earnings Per Share in ₹ per Equity Share of ₹1.

Revenue from Operations: The consolidated revenue from operations increased to ₹5,591.68 million for fiscal year 2024 from ₹4,599.46 million for fiscal year 2023, mainly due to higher institutional sales of pentavalent vaccine and bivalent oral polio vaccine as well as launch of Paclitaxel protein bound particles for injectable suspension in Canada.

Other Income: Other income was ₹257.96 million during fiscal year 2024 as compared to ₹516.63 million for fiscal year 2023. Other income in fiscal year 2023 was higher due to write back of excess provisions pertaining to earlier years.

Materials Consumed: Materials consumed include consumption of raw & packing material and finished goods purchased during the year. The materials consumed were ₹2,301.26 million for fiscal year 2024 as against ₹2,526.60 million for fiscal year 2023. The materials consumed were higher in fiscal year 2023 due to one-time provisioning of the materials related to Covid-19 (Sputnik V) vaccine.

Employee benefits expenses: The employee benefits expenses have increased to ₹1,495.67 for fiscal year 2024 from ₹1,264.84 million for fiscal year 2023, primarily on account of annual increments and increase in manpower relating to vaccine business and nutrition business in India.


Plantation of saplings by WHO audit team members

Other Expenses: Other expenses have increased to ₹1,995.36 million for fiscal 2024 as compared to ₹1,787.61 million for fiscal 2023, primarily due to increase in the legal & professional expenses following the arbitration cases filed against / by the Company and PBPL, higher consumption of stores & spares and power & fuel expenses largely due to higher operations during the year under review.

Finance costs: Finance costs comprising of interest and bank charges have significantly declined from ₹44.37 million during fiscal year 2023 to ₹35.81 million for fiscal year 2024 following repayment of the debts.

Depreciation and amortization expenses: Depreciation and amortization expenses were ₹367.11 million for fiscal 2024 as against ₹391.23 million for fiscal 2023.

Exceptional items: Exceptional items represent recognition of the deferred revenue related to the sale of domestic pharmaceutical brand portfolio of PBPL in 2022. The deferred revenue recognised during fiscal 2024 was ₹360.34 as compared to ₹1,026.61 million for fiscal 2023.

Profit / (Loss) before Tax: The profit before tax was ₹14.77million for fiscal year 2024 as against ₹128.05 million for fiscal year 2023, because of the factors discussed above.

Profit / (Loss) after Tax: The total loss after tax was ₹15.05 million for fiscal 2024 as compared to loss after tax of ₹337.45 million for fiscal 2023, because of factors discussed above.

The total basic and diluted loss per share was ₹0.19 for fiscal year 2024 as against loss per share of ₹5.43 for fiscal year 2023.

Summarized Consolidated Cash Flow Statement

Cash Flow from Operating Activities: Net cash used in operating activities was ₹1.00 million in fiscal year 2024 as compared to ₹4,224.52 million in Fiscal 2023. The net cash used in operating activities in fiscal year 2023 was higher because of payment of statutory dues relating to the sale of domestic pharmaceutical brands portfolio of PBPL in fiscal year 2022, within the prescribed timelines.

(₹ in million)

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Cash & Cash Equivalent at the beginning	398.52	503.50
Net Cash flows from Operating Activities	(1.00)	(4,224.52)
Net Cash flows from Investing Activities	102.27	4,303.31
Net Cash flows from Financing Activities	(28.08)	(183.73)
Effect of Exchange rate changes	0.03	(0.04)
Cash & Cash Equivalent at the end	471.74	398.52

Cash Flow from Investing activities: Net cash generated from investing activities was ₹102.27 million for Fiscal 2024 as compared to ₹4,303.31 million for fiscal year 2023. During fiscal 2023, the net cash generation from investing activities was higher due to encashment of deposits for payment of statutory dues as mentioned above.

Cash Flow from Financing Activities: Net cash used in financing activities decreased to ₹28.08 million in Fiscal 2024 as compared to ₹183.73 million in Fiscal 2023. During Fiscal 2023, the debt repayment was higher than Fiscal 2024.

Financial Ratios

The financial ratios for financial year 2023-24 and their comparison with previous year including the reasons for variance wherever applicable, are given in Note 53 to the Standalone Financial Statements forming part of the Annual Report and hence not repeated here for the sake of brevity.

Opportunities and Outlook

The Company operates in a highly regulated and competitive environment across multiple geographies. Panacea Biotec group is engaged in research, development, manufacturing and marketing of a wide range of novel vaccines, branded and generic pharmaceutical formulations and nutrition products. The management continues to remain committed to grow the business building as on its strong foundation and executing its pipeline of products.

SWOT Analysis

Strengths

- ✓ Leading biotechnology company with over 30 years' experience in development, manufacturing and commercialization of vaccines and pharmaceutical formulations.
- ✓ Significant focus on exports
- ✓ State-of-the-art cGMP compliant manufacturing facilities

- ✓ Proven research & development and clinical research capabilities with multi-disciplinary R&D Centers
- ✓ Robust product pipeline of promising niche products to fuel long-term growth
- ✓ Extensive sales and distribution network
- ✓ Strategic partnerships and collaborations
- ✓ Strong promoter group supported by experienced and qualified management team.

Weaknesses

- ✓ Long gestation period on R&D Projects: R&D projects involve longer development time and medium to high investment as is the norm in the vaccine and pharmaceutical industry. As a result of this, the present profitability is affected whereas the output may come in medium to long term future periods.
- ✓ High dependence on institutional business in Vaccine Segment: A significant part of the vaccine business revenues comes from tender driven institutional business. Panacea Biotec has decided to focus on expanding into private markets in India as well as in ROW countries through strategic tie-ups to have a diverse sales base and reduce its dependence on institutional business.
- ✓ Revenue concentration on few products: In vaccine segment, the revenue generation is mainly dependent on two products i.e. pentavalent and hexavalent vaccine. Any future disruption in any of these products may impact the future financial performance. The Company has expedited development of new products to expand the product portfolio and drive future growth.

Opportunities

- ✓ Expansion of vaccine manufacturing capacity: The Company is undertaking expansion of its drug substance manufacturing capacities to meet the future growing demand of its vaccines by UN agencies.
- ✓ New products in pipeline for commercial launch: There are several products under late stage of development in vaccines, pharmaceutical formulations and nutrition business. The DengiAll® (Dengue vaccine) and NucoVac®11 (Pneumococcal vaccine) offer significant growth opportunities in the future.

Plantation of sapling by DFC official at Lalru

- ✓ To improve capacity utilization: PBPL is exploring third party contract manufacturing opportunities to increase capacity utilization of its manufacturing facilities.
- ✓ Addressing unmet need: Panacea Biotec is continuously working on development and launch of products to address unmet needs.

Threats

- ✓ Dependence on few imported suppliers in drug substance. However, Panacea Biotec is focusing on reducing its dependence on foreign suppliers by developing in-house drug substances.
- ✓ Increasing Regulatory Compliances and Costs: International regulatory agencies like USFDA have started exercising greater controls and compliances. As a result, the cost of compliance has also started increasing. Panacea Biotec group has been following the guidelines prescribed by WHO, USFDA and other regulatory agencies and save and except, recent observations / warning letter from USFDA which has been suitably responded / acted upon by Panacea Biotec Pharma, Panacea Biotec group has successfully passed several regulatory audits over the years.
- ✓ Pricing pressure amid intense competition in the pharmaceutical industry across the globe. However, the Company remains focused on complex generic and vaccines having lesser competition threat.
- ✓ Risk of all R&D initiatives not leading to commercially viable and successful products.

Future Growth Strategy

Vaccine Business

- ✓ Scaling up vaccine sales in private market in India including through launch of new vaccines.
- ✓ Increasing participation in institutional vaccine business with UNICEF, PAHO etc.
- ✓ Expediting development of tetravalent Dengue vaccine DengiAll®, Pneumococcal Polysaccharide Conjugate Vaccine NucoVac®11 and other vaccines and launch thereof in India and Institutional markets.
- ✓ Expanding manufacturing capacities to meet the future growing demand of vaccines.
- ✓ Supply of hexavalent vaccine EasySix® to UNICEF, PAHO and other international markets.

Pharma and Nutrition Business

- ✓ Growth in exports of pharmaceutical formulations to ICH market, emerging markets in LATAM and Middle East.
- ✓ Launch of Paclitaxel protein bound particles for injectable suspension, Cyclosporine and other products, which are currently under approval, in USA and Europe.
- ✓ Filing more ANDAs / dossiers in USA, Europe and other emerging markets.
- ✓ Scaling up the nutrition business by launching new dosage forms and new customer segments.

Safety training during Safety Week celebrations

Corporate Social Responsibility

Panacea Biotec recognizes Corporate Social Responsibility as one of its core values by making continuous efforts on spreading awareness on critical health issues impacting the quality of life. Panacea Biotec has been over the years, pursuing Corporate Social Responsibility by putting continuous efforts in the areas of health, education and patient awareness / assistance programs towards the development of a happier and healthier society.

Safety, Health and Environment Protection

The Company operates with a deep commitment to environmental stewardship, sustainability, and the well-being of people. A dedicated Environment, Occupational Health, and Safety (EOHS) department oversees these critical areas, supported by independent consultants who conduct thorough evaluations of our EOHS activities.

We are strongly committed to business practices that foster socially and environmentally responsible economic growth. Our EOHS policy ensures a safe and healthy working environment for employees, contractors, sub-contractors, visitors, and the surrounding communities. We are making significant progress towards our long-term EOHS vision of achieving Target Zero Harm: Zero Injuries, Zero Occupational Harm, and Zero Environmental Impact.

Panacea Biotec group has successfully attained certification in Integrated Management Systems at its manufacturing facilities in Lalru and Baddi. This certification encompasses ISO 14001:2015, which focuses on Environmental Management, ensuring that our operations are conducted with a strong commitment to minimizing environmental impact. Additionally, it includes ISO 45001:2018, which emphasizes Occupational Health & Safety, ensuring a safe and healthy working environment for all our employees, contractors, and stakeholders. These certifications reflect our dedication to maintaining the highest standards in environmental protection and workplace safety, aligning with our broader goals of sustainability and responsible business practices.

The key initiatives include:

- ✓ Continued implementation of an EHS management system that promotes proactive compliance with environmental, health, and safety standards, sets minimum expectations across our operations, and drives continuous improvement in EHS performance.
- ✓ Deployment of EOHS regulatory surveillance tools in all countries where we have significant operations.
- ✓ Proactive EOHS compliance assessments through self-evaluations and an internal audit program, addressing non-conformities with timely corrective and preventive actions, while tracking progress.
- ✓ Establishment of targets to reduce the environmental impact of our operations, including energy and water conservation, recycling, and waste reuse.

As part of our auditing process, Panacea Biotec identifies and addresses critical areas requiring immediate corrective action and strives to prevent adverse health impacts on employees through health awareness sessions, medical facilities, and insurance benefits.

Note: As a result of rounding off adjustments, the figures / percentages in a column in various sections in the Annual Report may not add up to the total for such columns.

Safety training during Safety Week celebrations

Environment Day Poster Competition

Directors' Report

Dear Members,

Your Directors take pleasure in presenting the 40th Annual Report on the business and operations of the Company together with the Audited Standalone and Consolidated Financial Statements and the Auditors' Reports thereon for the financial year ended March 31, 2024.

Financial Results

The highlights of standalone and consolidated Financial Results of the Company are summarized below:

(₹ in million)

Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from operations	3,596.04	2,570.67	5,591.68	4,599.46
Other Income	249.07	344.35	257.96	516.63
Total Income	3,845.11	2,915.02	5,849.64	5,116.09
Profit / (Loss) before Interest, Tax, Depreciation & Amortization (EBITDA)	141.67	(626.27)	(200.61)	(979.59)
Profit / (Loss) before exceptional items and tax	42.06	(627.52)	(345.57)	(898.56)
Exceptional items	-	-	360.34	1,026.61
Profit / (Loss) before Tax (PBT)	42.06	(627.52)	14.77	128.05
Profit / (Loss) after Tax (PAT)	35.50	(875.44)	(15.05)	(337.45)
Total Comprehensive Income / (loss) for the year	34.91	(894.43)	(18.89)	(335.41)

Performance Highlights

During the financial year ended March 31, 2024, your Company's revenues from operations have grown by ~40% to ₹3,596.04 million as against ₹2,570.67 million during the previous financial year. The revenue growth is driven mainly by higher institutional sales of pentavalent vaccine Easyfive-TT® and bivalent oral polio vaccine (bOPV).

The Company's consolidated revenues from operations have also grown by ~22% to ₹5,591.68 million during the financial year under review as against ₹4,599.46 million during the previous financial year. The consolidated revenues have mainly increased due to higher institutional sales of vaccines registered by the Company and growth of pharmaceuticals exports to international markets including as a result of launch of Paclitaxel Protein-Bound Particles for Injectable Suspension (Albumin-Bound), a generic version of Abraxane® in Canada by the Company's wholly owned subsidiary Panacea Biotec Pharma Limited ("PBPL").

On standalone basis, the Company has registered positive EBITDA of ₹141.67 million during the financial year under review as against EBITDA loss of ₹626.27 million during previous financial year. The EBITDA growth is mainly due to higher revenue growth during the financial year under review. The Company has earned profit before exceptional items and tax of ₹42.06 million as against loss of ₹627.52 million during previous financial year, mainly due to higher revenues and operating profits earned during the financial year under review.

The Company's consolidated EBITDA loss has significantly reduced by ~80% to ₹200.61 million during the financial year under review as against EBITDA loss of ₹979.59 million during previous financial year. The consolidated loss before exceptional items and tax has also reduced by ~62% to ₹345.57 million during the financial year under review as compared to loss of ₹898.56 million during previous financial year, mainly due to better operational performance in the vaccine business of the Company.

The Company's consolidated loss after tax and exceptional items for financial year 2023-24 has also been significantly reduced to ₹15.05 million as against ₹337.45 million during previous financial year due to the above stated reasons.

A detailed discussion on the industry overview, external environment & economic outlook and the Company's operations for the financial year ended March 31, 2024 is given in the Management Discussion and Analysis Report forming part of the Annual Report.

Credit Rating

During the year under review, the Company has neither issued any debt instruments nor availed any bank facility and has consequently not carried out any credit rating.

Dividend

In view of the accumulated losses until previous year and inadequate profits during financial year 2023-24, the Board of Directors has decided to retain the entire amount of profit and invest the surplus amount towards the growth of the Company and hence not recommended any dividend on the Equity as well as Preference Shares of the Company.

In compliance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Company has in place a Dividend Distribution Policy which endeavors for fairness, consistency and sustainability while distributing profits to the shareholders. The same may be accessed on the Company's website at the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

Transfer to Reserves

The Board of Directors has not proposed any transfer to reserves during the financial year under review.

Share Capital

There has been no change in the capital structure of the Company during the financial year under review. The issued, subscribed and paid-up Share Capital of the Company as on March 31, 2024, remains unchanged at ₹222.62 million (comprising of ₹61.25 million equity share capital divided into 61,250,746 Equity Shares of ₹1 each and ₹161.37 million preference share capital divided into 16,137,000 Non-Convertible Cumulative Non-Participating Redeemable Preference Shares of ₹10 each). Similarly, the authorised share capital of the Company also remains unchanged at ₹1,223.37 million (comprising of 125,000,000 Equity Shares of ₹1 each and 109,837,000 Preference Shares of ₹10 each).

The Company has neither issued any shares or other convertible securities nor any equity share with differential rights / sweat equity shares under Rule 4 & Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014. The Company has also neither issued any debentures, bonds, non-convertible securities or warrants nor redeemed any debentures or preference shares, during the year under review.

Significant Events during the year under review / current year

The Company has from time to time during the year under review and thereafter, informed its stakeholders about the key developments that took place by disseminating necessary information to the stock exchanges and through various other means of communication.

Some of the key events held during the year under review and thereafter are mentioned below:

i. Receipt of award from Fortune India – The Next 500: Sectoral Star – Pharma Category, 2023: Fortune India Magazine, a monthly publication, has tracked the achievements of India's biggest emerging companies in 2023 across different industry sectors and has awarded PBPL with the Fortune "The Next 500" 2023, Sectoral Star – Pharma category award on July 07, 2023. The award was given by Mr. Anurag Thakur, Union Minister for Information & Broadcasting, Sports and Youth Affairs, Government of India who was the Chief Guest to commemorate Fortune India's annual special issue "The Next 500" that lists the Top 500 emerging companies in the Country.

ii. Development of Novel Tetravalent Dengue Vaccine "DengiAll®": The Company had collaborated with Indian Council of Medical Research ("ICMR") in year 2022 for undertaking Phase III clinical trial for DengiAll® a single dose live-attenuated tetravalent vaccine against dengue fever in adults. The Company has successfully manufactured 3 exhibit batches of drug substances and drug product and the same has been released by Central Drug Laboratory (CDL), Kasauli following which the Drug Controller General of India (DCGI) has given necessary permission to undertake the Phase III Clinical Trial in India. The Phase III clinical trial for DengiAll® in adults, has recently been initiated. The clinical trial will be conducted at 19 sites with ~10,335 participants across India. The said vaccine is expected to be launched in 2026, subject to receipt of necessary regulatory approvals.

iii. Launch of health supplement products: PBPL has entered into a new business in health supplement products. It has developed its own product portfolio for nutrition segment at its Sampann R&D Center, Lalru and has set-up a manufacturing facility to manufacture these products at Baddi, Himachal Pradesh. To start with, in June 2023, PBPL has launched pediatric nutrition products under the brand name, ChilRunfull®, ChilRun®7+, ChilRun® No Sucrose in ~100 territories across India covering almost 4,000 doctors. PBPL is now in the process of establishing its business of health supplements products in International markets.

iv. Launch of Paclitaxel in Canada: PBPL has launched Paclitaxel Protein-Bound Particles for Injectable Suspension (Albumin-Bound), first generic version of Abraxane® in the Canadian market through its strategic partner Apotex Inc., Canada on October 27, 2023. Paclitaxel Protein-Bound Particles for Injectable Suspension is indicated for the treatment of metastatic breast cancer, non-small cell lung cancer and adenocarcinoma of the pancreas.

v. The Company has launched world's first fully liquid wP-IPV based pentavalent vaccine, EasyFourPol® in India which protects children against 5 deadly diseases, viz. diphtheria, tetanus, pertussis, polio and haemophilus influenza type B.

vi. Registration of Valganciclovir Powder for Oral Solution in Germany: PBPL has received registration of Valganciclovir 50 mg/ml Powder for Oral Solution through its fellow wholly-owned subsidiary company viz. Panacea Biotec Germany GmbH (PBGG) in Germany. Valganciclovir Powder for Oral Solution is a welcome addition to PBGG's transplant portfolio in Germany. The product is planned for commercial launch during the current year.

vii. Site Inspection by the United States Food and Drug Administration ("USFDA"): USFDA conducted a surprise inspection of PBPL's pharmaceutical formulations facility in October 2023 and upon completion of the said inspection, PBPL was issued Form 483 with 9 observations for its Oncology Facility and in response thereto PBPL had immediately initiated actions to address specific observations raised in the 'FDA Form 483' and submitted its responses along with Corrective and Preventive Actions ("CAPA") with USFDA from time to time. USFDA issued letter maintaining facility status as Official Action Indicated (OAI), which does not impact existing business of PBPL in US. However, satisfactory resolution of the observations raised by USFDA, is necessary for approval of the ANDA filed for Paclitaxel Protein-Bound Particles for Injectable Suspension (Albumin-Bound) from the said facility.

Apart from the updates mentioned above and disclosed elsewhere in the Annual Report, there were no significant events during and after the end of the financial year ended March 31, 2024.

Employee Stock Options

The Company has an approved Employee Stock Option Plan 2020 ("ESOP 2020"/ "Plan") for the employees of the Company and its subsidiaries. However, no options have been granted under ESOP 2020 till date.

Significant and material orders impacting the going concern status and Company's operations in future

During the year under review, no significant and material order was passed by any regulator or court or tribunal which may impact the going concern status and your Company's operations in future.

During the financial year 2011-12, a search operation was conducted by Income Tax Department in the premises of the Company and hence the Company re-filed the income tax returns for the Assessment Years ("AY") 2006-07 to 2012-13. During the financial year 2014-15, the Income Tax Department completed the assessment of the said years, disallowed certain expenses, and issued demand of ₹3,294.90 million (including interest) on various grounds. The Company preferred appeals before CIT (Appeals) against the orders of the Income Tax Department and after several hearings in the matter and based on the facts of the matter, the appeals were decided in favour of the Company and the entire demand of ₹3,294.90 million was cancelled. However, CIT (Appeals) made certain disallowances of ₹60.20 million with respect to AY 2010-11 & AY 2011-12 against which the Company has filed appeals before the Income Tax Appellate Tribunal ("ITAT"). The Income Tax Department has also filed appeals before ITAT against the orders of CIT (Appeals). The appeals before ITAT are pending at present. Based on the expert opinion, the Company believes that it has merit in these cases.

Report on Corporate Governance

Your Company has always placed thrust on managing its affairs with diligence, transparency, responsibility and accountability. The Board supports the broad principles of Corporate Governance and lays emphasis on its role to align and direct the actions of the Company in achieving its objectives. Your directors reaffirm their commitment to adhere to the highest corporate governance and ethical practices. The Company has complied with the requirements of the SEBI LODR Regulations regarding corporate governance. In compliance with Regulation 34(3) of the SEBI LODR Regulations, a report on corporate governance for the financial year under review is presented in a separate section and forms an integral part of the Annual Report. The requisite certificate from M/s R&D Company Secretaries, Secretarial Auditors, confirming compliance with the conditions of Corporate Governance is attached thereto and forms part of the Annual Report.

Management Discussion and Analysis Report

Pursuant to Regulation 34(3) of the SEBI LODR Regulations, Management Discussion and Analysis Report for the year under review, is presented in a separate section and forms an integral part of the Annual Report.

Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report for the year under review, as required pursuant to Regulation 34(2) (f) of the SEBI LODR Regulations, is presented in a separate section and forms an integral part of the Annual Report. The Report provides a detailed overview of initiatives taken by the Company from environmental, social and governance perspectives.

Subsidiaries, Associates and Joint Ventures

A. Subsidiaries

As on March 31, 2024, your Company had 3 Wholly Owned Subsidiary ("WOS") companies, viz. Panacea Biotec Pharma Limited ("PBPL"), Meyten Realtech Private Limited ("Meyten") and Panacea Biotec (International) S.A. ("PBS"), Switzerland and 1 indirect WOS company, viz. Panacea Biotec Germany GmbH ("PBGG"), the WOS of PBS.

Subsequent to the financial year end, 1 indirect WOS company viz. Panacea Biotec Inc. ("PB Inc.") has been incorporated in Delaware, USA as a WOS of PBPL on April 09, 2024, for the purpose of buying, selling, marketing, importing, exporting, distributing, and dealing in services and products related to health and wellness, such as nutrition, dietary supplements, OTC drugs, medical devices, prescription drugs, and vaccines.

PBPL is engaged in the research, development, manufacturing and marketing of pharmaceutical formulations and health supplement products in India and international markets. As on March 31, 2024, the Company holds 1,000,000 equity shares of ₹1 each with an investment of ₹1.00 million in PBPL.

Meyten is engaged in the real estate business. The Board of Directors of Meyten has, in its Meeting held on April 20, 2023, issued and allotted 4,776,319 equity shares of ₹1 each to the Company, pursuant to the terms of the Composite Scheme of Arrangement ("Scheme") amongst Meyten, Radhika Heights Limited, an erstwhile WOS of the Company ("RHL") and Cabana Structures Limited (WOS of RHL), and their respective shareholders and creditors for, inter-alia, demerger of Specified Leasing Business of RHL into Meyten. As on March 31, 2024, the Company holds 4,876,319 equity shares of ₹1 each in Meyten.

PBS was earlier engaged in the business of trading of pharmaceutical products and is currently not pursuing any business. Since no further activity is envisaged to be undertaken by PBS, it has been decided to liquidate PBS. The Company holds 6,000 equity shares of CHF 100 each with an investment of ₹34.36 million in PBS as on March 31, 2024.

PBGG is engaged in marketing of pharmaceutical products including the Company's products in Germany. PBGG is proposed to be converted into indirect WOS of the Company through PBPL by way of acquisition of 100% shares of PBGG by PBPL from PBS.

B. Joint Ventures and Associates

As on March 31, 2024, your Company had 2 joint ventures, viz. Adveta Power Private Limited ("Adveta") and Chiron Panacea Vaccines Private Limited (Under Liquidation) ("CPV") and 1 associate company, viz. PanEra Biotec Private Limited ("PanEra"). Adveta and PanEra have been considered as subsidiaries for the purpose of consolidation of accounts pursuant to the provisions of Indian Accounting Standards ("Ind AS").

Adveta: The Company's 50:50 joint venture with PanEra, was earlier granted in-principle approval by the Government of Arunachal Pradesh for allotment of two Power Projects of 80 MW and 75 MW in financial year 2012-13 which was subsequently cancelled. As part of business restructuring, Adveta was proposed to be merged into PBPL, however, considering the cancellation of projects, alternate options are being explored.

CPV: Post completion of voluntary winding-up of CPV, the Joint Liquidators of CPV submitted the final Liquidator's Statement of Account with the Official Liquidator, Mumbai ("OL"), during the financial year 2022-23. The OL has submitted its report with the Hon'ble High Court of Bombay and the Hon'ble High Court vide its Order dated July 11, 2024 approved the same and CPV stands dissolved from the date of submission of the said report i.e. June 20, 2024.

PanEra: PanEra was granted in-principle approval by the Government of Himachal Pradesh for allotment of a hydropower project of 4 MW, in earlier years. However, no major investment has been made in this regard. As part of business restructuring, PanEra is proposed to be merged into PBPL so that PBPL can move towards net zero carbon emission and use energies which are sustainable and good for environment and at the same time economical to PBPL. Also, post this merger, PBPL will largely become self-reliant in its own energy requirements.

Pursuant to Regulation 46(2)(h) of the SEBI LODR Regulations, the Company has formulated a Policy for determining material subsidiaries which may be accessed on the Company's website at the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

As on March 31, 2024, as well as on the date of this report, Panacea Biotec Pharma Limited is the only material subsidiary of the Company pursuant to the SEBI LODR Regulations.

Financial Details of Subsidiaries, Associates and Joint Ventures

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("the Act"), a separate statement containing the salient features of financial statements, performance and financial position of each of the Company's Subsidiaries, Associates and Joint Venture, in the prescribed Form AOC-1, forms part of the Annual Report and hence not repeated here for the sake of brevity. The contribution of the Subsidiaries, Associates and Joint Venture to the overall performance of your Company is outlined in Note No. 50 of the Consolidated Financial Statements for the year ended March 31, 2024.

In accordance with the provisions of Section 136 of the Act read with SEBI LODR Regulations, the standalone and consolidated financial statements of the Company along with related information and separate audited financial statements of the Subsidiaries are available on the website of the Company at https://www.panaceabiotec.com/en/section/information-repository/annual-report and https://www.panaceabiotec.com/en/section/information-repository/subsidiaries-financial-information, respectively. The financial statements of the subsidiaries will also be made available upon request of any member of the Company who is interested in obtaining the same.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its Subsidiaries, Associates and Joint Venture, prepared in terms of Section 129 of the Act, Regulation 33 of the SEBI LODR Regulations and in accordance with Ind AS 110 read with Ind AS 28 and 31 as specified in the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS Rules") and provisions of Schedule III to the Act, together with Auditors' Report thereon, forms part of the Annual Report.

Indian Accounting Standards, 2015

The annexed financial statements comply in all material aspects with Indian Accounting Standards notified under Section 133 of the Act, the Ind AS Rules and other relevant provisions of the Act.

Listing of Equity Shares

The Equity Shares of the Company continue to be listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). The requisite annual listing fees for the financial year 2024-25 have been paid to these Exchanges well within the due dates.

Public Deposits

During the year under review, your Company has neither invited nor accepted any deposits from the public / members pursuant to the provisions of Sections 73 and 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and therefore, no amount of principal or interest was outstanding in respect of deposits from the Public as on the balance sheet date.

During the year under review, the Company has also not availed any loan from any of its directors. The details of outstanding loans received from the director of the Company have been disclosed in Note No. 41 to the Standalone Financial Statements forming part of the Annual Report. Further, in compliance with provisions of the Companies (Acceptance of Deposits) Rules, 2014, the director of the Company, from whom money was received during earlier years, had furnished to the Company, a declaration in writing to the effect that the amount was not being given by him out of funds acquired by him by borrowing or accepting loans or deposits from others.

Directors and Key Managerial Personnel

i. Appointment / Re-appointment of non-executive Independent Directors: Mrs. Ambika Sharma (DIN: 08201798) has been appointed as non-executive Independent Director of the Company for a period of 5 years w.e.f. February 14, 2024. The said appointment was also approved by the shareholders on April 11, 2024, by way of passing a special resolution through Postal Ballot.

   Further, Mr. Bhupinder Singh (DIN: 00062754) has been re-appointed as non-executive Independent Director of the Company for a second term of 1 year w.e.f. April 08, 2024. The said re-appointment was also approved by the shareholders on April 11, 2024, by way of passing a special resolution through Postal Ballot.

   In the opinion of the Board, Mrs. Ambika Sharma and Mr. Bhupinder Singh are persons of integrity and possess requisite expertise and experience for appointment / re-appointment as independent directors of the Company. Further, they are exempted from the requirement to undertake online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

ii. Completion of tenure of Independent Directors: Mr. Krishna Murari Lal (DIN: 00016166), Mr. Namdeo Narayan Khamitkar (DIN: 00017154) and Mr. Raghava Lakshmi Narasimhan (DIN: 00073873) ceased to be the independent directors of the Company on March 31, 2024 upon completion of their second and final term of 5 consecutive years as Independent Directors.

    Your directors express their deep appreciation and gratitude to the aforesaid directors for their extensive contribution and guidance received towards the business growth of the Company.

iii. Re-designation of Whole-time director: Mr. Ankesh Jain (DIN: 03556647) has been re-designated as Whole-time Director w.e.f. June 01, 2024, from the current position of Whole-time Director designated as Director Sales & Marketing, for remaining tenure of his term i.e. from June 01, 2024 to March 31, 2025.

iv. Directors Retiring by Rotation: In accordance with the provisions of Section 152 of the Act and Article 119 of the Articles of Association of the Company, Mr. Narotam Kumar Juneja (DIN: 01204817), Non-Executive Non-Independent Director of the Company is liable to retire by rotation. Being eligible he has offered himself for re-appointment as director at the ensuing Annual General Meeting ("AGM") of the Company and he is proposed to be re-appointed as director for a period upto March 31, 2025.

v. Profile of Director seeking re-appointment: The brief resume of the Director seeking re-appointment along with other details as stipulated under Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standards issued by The Institute of Company Secretaries of India, are provided in the Notice convening the ensuing AGM of the Company and the Corporate Governance Report forming part of the Annual Report.

vi. Declaration of independence / compliance with Code of Conduct: Your Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence provided in Section 149(6) of the Act and Regulation 16 of the SEBI LODR Regulations, and that there has been no change in the circumstances which may affect their status as independent director during the year under review. The Independent Directors have also affirmed compliance with the Code of Conduct laid down by the Board of Directors for all the Board Members, Senior Management Personnel and other employees of the Company, during the year under review 2023-24.

vii. Registration in Independent Directors' Data Bank: The Company has received confirmation from all its Independent Directors that they are registered in the Independent Directors' Data Bank of the Indian Institute of Corporate Affairs at Manesar, for a period of 5 years, in compliance with the provisions of sub-rule (1) of rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

All the above appointments / re-appointments by the Board of Directors are based on the performance evaluation and recommendation of the Nomination and Remuneration Committee of the Board of Directors. Your directors recommend re-appointment of the above said director in the ensuing AGM.

Apart from the above, there is no other change in the directors and Key Managerial Personnel ("KMP") during the year under review and thereafter.

Board Evaluation

An annual performance evaluation of the Board, its Committees and of individual directors was carried out by the Board in terms of the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014 ("Account Rules"). In compliance with Regulation 17(10) of the SEBI LODR Regulations, the Board carried out performance evaluation of independent directors without the participation of director being evaluated.

The performance of the committee was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and the Chairman was evaluated. The exercise was carried out through a structured evaluation process covering various aspects such as Board composition & quality, strategic & risk management, board functioning, etc. which are briefly stated in the Corporate Governance Report, forming part of the Annual Report. Performance evaluation of independent directors was conducted based on criteria such as ethics and values, knowledge and proficiency, behavioural traits, etc. The Board of Directors has expressed its satisfaction with the evaluation process.

Board Meetings

During the year under review, 4 Board Meetings were held on May 30, 2023, August 12, 2023, November 10, 2023 and February 13, 2024. The intervening gap between two Board Meetings was within the maximum period prescribed under the Act. The detailed information is furnished in the Corporate Governance Report, forming part of the Annual Report.

Audit Committee

The Audit Committee of the Board of Directors comprises entirely of Independent Directors. The Audit Committee has been reconstituted w.e.f. April 01, 2024. The details of the composition and number of meetings of the Audit Committee held during the financial year under review including attendance thereat, are furnished in the Corporate Governance Report, forming part of the Annual Report. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

Policy on Directors' appointment & remuneration

The management of the Company is immensely benefitted from the guidance, support and mature advice from the members of the Board who are also members of various committees. The Board consists of directors possessing diverse skills and rich experience to enhance quality of its performance. Pursuant to the provisions of Section 178(3) of the Act, Regulation 19(4) of the SEBI LODR Regulations and as per the recommendations by the Nomination and Remuneration Committee ("NRC") of the Board, the Board has adopted a policy for appointment and remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company. This policy may be accessed on the Company's website at the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

The policy includes criteria for determining qualifications, positive attributes and independence of directors. In terms of the policy, the NRC evaluates balance of skills, knowledge and experience of directors, Key Managerial Personnel or Senior Management Personnel whom it recommends to the Board for appointment. The components of remuneration policy are briefly stated in the Corporate Governance Report, forming part of the Annual Report.

Energy Conservation, Technology Absorption & Foreign Exchange

As required under Section 134(3)(m) of the Act read with Rule 8 of the Accounts Rules, the particulars regarding conservation of energy, technology absorption and foreign exchange earnings & outgo, are given in **Annexure A** hereto and forms part of this Report.

Annual Return

As required pursuant to Section 92(3) and 134(3)(a) of the Act, the draft Annual Return of the Company as on March 31, 2024, is available on the Company's website at: https://www.panaceabiotec.com/en/section/information-repository/annual-return.

Related Party Transactions

During the year under review, all the related party transactions entered into were on an arm's length basis and predominantly in the ordinary course of business. The Company has not entered into any material related party transactions, i.e. transactions exceeding 10% of the annual consolidated turnover as per the last audited financial statements. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Accounts Rules in the prescribed Form AOC-2 is not applicable. Suitable disclosures as required under Ind AS 24 have been made in the notes to the Financial Statements forming part of the Annual Report. Apart from remuneration and sitting fees, there is no pecuniary transaction with any director, which had potential conflict of interest with the Company.

All related party transactions are placed before the Audit Committee for its review and further recommendation to the Board for its approval. Wherever applicable, approval is obtained for related party transactions which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length basis.

As per the provisions of the Act and Regulation 46(2)(g) of the SEBI LODR Regulations, your Company has formulated a policy on Related Party Transactions which is available on Company's website at the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and the Related Parties. This policy specifically deals with the review and approval of material related party transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions.

Particulars of Employees and Related disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Managerial Personnel Rules") are provided in **Annexure B** hereto and the same forms part of this Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Managerial Personnel Rules, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules is provided in **Annexure C** hereto and the same forms part of this Report.

Auditors and Audit Reports

i) Statutory Auditors and Audit Report: As per the provisions of Section 139 of the Act, M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm's Regn. No. 001076N/N500013) were re-appointed as Statutory Auditors of the Company for a second term of five consecutive years to hold office from the conclusion of the 35th AGM of the Company till the conclusion of the 40th AGM of the Company scheduled to be held in financial year 2024-25. Accordingly, their second term will be completed upon the conclusion of the forthcoming AGM of the Company to be held on September 27, 2024. As per the provisions of Section 139 of the Act, M/s Walker Chandiok & Co. LLP would not be eligible for re-appointment as Statutory Auditors of the Company for a cooling period of 5 years from completion of their term.

   Accordingly, the Board of Directors has, based on the recommendation of the Audit Committee, in its meeting held on August 14, 2024, approved and recommended the appointment of M/s Suresh Surana & Associates LLP, Chartered Accountants (Firm's Regn. No. 121750W/W100010) as the Statutory Auditors of the Company for a period of 5 consecutive years to hold office from the conclusion of 40th AGM upto the conclusion of 45th AGM of the Company to be held in 2029 on such remuneration, out of-pocket expenses, etc. incurred in connection with the audit as may be decided by the Board in consultation with the auditors from time to time.

   The proposed Statutory Auditors have confirmed that they are not disqualified from acting as Statutory Auditors of the Company and are eligible for appointment. They have also confirmed that they are independent, maintained an arm's length relationship with the Company and that no orders or proceedings were pending against them before the Institute of Chartered Accountants of India or any competent court / authority relating to matters of professional conduct.

   The Auditors' Report on the standalone as well as consolidated financial statements for the year ended March 31, 2024, does not contain any qualification, reservation or adverse remark. The Key Audit Matters as contained in the

Auditors' Report on the Standalone Financial Statements are also mentioned as Key Audit Matters in the Auditors' Report on the Consolidated Financial Statements in similar manner.

The management response to the observations / comments / key audit matters contained in the Auditors' Report and Annexure thereto has been suitably given in the respective Notes to the Standalone as well as consolidated Financial Statements referred to therein.

The notes to accounts and other observations, if any, in the Auditors' Reports are self-explanatory and therefore, do not call for any further comments.

ii) Cost Accounts and Auditors: The Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act and accordingly, such accounts and records have been duly made and maintained by the Company in compliance with the provisions of the Act.

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s Jain Sharma & Associates, Cost Accountants (Firm's Registration Number: 000270) were appointed as the Cost Auditors to conduct the audit of the Company's Cost Records for the financial year ended March 31, 2024 and their remuneration has been ratified by the shareholders in the 39th AGM of the Company held on September 29, 2023.

The cost audit for the financial year 2023-24 has been completed and the Cost Auditors Report will be submitted with the Central Government within the prescribed time. The Cost Audit Report for the financial year 2022-23 was filed on September 07, 2023.

The Board of Directors has, based on the recommendations of the Audit Committee, in its meeting held on May 30, 2024, re-appointed M/s Jain Sharma & Associates, Cost Accountants, as cost auditors of the Company to conduct the audit of the Company's Cost Records for the financial year 2024-25. M/s Jain Sharma & Associates have confirmed their independence and arm's length relationship with the Company and that they are free from the disqualifications specified in Section 139, 141 of the Act and their appointment meets the requirements prescribed in Section 141(3)(g) and 148 of the Act. They have also confirmed that they are independent, maintained an arm's length relationship with the Company and that no orders or proceedings were pending against them relating to matters of professional conduct before the Institute of Cost Accountants of India or any competent court / authority.

In compliance with Rule 14 of the Companies (Audit and Auditors), Rules, 2014, an item for ratification of remuneration of cost auditor for conducting the audit for the financial year 2024-25 has been included in the Notice of the ensuing AGM for shareholders' approval.

The observation / emphasis of matter given in the Cost Audit Report with respect to maintenance of unit of measurement other than those specified in HSN Code as per the Customs Tariff Act, 1975, are self-explanatory and therefore, do not call for any further comments.

iii) Secretarial Auditors and Secretarial Audit Report: Pursuant to the provisions of Section 204 of the Act read with Rule 9 Managerial Personnel Rules and Regulation 24A of the SEBI LODR Regulations, the Board of Directors had appointed M/s. R&D Company Secretaries, Practicing Company Secretaries as Secretarial Auditors to conduct the secretarial audit of the Company for the financial year ended March 31, 2024. The Secretarial Audit Report issued by them is annexed as **Annexure D** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

In compliance with the requirements of the SEBI LODR Regulations, the material unlisted subsidiary of the Company, viz. PBPL had also appointed M/s R&D Company Secretaries, Practicing Company Secretaries as Secretarial Auditors to conduct the secretarial audit for the financial year ended March 31, 2024. The Secretarial Audit Report issued by them to PBPL is annexed as **Annexure E** to this Report. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

In addition to the above and in compliance with Regulation 24A(2) of the SEBI LODR Regulations, Annual Secretarial Compliance Report issued by M/s R&D Company Secretaries, Secretarial Auditors, for the financial year ended March 31, 2024, has been submitted with the stock exchanges within prescribed time.

In terms of the applicable provisions of the Act, SEBI LODR Regulations, the Board of Directors has, on the recommendation of the Audit Committee, in its meeting held on May 30, 2024, appointed M/s R&D Company Secretaries, Practicing Company Secretaries, as Secretarial Auditors to conduct the secretarial audit of the Company for the financial year 2024-25. They have also confirmed their eligibility for the said appointment.

Material changes and commitments affecting the financial position

As required under Section 134(3) of the Act, the Board of Directors inform the members that during the financial year under review, there have been no material changes, except as disclosed elsewhere in the Annual Report:

- in the nature of Company's business;
- in the Company's subsidiaries, associates and joint ventures or in the nature of business carried out by them; and
- in the classes of business in which the Company has an interest.

Further, except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments which could affect the financial position of the Company between the end of the financial year and the date of this Report.

Compliance with Secretarial Standards

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued by the Institute of Company Secretaries of India, have been duly followed by the Company.

Transfer to Investor Education and Protection Fund

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of 7 years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Ministry of Corporate Affairs, Government of India. During the year under review, there was no amount of dividend remaining unpaid or unclaimed for a period of 7 years from the due date. Accordingly, no amount was required to be transferred by the Company to the IEPF.

Pursuant to the provisions of IEPF Rules, all the shares in respect of which any dividend which has not been paid or claimed for 7 consecutive years is required to be transferred by the Company to the designated Demat Account of the IEPF Authority ('IEPF Account') within a period of 30 days of such shares becoming due to be transferred to the IEPF Account. During the year under review, there were no shares on which the dividend(s) remained unpaid or unclaimed for 7 consecutive years. Accordingly, no shares were required to be transferred by the Company to the IEPF Account.

The number of shares (in respect of which dividend was not claimed by the concerned shareholders for 7 consecutive years or more) transferred and held by IEPF Authority is given in the Corporate Governance Report forming part of the Annual Report. The details of the persons whose shares have been transferred to the IEPF Authority are available on the Company's website i.e. www.panaceabiotec.com.

Directors' Responsibility Statement

In compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Act, to the best of their knowledge and belief, the Directors hereby confirm that:

a) in the preparation of the annual financial statements for the financial year ended March 31, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024, and of the profit / loss of the Company for the year ended March 31, 2024;

c) they had 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 annual financial statements have been prepared on a going concern basis;

e) they had laid down proper internal financial controls to be followed by the Company and that the same are adequate and were operating effectively; and

f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details in respect of frauds reported by auditors

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Act.

Particulars of loans, guarantees or investments

Pursuant to the provisions of Section 134(3)(g) of the Act, the particulars of loans / guarantees and investments covered under the provisions of Section 186 of the Act along with the purpose for which such loans, guarantees or security were proposed to be utilised by the recipient, have been disclosed in the Note No. 3, 4 and 12 of the Standalone Financial Statements forming part of the Annual Report and hence not repeated here for the sake of brevity.

Risk Management

The Board of Directors has a Risk Management Committee to oversee various organizational risks. Risk Management Committee is compliant with the Regulation 21 of the SEBI LODR Regulations as regards composition, frequency and quorum of the meetings. The Board has defined the roles, responsibilities and functions of the Committee. The details of the composition, number of meetings held and attendance thereat during the financial year under review and terms of reference are furnished in the Corporate Governance Report, forming part of the Annual Report.

The Company has formulated a Risk Management Policy and monitors the risk management plan on a periodic basis. The Company has defined a structured approach to manage uncertainty and to make use of these in decision making in business decisions and corporate functions.

Insurance

The Company has regularly invested in insuring itself against unforeseen risks. The Company's stocks and insurable assets like building, plant & machinery, computer equipment, office equipment, furniture & fixtures, leasehold improvements and upcoming projects have been adequately insured against major risks. The Company has also taken appropriate product liability insurance policies for conducting clinical trials and for insuring its products (manufactured and sold) with an extension of unnamed vendor liability and add on cover of public liability inclusive of pollution liability to cover the risk on account of claims, if any, filed against the Company.

Internal Control System

Your Company has established adequate system of internal controls, policies and procedures to ensure orderly and efficient conduct of business and also that assets are safeguarded and transactions are appropriately authorized, recorded and reported.

The detailed explanation is provided in the Management Discussion and Analysis Report, forming part of the Annual Report.

Internal Financial Controls

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended on March 31, 2024, the Board is of the opinion that the Company has sound IFC commensurate with the size, scale and complexity of its business operations.

The IFC operates effectively, and no material weakness exists. The effectiveness of IFC is ensured through management reviews, controlled self-assessment and independent testing by the internal audit team.

Vigil Mechanism / Whistle Blower Policy

Your Company adheres to uncompromising integrity in conduct of its business and strictly abides by a well-accepted norm of ethical, lawful and moral conduct. It has zero tolerance for any form of unethical conduct or behaviour. With the above said view and pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 22 of the SEBI LODR Regulations and Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted a Vigil Mechanism / Whistle Blower Policy to provide its directors and employees an avenue to raise any sensitive and genuine concerns regarding any unethical behavior or wrongful conduct and to enable them to report instances of leak of unpublished price sensitive information and to provide adequate safeguards for protection from any victimization.

This Policy is available on the website of the Company and can be accessed at: https://www.panaceabiotec.com/en/section/information-repository/policy. This Policy, inter-alia, provides a direct access to the Chairman of the Audit Committee. Further, as mandated by Regulation 18(3) read with Schedule II Part C (18) of the SEBI LODR Regulations, the Audit Committee reviews the functioning of Vigil Mechanism / Whistle Blower Policy.

Your Company hereby affirms that no director / employee has been denied access to the Chairman of the Audit Committee and that no complaint has been received by the Company during the year under review.

Corporate Social Responsibility

The provisions of Section 135 of the Act and the Rules made thereunder regarding Corporate Social Responsibility are not attracted to the Company as the Company does not fall under the threshold limit of net worth of ₹5,000 million or more, or turnover of ₹10,000 million or more, or a net profit (as defined under Section 198 of the Act) of ₹50 million or more during the immediately preceding financial year. However, the Company has been, over the years, pursuing Corporate Social Responsibility by putting continuous efforts in the areas of health, education and patient awareness / assistance programs towards the development of a happier and healthier society.

Prevention of Sexual Harassment at Workplace

The Company is committed to provide safe and conducive work environment to all its employees and associates. It is the continuous endeavour of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment. The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Company has complied with the provisions relating to constitution of Internal Complaints Committee under the POSH Act for dealing with the complaint, if any, relating to sexual harassment of women at workplace. No case has been reported during the year under review.

Proceeding under Insolvency and Bankruptcy Code, 2016

During the year under review, neither any application is made nor any proceeding is pending against the Company, under the Insolvency and Bankruptcy Code, 2016.

Cyber Security Incident

The Company has installed firewalls and other software to protect against the cyber-crime. The back-ups are also being kept on Cloud to prevent any kind of data loss. The Company has also engaged an independent expert to verify the measures already taken by the Company for safeguarding against any cyber-attacks. No incident relating to cyber security, breaches or loss of data or documents has been reported during the year under review.

Acknowledgements

Your directors acknowledge with gratitude the co-operation and assistance received from the WHO, and other UN Agencies, Central Government, State Governments and all other Government agencies and the encouragement they have extended to the Company. Your directors also thank the shareholders, banks, customers, vendors and other business associates for their confidence in the Company & its management and look forward for their continuous support in future. The Board wishes to place on record its appreciation for the dedication and commitment of the employees at all levels which has continued to be our major strength.

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-

Place : New Delhi
Date : August 14, 2024

Dr. Rajesh Jain
Chairman and Managing Director

Annexure A

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
[as required under the Companies (Accounts) Rules, 2014]

I. Conservation of Energy

The Company strives to be energy efficient by being conservative in its approach of energy utilization and also utilizing energy efficient devices. The Company believes that energy conservation is the most economical solution to energy shortages that our country is facing. The Company regularly reviews energy consumption and maintains effective control on utilization of energy by adopting measures to reduce wastage and optimize consumption. The Company has undertaken several measures to minimize energy losses and ensure sustainable energy utilization.

1. Energy Conservation measures taken:

   The Company had devised its production lines and other facilities keeping in view the objective of minimum energy losses.

   The following are the major energy conservation measures implemented by the Company during the year under review and recent past:

   - Use of water treated from effluent treatment plant (ETP) & sewage treatment plant (STP) for plantation and irrigation purposes.
   - Installed Condensate pipelines from condensate transfer pump having no insulation to reduce the insulation heat losses and increase saving in fuel.
   - Commissioned new 6 ton Briquette Fired Boiler (to run with Fire Briquette or Wood Fire) at its Lalru site to replace Furnace Oil Fired Boilers thereby shifting to renewable energy source and to also reduce Sulphur emission.
   - Installed Variable Frequency Drive (VFD) in brine chiller at Lalru to reduce power consumption.
   - Installed mechanical seals in cooling tower pumps replacing gland packing to reduce water consumption.
   - Replaced high energy consuming lights with lower energy consuming lights at several locations.
   - Use of dual mode system enabling use of piped natural gas (PNG) for running the generators as an alternate to using diesel thereby reducing diesel consumption by upto 70% at Lalru and New Delhi.

2. Additional Investments / Proposals, if any, for reduction of Energy Consumption:

   The Company's initiatives in energy consumption extend beyond the needs of the present to ensure sustainable growth for years ahead. Continuous efforts are being made to further reduce the expenditure on power and fuel in the time to come.

   A few measures under consideration are listed below:

   - To continue replacement of high energy consuming lights with lower energy consuming lights across the organization over a period of time.
   - To continue to reduce the running cost of high side utilities at Baddi such as Chiller, Cooling Tower, Condenser Pump & Chiller water pump by using lower power machines to save power.
   - Installation of Tertiary RO system to treat RO reject water for reducing its total dissolved solids (TDS) and use thereof as feed water for boiler & cooling tower with a view to reduce water consumption at Lalru site.
   - To source power generated through solar power systems with a view to reduce energy cost at New Delhi.

3. Capital Investment on energy conservation equipments:

   During the year under review, the Company has not made any significant capital investment towards energy conservation equipments.

4. Impact of measures taken and impact on cost of production of goods:

   The energy conservation measures indicated above have helped the Company to reduce the energy consumption and restrict the impact of increase in the cost of energy, thereby reducing the cost of production of goods to that extent.

Form A

Particulars of Consumption of Energy

Particulars	Current Year	Previous Year
A. Power and Fuel Consumption		
1. Electricity		
(a) Purchased		
Units (Nos. in thousand)	18,316.61	16,054.75
Total Amount (₹ in million)	126.40	100.43
Rate/Unit (₹)	6.90	6.26
(b) Own generation		
(i) Through Diesel Generator		
Units (Nos. in thousand)	713.08	560.91
Unit per litre of Diesel / Oil	3.39	3.28
Cost/Unit (₹)	25.95	30.18
(ii) Through Steam Turbine / Generator		
Units (Nos.)	Nil	Nil
Unit per litre of Diesel / Oil		
Cost/Unit (₹)		
2. Coal		
Quantity (tonnes)	Nil	Nil
Total Cost		
Average Rate		
3. Furnace Oil		
Quantity (Kilolitres)	139.00	902.37
Total Cost (₹ in million)	6.82	47.70
Rate/Unit (₹)	49.05	52.87
Steam transferred from PBPL (₹ in million)	17.12	18.68
4. Briquette		
Quantity (in Tonnes)	2,864.04	375.00
Total Cost (₹ in million)	28.11	4.43
Rate/Unit (₹)	9.82	11.80
5. HSD		
Quantity ('000 Litre)	94.32	-
Total Cost	7.99	-
Rate / Unit	84.66	-
6. PNG		
Quantity ('000 MMB)	3.80	-
Total Cost	5.30	-
Rate / Unit	1,394.19	-
7. Others / Internal generation	Nil	Nil
Quantity		
Total Cost		
Rate / Unit		
B. Consumption per unit of production		
Vaccines		
Production (no. of doses in thousand)	59,188	87,220
Electricity Consumption (Units per thousand)	135.85	112.46
Pre-filled Syringes (PFS)		
Production (no. of PFS in thousand)	318	471
Electricity Consumption (Units per thousand)	856.05	566.93

Annexure to the Directors' Report

II. Technology Absorption

Form B
Form for disclosure of particulars with respect to Technology Absorption

Research & Development (R&D)

1. Specific areas in which R&D is carried out by the Company:

   The Company has a state-of-art research and development facility, namely One-Stream Research and Development (R&D) Centre ("ORC") at New Delhi and a vaccine formulation research and development center at Lalru, Punjab, to cater to all the modern aspects of vaccine development. The Company has the capability of carrying out research activities for developing vaccines using various advanced genetic engineering technologies, molecular biology, bacterial culture, animal cell culture, small scale and pilot scale fermentation, purification and analytical characterization and formulation development. It is equipped with all the necessary infrastructure and scientific manpower to carry out innovative research in the areas of antigen design, expression of antigen in a suitable host system and its purification. This is followed by formulation of antigen with suitable adjuvant and immunological evaluation in animal model.

   The Company has pioneered in the development of viral vaccine, recombinant vaccine, sub-unit vaccine and polysaccharide conjugate vaccines, using both mammalian and bacterial expression platforms. In last one year, the Company has made significant progress in the major areas of research including development of DengiAll®, NucoVac®11 and a multi epitope nano particle based broadly protective beta coronavirus vaccine candidate. Each of these programs will significantly address the healthcare burden that the diseases pose and build a sustainable future based on innovation. In recent times, the R&D center has established a high cell density *E.coli* platform for production of recombinant antigens and proteins. This will help in developing recombinant molecules as antigen / therapeutics and as carrier protein for conjugated vaccine.

   The R&D center has established a strong team to take care of the conjugation aspect of many polysaccharide-based vaccines such as for typhoid, meningitis and many more in near future. The ORC team is also engaged in carrying out research for development of Hepatitis A, Varicella, RSV and Influenza vaccine which are in our future product pipeline.

2. Benefits derived as a result of the above R&D:

   Focus on research resulted in development of innovative fully liquid vaccines including EasySix®, Easyfour-TT®, Easyfive-TT®, Easyfour-Pol®, OPVs (trivalent, monovalent and bivalent) and rich vaccine and bio-therapeutics pipeline.

   Easyfive-TT® is the world's first fully liquid wP-based Pentavalent vaccine that was launched in India in 2005. After receiving WHO prequalification in 2008, more than 150 million doses have been supplied to over 75 countries globally.

   EasySix® is also world's first fully liquid wP-based hexavalent vaccine that was launched in India in 2017. The Company has patented combination vaccines involving wP and IPV. The hexavalent vaccine has been recommended by Gavi and WHO for usage in the immunization program. UNICEF has already floated tender for procuring hexavalent vaccine from year 2025 onwards.

   EasyFourPol® is also world's first fully liquid wP-IPV based Pentavalent vaccine that has been launched during financial year 2023-24.

3. Future Plan of Action:

   The Company intends to continue to focus on R&D activities for growing its revenues and profitability, inter-alia, in the following areas:

   - development of recombinant, polysaccharide conjugate and cell culture based vaccines;
   - development of Genetic (DNA / RNA) material based vaccine, nanoparticles, VLP and Protein based Sub-unit vaccines for novel viral and bacterial antigens;
   - development of cost effective and consistent manufacturing process for consistently delivering the quality vaccine products;
   - development of reliable analytical methods for process monitoring, batch release and stability assessment to support vaccine development initiatives;
   - development of broadly protective Betacoronavirus Vaccines and antibody platform to respond to any future pandemic in less than 100 days; and
   - development of adjuvants to make India "Atmanirbhar".

4. Expenditure on R&D:

(₹ in million)

Particulars	**2023-24**	2022-23
a) Revenue expenditure*	175.90	139.13
b) Capital Expenditure	22.42	34.03
c) Total	198.32	173.16
d) Total R&D expenditure as a % of net revenues	5.51%	6.74%

*Excluding depreciation on R&D assets

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

   Research & Development plays a vital role in developing and adopting new technologies to enhance our operational efficiencies. The Company is actively involved in research & development of vaccine, biopharmaceuticals, proteins and peptides in compliance with international regulatory standards.

   The Company is also engaged in research & development of new generation vaccines like broadly protective Betacoronavirus vaccine, Typhoid Conjugate, Pneumococcal Conjugate, Tetravalent Dengue, Hepatitis A and Varicella Vaccines, etc. and is actively collaborating with Indian and foreign organization, to enrich the pipeline and to bring new concepts in vaccine research.

   Panacea Biotec has collaborated with THSTI (Government of India, Department of Biotechnology) on development of Betacoronavirus candidate vaccines and antibodies to generate long-term sustainable impact on the needs of the world – in line with Government of India's objective of "India for the World".

2. Benefits derived as a result of the above:

   Benefits derived as a result of the above efforts include product improvement, cost reduction, product development, import substitution, competitive products and product quality improvement.

   During the year under review, the Company has launched world's first fully liquid wP-IPV based pentavalent vaccine EasyFourPol®. The Company had launched world's first fully liquid wP-IPV based hexavalent vaccine EasySix® and tetravalent vaccine Easyfour-TT® in 2017. It also launched earlier fully liquid wP based pentavalent vaccine Easyfive-TT®.

   The Company has in-licensed technology for development of tetravalent dengue vaccine, DengiAll® from National Institutes of Health, USA.

   During the year under review, the Company progressed on its novel vaccines (Tetravalent Dengue Vaccine and Pneumococcal Conjugate Vaccine). Phase III Clinical trial for Tetanus and Diphtheria (reduced antigen) or 'Td' Vaccine in Adolescents has been completed during the year. Phase III clinical trial for tetravalent Dengue vaccine, DengiAll® in adults, in collaboration with ICMR, has recently been initiated. Phase II/III Clinical trial for 11-valent Pneumococcal Conjugate Vaccine (NucoVac®11) is slated to be initiated during the current year.

   With the completion of research projects and in-licensing arrangements, the Company will be able to commercialize the products in the domestic and international markets.

3. Information in respect of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

Technology imported	Year of import	Has technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons thereof and future plan(s) of action
(a)	(b)	(c)	(d)
None			

III. Foreign Exchange Earnings and Outgo

1. Activities relating to exports:

   The Company is an exporter of vaccine and supplies its vaccines to UNICEF, PAHO and other national Governments. The Company's vaccines are exported to ~50 countries in Africa, Asia and Latin America. The Company has plans to sell its vaccines in the private market through tie-ups with established industry players in various countries. The Company is supporting global cause of providing affordable vaccines to the children across the globe.

   The Company's wholly-owned subsidiary company, Panacea Biotec Pharma Limited ("PBPL") exports its pharmaceutical formulations in around 36 countries worlwide including United States, Canada, Germany, UAE, Saudi Arabia, Jordan, Qatar, Turkey, Russian Federation, Kazakhstan, Uzbekistan, Serbia, Tanzania, Kenya, Uganda, Vietnam, Philippines, Thailand, Sri Lanka, Brazil, Panama, Ecuador, Paraguay, Trinidad & Tobago, etc.

   During the year, the Company's consolidated export revenues were as under:

   (₹ in million)

Particulars	**FY 2023-24**	FY 2022-23
Vaccines	3,158.21	2,102.25
Pharmaceutical Formulations	1,655.79	1,387.77
Total	4,814.00	3,490.02

2. Initiatives taken to increase export:

   The Company has a long-standing relationship with the institutional customers, i.e. UNICEF, PAHO and the Government of India, which has helped in participating in immunization programs in India and globally. The Company has established relationships with its key customers i.e. UNICEF and PAHO for supply of pentavalent vaccine to Gavi countries through UNICEF and to PAHO member countries located in Latin America through PAHO.

   The Company has been able to set proven performance track record which is a key criterion for selection of suppliers by these UN procurement agencies. The Company has also entered into agreements with other international business associates for its vaccine products. The Company is entering into strategic partnership for its current vaccines and vaccines in pipeline for entry into new international markets.

Panacea Biotec is the innovator and intellectual property holder of EasySix®, the world's first fully liquid Hexavalent vaccine. The WHO's Strategic Advisory Group of Experts on Immunization (SAGE) has supported the global rollout of wP based hexavalent vaccine in the global immunization schedule – creating an opportunity for more than 400 million doses of hexavalent vaccine annually. Panacea Biotec is in process of expanding its manufacturing capacity in order to enable the Company to meet the growing demand of vaccines by public health agencies.

The Company's strategic partnerships and collaborations has enabled it in developing innovative, cost-effective and quality vaccines and helped in achieving its goal of providing cost-effective vaccines to the global population.

PBPL has continued its focus on development, registration and marketing of products portfolio catering to chronic therapies in private markets in several countries. During the year under review, PBPL has launched Paclitaxel protein bound particles for injectable suspension in Canada.

PBPL is continuously filing new product registration dossiers in existing as well as new markets to further strengthen and grow its exports in the future. The Abbreviated New Drug Applications (ANDA) submitted under section 505(j) of the Federal Food, Drug & Cosmetics Act (FD&C Act) are in process of approval by U.S. Food and Drug Administration ("USFDA"). PBPL plans to launch these products in US, Europe, etc. through strategic collaborations with leading pharma companies. It has key partnerships with global pharmaceutical companies for marketing of pharmaceutical formulations in USA and other international markets, which has helped in expanding its reach and access to new regulated markets.

3. Development of new export markets for Products and Export Plans:

The Company as well as PBPL continuously takes steps to strengthen and grow its exports in the coming years including building a strong portfolio, strengthening marketing team, entering into newer markets, identifying distributors and marketing partners into newer regions and registering products in more countries as well as strengthening existing relationships with the partners.

As a part of the Company's strategy to enter into the international private vaccine market, the Company has already registered its vaccines in 13 countries. The product registration in 18 countries (including African Medicines Regulatory Harmonization (AMRH) which entitles launch of product in inter-alia ~29 countries in African region who have ratified the African Medicines Agreement (AMA)) is in progress.

The Company has initiated registrations for sale of hexavalent vaccine EasySix® in international markets with having received marketing authorization in 3 countries.

4. Total foreign exchange earned and used:

(₹ in million)

Particulars	**2023-24**	2022-23
Foreign Exchange Earned:		
F.O.B. value of Exports	3,070.61	1,992.25
Interest Income	114.95	-
Technology transfer fee	9.34	-
Misc. income	0.55	-
Total Foreign Exchange Earned	3,195.45	1,992.25
Foreign Exchange Used:		
Raw materials & packing materials	1,336.44	1,114.35
Components & spare parts	8.16	9.28
Capital goods	289.52	41.01
Legal & professional expenses	28.03	6.75
Software license fee	2.54	11.53
Other Expenses:		
- Allowance for expected credit loss	114.95	-
- Patents, Trade Marks & Product Registration	3.39	2.26
- Advertising and Sales Promotion	2.24	3.69
- General expenses	1.93	2.65
- Others	9.72	10.91
Total Foreign Exchange Used	1,796.92	1,202.43

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-

Place : New Delhi
Date : August 14, 2024

Dr. Rajesh Jain
Chairman and Managing Director

Annexure B

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2024

a. The ratio of remuneration of each Director to the median remuneration of employees of the Company and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24:

Name of the Director and Key Managerial Personnel (KMP)*	Designation	Remuneration of Director / KMP for FY 2023-24 (₹ in million)	% increase in remuneration	Ratio to median remuneration of employees
Dr. Rajesh Jain	Chairman and Managing Director	9.01	9.40%@	21.67
Mr. Sandeep Jain	Joint Managing Director	8.37	10.65%@	20.12
Mr. Ankesh Jain	Whole-time Director	3.03	3.44%@	7.28
Mr. Devender Gupta	Chief Financial Officer and Head Information Technology	6.43	15.03%	14.66
Mr. Vinod Goel	Group CFO and Head Legal & Company Secretary	8.43	19.47%	20.27

*The Non-executive Directors of the Company are entitled for sitting fees only. The details of the same are provided in Corporate Governance Report and is governed by the Nomination and Remuneration Policy. The ratio of remuneration and percentage increase for Non-executive Directors' remuneration is, therefore, not considered for the purpose above.

@During financial year under review, the terms of remuneration of the Chairman and Managing Director, Joint Managing Director and Whole-time Director ("Managerial Personnel") have remained the same. The increase in remuneration is on account of the change in value of perquisites.

b. The percentage increase in the median remuneration of employees in the financial year 2023-24: 6.63%.

c. The number of permanent employees on the rolls of the Company as at March 31, 2024: 1,146.

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

   The average percentiles increase in remuneration of employees other than managerial remuneration was 11.87%. The average percentile increase in the managerial remuneration for the year was 9.35%.

e. It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-

Place : New Delhi
Date : August 14, 2024

Dr. Rajesh Jain
Chairman and Managing Director

Annexure C

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Employee Name	Designation	Remuneration (₹ in million)	Nature of employment	Qualification	Experience (in years)	Date of Commencement of Employment	Age (in Yrs.)	Particulars of Last Employment: Name of Employer, Designation, Period of Service (Years)
A. Top 10 employees in terms of remuneration drawn during the financial year 2023-24:									
1.	Dr. Rajesh Jain	Chairman and Managing Director	9.01	Contractual	PGDM, Ph. D	40	15.11.1984	60	Nil
2.	Mr. Sandeep Jain	Joint Managing Director	8.37	Contractual	Senior Secondary	40	15.11.1984	58	Nil
3.	Dr. Amulya Kumar Panda	Associate Director	7.67	Permanent employee	Ph. D (Biochemical Engg & Biotechnology)	33	01.07.2021	63	National Institute of Immunology, Scientist-VII, 31 Years
4.	Mr. Devender Gupta	Chief Financial Officer & Head Information Technology	6.43	Permanent employee	F.C.A., PGDM	27	12.12.2010	51	Kudos Chemie Ltd., V.P.-Finance, 1.5 Years
5.	Dr. Khalid Ali Syed	Chief Scientific Officer	6.53	Permanent employee	MBBS, MS & Ph.D	26	02.09.2021	49	MSD-Wellcome Trust Hilleman Laboratories, Director – Clinical R&D, 5.1 Years
6.	Mr. Kulvinder Sarao*	Sr. Vice President - Human Resources	5.71	Permanent employee	PGD in Personnel Management	37	01.08.2023	63	Panacea Biotec Pharma Ltd., Sr. V.P. - Human Resources, 3.6 years
7.	Mr. Parmanand Das Karan	Sr. Vice President - Business Development & Corporate Affairs	5.54	Permanent employee	M. Sc., MBA-Marketing	32	01.11.2006	56	Executive Director, Project Management Associates (PMA), 5 Years.
8.	Mr. Rajneesh Chatrath	Vice President - Corporate Quality Assurance	7.49	Permanent employee	M. Sc. (HS)	32	03.10.2000	56	ECO-MED Pharmaceuticals Inc., QA Associate, 4 Months
9.	Mr. Sunil Anand	Associate Director - Finance & Corporate Affairs	5.66	Permanent employee	B.A.	47	24.04.2003	72	Corporation Bank, Public Relationship Officer, 26 years
10.	Mr. Vinod Goel	Group CFO and Head Legal & Company Secretary	8.43	Permanent employee	M.Com, LLB, ACMA, FCS	37	13.01.1999	59	Prakash Industries Limited, Company Secretary, 9 years
B. Employed for part of the year and in receipt of remuneration which in aggregate was not less than ₹8,50,000 per month									
				Nil					

* Employed for part of the year.

Notes:

1. Remuneration includes salary, commission on profits, house rent allowance, bonus, Company's contribution to Provident Fund, Leave Travel Allowance, Medical Assistance and all allowances paid in cash and monetary value of taxable perquisites wherever applicable and does not include provision for Gratuity / Retirement Benefits.
2. There was no employee who was employed either throughout the financial year or part thereof, who was holding either by himself or along with the spouse and dependent children 2% or more of the Shares of the Company and drawing remuneration in excess of the remuneration drawn by Chairman and Managing Director / Joint Managing Director / Whole-time Director of the Company.
3. The terms and conditions of employees at Sl. No. 1 & 2 of the above table are as approved by the Board of Directors and Shareholders on the recommendation of Nomination and Remuneration Committee. The employees at Sl. No. 3 to 10 of the above table are paid remuneration as per the policy / rules of the Company.
4. None of the above employees is related to any of the Directors except that Dr. Rajesh Jain and Mr. Sandeep Jain are related to each other.
5. The nature of duties of Chairman and Managing Director and Joint Managing Director: Dr. Rajesh Jain, Chairman and Managing Director - providing strategic direction, planning and visionary leadership, championing patient safety centricity, providing resources and support to culture of quality excellence and overseeing Company's financial performance, investments and ventures etc.; Mr. Sandeep Jain, Joint Managing Director - Overseeing the matters relating to audit & compliances, tax laws, foreign exchange and other regulatory matters, corporate social responsibility including promoting MSME vendors and ensuring implementation of decisions of the Board and its various Committees.

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director

Place : New Delhi
Date : August 14, 2024

Annexure D

Form No. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2024

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

To
The Members,
Panacea Biotec Limited
Regd. Office: Ambala-Chandigarh Highway,
Lalru - 140 501, Punjab

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Panacea Biotec Limited, a Company incorporated under the provisions of the Companies Act, 1956, vide CIN L33117PB1984PLC022350 and having its registered office at Ambala-Chandigarh Highway, Lalru-140501, Punjab (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 authorised representatives during the conduct of secretarial audit, the explanation and clarification given to us, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period covering the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place.

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 31st March, 2024, according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not applicable for the financial year under review

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulation, 2021; - Not applicable for the financial year under review

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; - Not applicable for the financial year under review

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable for the financial year under review;

   g. The Securities and Exchange Board of India (De-listing of Equity Shares) Regulations, 2021; Not applicable for the financial year under review;

   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not applicable for the financial year under review;

vi. The management has identified the following laws as specifically applicable to the Company:

   - Drugs & Cosmetics Act, 1940;
   - Drugs (Control) Act, 1950;
   - Drug Pricing Control Order, 2013
   - Narcotic Drugs and Psychotropic Substances Act, 1985;
   - Dangerous Drugs Act, 1930;
   - Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
   - Epidemic Diseases Act, 1897;
   - Essential Commodities Act, 1955;
   - The Poisons Act, 1919;
   - The Pharmacy Act, 1948;
   - Legal Metrology Act, 2009
   - Digital Personal Data Protection Act, 2023

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

i. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India notified by Central Government; and

ii. The Listing Agreement entered by the Company with BSE limited and National Stock Exchange of India Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

- During the period under review, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes, wherever applicable.

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.

We further report that during the audit period, the Company has not entered into/carried out any specific events/actions which may have a major bearing on the Company's affairs.

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
FCS No.: 7775; CP No.: 8612
UDIN: F007775F000908246
Peer Review Certificate no. 1403/2021
Unique Identification No.: P2005DE011200

Place: Delhi
Date : 06.08.2024

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

Annexure A to the Secretarial Report

To
The Members,
Panacea Biotec Limited,
Ambala-Chandigarh Highway,
Lalru -140 501, Punjab

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
FCS No.: 7775; CP No.: 8612
UDIN: F007775F000908246
Peer Review Certificate no. 1403/2021
Unique Identification No.: P2005DE011200

Place: Delhi
Date : 06.08.2024

Annexure E

Form No. MR-3

Secretarial Audit Report

For the financial year ended March 31, 2024

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

To
The Members,
Panacea Biotec Pharma Limited
Regd. Office: B-1 Extension/A-27, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi -110044

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Panacea Biotec Pharma Limited, a Company incorporated under the provisions of the Companies Act, 2013, vide CIN U24299DL2019PLC347566 and having its registered office at B-1 Extension/A-27, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044 (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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 authorised representatives during the conduct of secretarial audit, the explanation and clarification given to us, we hereby report that in our opinion, subject to our comments herein, the Company has, during the Audit Period covering the financial year ended 31st March, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place.

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

i. The Companies Act, 2013 ("the Act") and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder; Not applicable as the Company is an Unlisted Company.

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not applicable

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"); - Not applicable as the Company is an Unlisted Company;

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

vi. The management has identified the following laws as specifically applicable to the Company:

   - Drugs & Cosmetics Act, 1940;
   - Drugs (Control) Act, 1950;
   - Drug Pricing Control Order, 2013
   - Narcotic Drugs and Psychotropic Substances Act, 1985;
   - Dangerous Drugs Act, 1930;
   - Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954;
   - Epidemic Diseases Act, 1897;
   - Essential Commodities Act, 1955;
   - The Poisons Act, 1919;
   - The Pharmacy Act, 1948;
   - Legal Metrology Act, 2009
   - Digital Personal Data Protection Act, 2023

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

i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India notified by Central Government;

ii. The Listing Agreements entered into by the Company with Stock Exchanges: Not applicable as the Company is an Unlisted Company.

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

Annexure to the Directors' Report

We further report that:

- During the period under review, the Board of Directors of the Company was duly constituted. There was no change in the composition of the Board of Directors that took place during the period under review.
- Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

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.

We further report that during the audit period, the Company has not entered into/carried out any specific events/actions which may have a major bearing on the Company's affairs.

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
FCS No.: 7775; CP No.: 8612
UDIN: F007775F000908433

Place: Delhi Peer Review Certificate no. 1403/2021
Date : 06.08.2024 Unique Identification No.: P2005DE011200

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

Annexure A to the Secretarial Report

To
The Members,
Panacea Biotec Pharma Limited,
B-1 Extension/A-27, Mohan Co-operative Industrial Estate
Mathura Road, New Delhi -110044

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
FCS No.: 7775; CP No.: 8612
UDIN: F007775F000908433

Place: Delhi Peer Review Certificate no. 1403/2021
Date : 06.08.2024 Unique Identification No.: P2005DE011200

Business Responsibility & Sustainability Report

This Business Responsibility & Sustainability Report ("BRSR") for the financial year ended March 31, 2024 conforms to the Business Responsibility & Sustainability Reporting requirement pursuant to Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), which has mandated the inclusion of BRSR as part of the Company's Annual Report for top 1000 listed entities based on market capitalisation (calculated as on March 31 of every financial year) and the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business issued by Ministry of Corporate Affairs, Government of India.

The Company has not instituted any process to monitor / verify whether any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the Business Responsibility initiatives of the Company.

SECTION A: GENERAL DISCLOSURES

I.	**Details of the listed entity**	
1.	Corporate Identity Number (CIN) of the Listed Entity	L33117PB1984PLC022350
2.	Name of the Listed Entity	Panacea Biotec Limited
3.	Year of incorporation	1984
4.	Registered office address	Ambala-Chandigarh Highway, Lalru, Punjab – 140501, India
5.	Corporate address	B-1 Extn. / G-3 Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044
6.	E-mail	companysec@panaceabiotec.com
7.	Telephone	+91-11-41679000, 41578000
8.	Website	www.panaceabiotec.com
9.	Financial year for which reporting is being done	Start Date / End Date
	Current Financial Year	01.04.2023 / 31.03.2024
	Previous Financial Year	01.04.2022 / 31.03.2023
	Prior to Previous Financial Year	01.04.2021 / 31.03.2022
10.	Name of the Stock Exchange(s) where shares are listed	a. National Stock Exchange of India Ltd. (NSE) b. BSE Ltd. (BSE)
11.	Paid-up Capital	₹222,620,746
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	
	Name	Mr. Vinod Goel, Company Secretary
	Contact	+91-11-41679015
	E-mail	vinodgoel@panaceabiotec.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products / Services

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

S. No.	Description of main activity	Description of business activity	% of turnover of the entity
(i)	Pharmaceuticals	Manufacturing of pharmaceuticals, medicinal, chemical and botanical products	100%

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

S. No.	Product / Service	NIC Code	% of total turnover contributed
(i)	Manufacturing of pharmaceuticals, medicinal, chemical and botanical products	210	100%

Business Responsibility & Sustainability Report

III. Operations

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

Location	Number of plants	Number of offices	Total
National	3*	2	5
International	0	2	2

* The plants include manufacturing locations and R&D Centres.

19. Markets served by the entity

a. Number of locations:

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	~50 countries in Africa, Asia and Latin America

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

In the reporting year, the exports contributed ~88% of total turnover of the Company.

c. A brief on types of Customers

The Company is one of the largest suppliers of vaccines to multilateral agencies like UNICEF, PAHO, etc. and is supplying vaccines to institutional customers and national Governments. The Company also sells its products to customers in private markets through stockiest, retailers and medical professionals.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No.(C)	% (C / A)
	Employees					
1.	Permanent (D)	665	569	85.6%	96	14.4%
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	665	569	85.6%	96	14.4%
	Workers					
4.	Permanent (F)	481	480	99.8%	1	0.2%
5.	Other than Permanent (G)	156	150	96.2%	6	3.8%
6.	Total workers (F + G)	637	630	98.9%	7	1.1%

b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No.(C)	% (C / A)
	Differently abled Employees					
1.	Permanent (D)	1	1	100%	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	1	1	100%	-	-
	Differently abled Workers					
4.	Permanent (F)	1	1	100%	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	1	1	100%	-	-

21. Participation / Inclusion / Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	11	2	18%
Key Management Personnel*	5	-	-

* Dr. Rajesh Jain, Chairman and Managing Director, Mr. Sandeep Jain, Joint Managing Director and Mr. Ankesh Jain, Whole-time Director are members of the Board of Directors and also considered as Key Managerial Personnel.

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

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	39%	25%	37%	39%	40%	39%	32%	38%	32%
Permanent Workers	34%	-	34%	30%	-	30%	43%	-	43%

Business Responsibility & Sustainability Report

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

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

S. No.	Name of the holding / subsidiaries / associate companies / joint ventures (A)	Indicate whether holding / subsidiary / associate / joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Panacea Biotec Pharma Limited	Subsidiary	100%	No
2	Meyten Realtech Private Limited	Subsidiary	100%	No
3	Panacea Biotec (International) SA	Subsidiary	100%	No
4	Panacea Biotec Germany GmbH	Subsidiary	100%	No
5	PanEra Biotec Private Limited	Associate	50%	No
6	Adveta Power Private Limited	Joint Venture	50%	No

VI. CSR Details

24.	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013? (Yes/No)	No
	(ii)	Turnover (in ₹)	3,531,936,726
	(iii)	Net worth (in ₹)	(78,669,075)

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for policy)*	**FY 2023-24**			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	NA	NA	NA	NA	NA	NA	NA
Shareholders	Yes	-	-	-	-	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	3	-	-	7	-	-
Value Chain Partners	Yes	-	-	-	-	-	-

* The policies relating to grievance redressal mechanism are available at Company's website at https://www.panaceabiotec.com. In addition, there are internal policies placed on the intranet of the Company.

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

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

S. No.	Material issue identified	Whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Product Quality, Safety and availability	Risk	It is critical to address risks relating to product quality and safety issues. Non-availability of products may lead to loss of business	• Strict adherence to quality standards, procedures and policy of the Company. • Compliance with cGMP, GLP practices, Pharmacovigilance processes and SOPs. • Adoption of technological interventions, training on cGMP standards, automation and digitalisation, and employee capacity-building. • Qualifying and reviewing vendors on quality parameters as per the policy.	Positive: Consistent product quality and safety ensures sustainable business and relations with stakeholders. Availability of products across the markets helps in increasing market share and customer satisfaction. Negative: These issues, if not addressed on time, can have serious impact on the business operations, lead to penalties and litigations.
2	Business Ethics and Corporate Governance	Risk	External regulatory environment on corporate ethics and corporate	• There are established robust guiding principles within the Company to ensure ethical functioning across	Positive: Adherence to good governance practices and ethical standards will lead to long-term

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S. No.	Material issue identified	Whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			governance is dynamic in nature. Ethical business standards, and framework keep evolving and needs regular improvement and readiness.	the value chain. The Company has a code of conduct for board members, senior management, employees, suppliers, vendors and contractors which aligns with their commitments of ethical and transparent business practices. • The Company ensures regulatory compliance across its operations/ markets through proactive interaction with regulatory organisations, to reduce the risk of non-compliance.	sustainable value creation for all the stakeholders. Negative: The Company's reputation and business continuity may be negatively impacted in the long-run due to non-compliance with regulatory standards.
3	Cyber Security and Data Privacy	Risk	The cyber-attacks are increasing in the current environment and such attacks may directly impact the Company's operations and business. It is equally important to protect and maintain all the data of the Company.	• The Company has implemented several measures to protect its data from any internal or external threats. The IT security systems are regularly evaluated and updated to ensure continuous effectiveness thereof. • The Company keeps creating and enhancing awareness of its employees via periodic internal emails related to safe practices surrounding data security, protection against potential phishing emails, and prevention of cyber-attacks	Positive: Cutting-edge technology, digitalisation, and data integrity principles ingrained in processes ensures compliance with data security and privacy laws, protects against data loss, and facilitates productivity improvement, ultimately leading to sustainable growth in the long term. Negative: Absence of mechanism for data integrity and protection may result in the loss of valuable data that may adversely impact the business
4	R&D and Innovation Management	Opportunity	Development of innovative products using cutting edge technologies and investments is required to ensure sustainable future growth.	The Company has in-house R&D Centres equipped with state-of-the art infrastructure for undertaking research and development activities from preclinical to clinical development of its products.	Positive: Creation of a robust portfolio of innovative products helps staying ahead of the competition, expanding the business across the markets and creating wealth for all the stakeholders.
5	Human Capital Development	Opportunity	Pharmaceutical industry is knowledge-based industry and is highly dependent on specialized manpower. Ability to attract and retain skilled, trained and experienced human resources has become critical due to evolution of knowledge-based economy.	• The Company undertakes several initiatives to attract and retain talent through development programs, competitive remuneration, inclusive work culture and other employee benefits programs. • Employee skill enhancement through continuous training and development within and outside the Company. • Engagement of external consultants to provide training in specialized areas to improve skills of employees engaged in specific areas. • The Company is also working on improving the strength of woman power in the overall employee strength. • The Company is an equal opportunity employer.	Positive: A well trained, skilled and motivated manpower help in increased productivity which is crucial for future sustainable growth.
6	Environmental Impact Management	Risk	Non-availability of water in adequate quantity and requisite quality may impact the production and operations of the Company. It is critical to reduce the water usage through	• The Company continuously identifies opportunities to manage its environmental impact. The Company is working on further improvements for water conservation and waste management. • The Company focuses on reduced	Negative: Failure to manage environmental impacts can lead to suspension of licenses to operate the facilities, adverse legal / regulatory actions leading to financial consequences, loss of reputation and stakeholders' trust.

S. No.	Material issue identified	Whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			optimum utilization and recycling process to create a positive environmental footprint. Focused efforts for reduced waste generation and proper disposal thereof are also important to protect the environment.	consumption and reusage of water, prevents leaks, and embraces technologies with lower water intensities. • The Company ensures that the hazardous waste generated by its operations is safely handled and disposed in an environmentally responsible manner.	
7.	Climate Change	Risk	It is critical to manage the emissions of green house gases (GHG) to protect the climate.	• The Company has undertaken several measures to reduce the carbon footprint. These measures include using of groundnut briquette as fuel for the boilers instead of furnace oil. It is also shifting towards using piped natural gas (PNG) as fuel for boilers. • The Company is undertaking a detailed exercise to develop a long-term strategic plan to reduce the carbon emissions in order to mitigate the risk.	Negative: Failure to reduce the carbon emission over long term may impact Company's business with multilateral agencies and other valuable customers which are stressing on complying with global standards for reducing GHG emission. Positive: Adoption of climate change mitigation plans shall have positive impact on Company's business because of process improvement, energy efficiency, and improved relations with stakeholders.
8.	Promoting Diversity, Equity and Inclusivity	Opportunity	Diversity, inclusivity and providing equal opportunities improves the Company's performance by bringing together people with varied knowledge, views and perspectives.	-	Positive: A diverse and inclusive workforce from different genders, age and special abilities brings a sense of togetherness and enables a productive environment.
9.	Occupational Health and Safety	Risk	It is important to maintain the occupational health and safety in the organization. Lack of proper Health and Safety management programs may lead to health and safety incidents.	• The Company has a strong Environment Health and Safety (EHS) management system that includes regular internal and external audits of its EHS practices. • Adoption of a detailed corrective action plan post the identification of hazards and assessment of safety incidents help in preventing any such instances in the future.	Negative: Frequent health and safety incidents will have a negative influence on the Company's performance in terms of both safety and workforce well-being. This will impact the brand image, reputation and the Company's ability to attract and retain talent.
10	Ethical Conduct of Clinical Trials and Animal Testing	Risk	Clinical Trials are integral part of product development in the pharmaceutical industry. There is a need to address risks associated with clinical trials and animal testing especially around the ethical and safety related concerns of trials on human subjects and animal testing. Adverse events reported during the animal testing or clinical trial can delay product development leading to increase in cost and loss of gaining business opportunity	• The Company complies with all relevant regulatory requirements governing clinical trials and animal testing. The Company has dedicated in-house teams responsible for ensuring adherence to these regulations, which involve obtaining necessary approvals, permits, and maintaining thorough documentation. • The Company also undertakes post marketing surveillance studies to monitor the impact of new product launches. • Long-term safety studies are also undertaken for some of the innovative products in order to assess and measure safety parameters over a longer time horizon.	Negative: Not following good clinical practices while conducting animal testing or clinical trials can have impact on the efficacy and safety of the products. It can also attract adverse regulatory / legal action, lead to financial damages and reputation loss and have a negative impact on participant's health and safety. Delays at any stage can also prolong the overall timeline for drug development, leading to increased costs.

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S. No.	Material issue identified	Whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			besides creating negative public perception.	• The Company also engages clinical research organizations (CROs) with proven track record and experience in conducting the clinical trials on humans wherever considered necessary. • The Company has taken adequate insurance policy covering the risks associated with clinical trials to safeguard its interest against any potential loss.	
11	Community Engagement and Development	Opportunity	Engagement with nearby community helps the Company to build confidence and gain trust of the community. The interest and well-being of the community should be kept in consideration while setting up the plants and conduct of business operations. Continuous engagement with community prevents the risks of conflicts and creates positive image of the Company.	The Company has a mechanism in place to engage with the nearby community and works closely with them to address any issues faced by them. The Company also undertakes various activities for community engagement and development.	Positive: Community engagement and development helps in building good perception about the Company among the local community members. The Company's reputation can also increase by undertaking various initiatives for community's upliftment including focus on health, education, rural infrastructure development, sanitation and environment conservation among others. These efforts also help to promote positive social outcomes.
12	Supply Chain Management	Risk	There are some materials for which the Company is dependent on single source of supply. Such suppliers can disrupt supplies and dictate their terms. The Company also imports some of the critical materials from outside India. During spread of any global pandemic supplies from outside may be affected. These factors can disrupt operations resulting in lower sales and negative impact on the Company's profitability and reputation.	The Company has entered into long-term supply agreements for key material having single source suppliers. The Company also maintains adequate inventories to take care of any temporary non-availability of imported materials. The Company is also proactively working towards expanding its supplier base, adding alternative suppliers, in order to minimize any risk associated with supply chain interruptions.	Negative: Supply chain related risks can disrupt production activities, delay in supply of products to customers, loss of business contract, attraction of penalty to supply the products on time. All these can adversely impact the Company's profitability and reputation as a reliable supplier.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies & processes put in place towards adopting the National Guidelines on responsible Business Conduct ("NGRBC") Principles and Core Elements.

National Guidelines on Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

Principle 1 (P1) Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable.

Principle 2 (P2) Businesses should provide goods and services in a manner that is sustainable and safe.

Principle 3 (P3) Businesses should respect and promote the well-being of all employees, including those in their value chains.

Principle 4 (P4) Businesses should respect the interests of and be responsive towards all its stakeholders.

Principle 5 (P5) Businesses should respect and promote human rights.

Principle 6 (P6) Businesses should respect and make efforts to restore the environment.

Principle 7 (P7) Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Principle 8 (P8) Businesses should promote inclusive growth and equitable development.

Principle 9 (P9) Businesses should engage with and provide value to their consumers in a responsible manner.

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Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1	a.	Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Yes								
	b.	Has the policy been approved by the Board? (Yes / No)	All the policies have been formulated in consultation with the relevant stakeholders of the Company. Some of the policies have been approved by the Board as per relevant statutory requirements.								
	c.	Web Link of the Policies, if available	Relevant policies and code of conduct are available on the Company's website and can be viewed at: https://www.panaceabiotec.com/en/section/information-repository/policy								
2.		Whether the entity has translated the policy into procedures. (Yes / No)	Yes, wherever applicable the procedures have been defined.								
3.		Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, the Company's Supplier Code of Conduct largely includes the above-mentioned principles and the value chain partners are expected to comply with the requirements outlined therein.								
4.		Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• National Guidelines on Responsible Business Conduct (NGRBC), • United Nations Global Compact (UNGC), • United Nations Guiding Principles on Business and Human Rights (UNGP), • Environment Management System – ISO 14001: 2015, • Occupational Health and Safety Management System– ISO 45001: 2018, • Extended Producers Responsibility (EPR) - Plastic Waste Management, • Good Manufacturing Practice (GMP) compliance certification for manufacturing facilities								
5.		Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is working with various stakeholders for setting up goals and targets to be achieved by 2030.								
6.		Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								
Governance, leadership and oversight											
7.		Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	The Company aims to become one of the leading biotechnology Company. We recognize the importance of conducting business in a responsible and sustainable manner. We are implementing sustainability practices, accountability and transparency across our operations and value chain. As part of our efforts to integrate sustainability in our business we are developing a robust ESG framework, which is being built on the principles of operating responsibly and growing sustainably. Environmental Responsibility: To achieve our target of sustainable operations, we have implemented multiple initiatives like conducting detailed assessment of all our operations to identify emissions hotspots and develop decarbonisation roadways to guide individual sites to bring down their carbon emissions over medium and long term. We also conducted water use assessments across all manufacturing facilities and potential to minimize freshwater usage were identified. We plan on conducting similar audits in the future to further reduce our fresh-water consumption. We have started the review of waste management practices at our facilities to achieve our goal of minimizing waste. The Company has also undertaken multiple training programs focused on ESG to increase awareness among its employees. Social Responsibility: We understand that our success as a company is intricately linked to the well-being of our employees, communities and stakeholders. We have developed a culture of diversity and inclusion within our organization and currently we have more than 1,000 employees from different cultures, demographics, gender and expertise. We provide our employees a safe, healthy and competitive environment to pursue innovation in their function. Governance and Ethical Practices: The Company follows the highest standard of corporate governance and ethical practices. The Company has a strong governance system to ensure regulatory compliance and internal compliances. The corporate governance system has a detailed set of practices, processes and regulations to meet the interests of all our stakeholders. The Company has a Board of Directors ('Board') that have leaders having a broad spectrum in terms of perspective, experience, expertise, gender, and culture, enriching our Company. Our Board members have rich experience of corporate functions and guide our efforts to achieve our business and sustainability goals. The Board has a subcommittee viz. Risk Management Committee to identify the potential risks, suggest ways and strategies to mitigate these risks.								

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		As part of long-term strategy, the Company also aims to implement robust ESG program in detailed and in a quantifiable manner to evaluate the impact on the environment, society, and governance practices arising from its day-to-day business activities by prioritizing ESG issues, developing an ESG Strategy, integrating ESG strategy with business strategy developing a robust ESG governance process and evaluation of ESG performance and monitoring.
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	The business responsibility policies of the Company are broadly managed by the Board of Directors, Chairman and Managing Director and the concerned departmental head(s).
9.	Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company has a Risk Management Committee of the Board of Directors which is also responsible to oversee all aspects of sustainability and ESG.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up	Committee of the Board or authorized team members									Periodically / Need based								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board or authorized team members									Ongoing basis								

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.	No, the Company does not conduct an independent assessment using external agencies, however, it internally reviews the working of the above mentioned policies.								
12.	If answer to Question (1) above is "No" i.e. not all principles are covered by a policy, reasons to be stated.	NA								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

Essential Indicators:

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	4	The Company conducts awareness programmes for its Board of Directors at regular intervals which covers topics such as ESG parameters and targets, corporate governance practices, various other industry, business and regulatory updates	100%
Employees other than BoD and KMPs Workers	245	The employees / workers undergo various trainings / awareness sessions such as induction training at the time of joining and leadership, policy, technical and compliance training during the course of employment.	100%

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

The Company has not paid any fines or penalties in the reporting FY 2023-24 to regulatory / enforcement agencies / judicial institutions as specified in Regulation 30 of SEBI LODR Regulations, 2015.

Monetary

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

Non - Monetary

	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NA	NA	NA	NA
Punishment	NA	NA	NA	NA

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

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

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

Yes, the Company has an anti-corruption policy. The Company is committed to conduct all aspects of its business in keeping with the highest legal and ethical standards and expects all its employees and other persons acting on its behalf to uphold this commitment. Accordingly, the Company has adopted a Zero-Tolerance approach to bribery and corruption. In accordance with this commitment, the Company has adopted Anti-Corruption Policy ('Policy') which clearly specifies this intent of the Company and is applicable to all the directors, officers, employees, agents, representatives and other associated persons of the Company (collectively "Company Personnel").

Under this Policy, the adherence to this Policy, prevention, detection and reporting of any act of Bribery or Corruption is the responsibility of all the employees of the Company. All the employees are required to avoid any activity that might lead to or suggest a breach of this Policy. In terms of the Policy, any gift or entertainment which is not proportionate and reasonable and which is not consistent with the normal business practice of developing and maintaining business relationship should not be accepted or offered. The Anti-Corruption Policy is available on website of the Company under the link, https://media.panaceabiotec.com/policy/2019/Anti_Corruption_Policy.pdf.

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

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

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

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

None.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods / services procured)

Particulars	**FY 2023-24**	FY 2022-23
Number of days of accounts payable	333	374

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9. Open-ness of business:

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

Parameters	Metrics		FY 2023-24	FY 2022-23
Concentration of purchases	a.	Purchases from trading houses as % of total purchases	N.A.	N.A.
	b.	No. of trading houses where purchases are made from	N.A.	N.A.
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	N.A.	N.A.
Concentration of sales	a.	Sales to dealers / distributors as % of total sales	N.A.	N.A.
	b.	No. of dealers / distributors to whom sales are made	N.A.	N.A.
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	N.A.	N.A.
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	0.01%	0.55%
	b.	Sales (Sales to related parties / Total Sales)	0.00%	0.03%
	c.	Loans & Advances (Loans & advances given to related parties / Total loans & advances)	78.97%	76.16%
	d.	Investments (Investments in related parties / Total Investments made)	98.30%	98.30%

Leadership Indicators:

1. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes / No). If Yes, provide details of the same.

   Yes, the Company's Code of Conduct requires all of its personnel including Board members to avoid and to disclose actual and apparent conflicts of personal interest with the interest of the Company and to disclose all contractual interest, whether directly or indirectly, with the Company.

   The Board members give disclosure of interest in other persons / entities annually as well as whenever there is a change and the same is placed before the Board for its information. The Audit Committee of the Board of Directors evaluates and approves all related party transactions as per the requirements of the Policy on Related Party Transactions as approved by the Board. All contracts / arrangements / transactions entered by the Company during the year under review with the related parties were approved by the Audit Committee and were undertaken in the ordinary course of business and on an arm's length basis.

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

Essential Indicators:

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

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	100%	100%	The R&D expenditure incurred on various technologies is focused on improving the environmental or social impacts of the Company's products / processes.
Capex*	3.26%	13.56%	Equipments purchased for R&D.

*Including capital work in progress.

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

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

   The Company majorly sources its input materials from the suppliers abiding by Company's Code of Conduct as applicable to them. We are in the process of upgrading our internal systems to capture this data point and will be disclosing the percentage in the subsequent years.

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

   Due to the nature of the Company's business, the Company does not reclaim any products for reusing, recycling and dispose these items at the end of life for plastics, e-waste, hazardous and other wastes, as it is not applicable.

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

   Yes, the Company has an established system for collecting back the plastic waste or multi-layered packaging generated due to its products as per the EPR regulations. The recycling and disposal of the reclaimed plastics (including packaging) is carried out as per the Government rules and the provisions of the Plastic Waste Management Rules. We have engaged a waste management agency to collect and recycle plastic waste in accordance with regulatory norms.

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

Essential Indicators:

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	569	569	100%	569	100%	NA	NA	0	0%	370	65%
Female	96	96	100%	96	100%	96	100%	NA	NA	70	73%
Total	665	665	100%	665	100%	96	14%	0	0%	440	66%
Other than Permanent employees											
Male	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	480	480	100%	480	100%	NA	NA	0	0%	429	89%
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
Total	481	481	100%	481	100%	1	0.21%	0	0	430	89%
Other than Permanent workers											
Male	150	0	0%	0	0%	NA	NA	0	0%	103	69%
Female	6	0	0%	0	0%	6	100%	NA	NA	6	100%
Total	156	0	0%	0	0%	6	4%	0	0%	109	70%

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

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	1.29%	1.69%

2. Details of retirement benefits:

Benefits	**FY 2023-24**			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	2%	66%	Y	12%	70%	Y

3. Accessibility of workplaces:

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

Yes, the premises / offices of the Company are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

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

Yes, the Company follows the policy of equal opportunity employer as per the Rights of Persons with Disabilities Act, 2016.

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

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

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

	Yes / No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes. The Company provides a grievance redressal procedure as part of its Whistle Blower Policy and encourages all its employees and workers to report any instances of unethical behaviour, incidents, fraud, or violations. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Employees / workers can file any complaints / grievances related to sexual harassment under this mechanism.
Other than Permanent Workers	- do -
Permanent Employees	- do -
Other than Permanent Employees	- do -

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

Category	**FY 2023-24**			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employee						
Male	569	0	0%	555	0	0%
Female	96	0	0%	81	0	0%
Total Permanent Workers						
Male	480	0	0%	457	0	0%
Female	1	0	0%	0	NA	NA

8. Details of training given to employees and workers:

Category	**FY 2023-24**					FY 2022-23				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	569	569	100%	569	100%	555	311	56%	262	47%
Female	96	96	100%	96	100%	81	36	44%	29	36%
Total	665	665	100%	665	100%	636	347	55%	291	46%
Workers										
Male	480	480	100%	480	100%	654	267	41%	0	0%
Female	1	1	100%	1	100%	5	4	80%	0	0%
Total	481	481	100%	481	100%	659	271	41%	0	0%

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

Category	**FY 2023-24**			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	569	569	100%	555	0	0%
Female	96	96	100%	81	0	0%
Total	665	665	100%	636	0	0%
Workers						
Male	480	480	100%	654	0	0%
Female	1	1	100%	5	0	0%
Total	481	481	100%	659	0	0%

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10. Health and safety management system:

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

    Yes, the Company has occupational health and safety management system in place. The system covers all its employees, contract workers and others working with the Company.

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

    The Company undertakes periodic reviews to monitor compliance and identify and assess work-related hazards in a timely manner. The Company also provides Environment Health and Safety (EHS) training to all its personnel. The Company's process safety management system supports the implementation of best safety practices. Identification of potential risks are also undertaken through designed checklists, Hazard and Operability Studies (HAZOP), Hazard Identification and Risk Assessment (HIRA) and other consequence modelling studies.

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

    Yes.

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

    Yes, the Company provides its employees and workers with non-occupational medical and healthcare services. Moreover, the Company ensures that all of its employees and workers have access to medical insurance

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

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

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

    The Company encourages and ensures safe working environment with reduced accidents and incidents trends. The employees and workers are made aware about the safety trainings and procedures as soon as they join the Company. It also conducts regular sessions and mock drills to update them with the system. The Company also ensures that the deployed contractor's workers are having mandatory PPEs and trained in safety & respective job work training before starting their job work.

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

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	Nil	Nil	N.A.	Nil	Nil	N.A.
Health & Safety	Nil	Nil	N.A.	Nil	Nil	N.A.

14. Assessments for the year:

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

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

    In case any case is reported, the observations of audit are recorded, corrective actions planned and tracked. The feedback is provided to the auditing agency for their agreement.

Leadership Indicators:

1. Does the entity extend any life insurance or any compensatory package in the event of death of:

   (A) Employees (Y / N) : Yes

   (B) Workers (Y / N) : Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   The Company obtains necessary proofs from the value chain partners in respect of the statutory dues deducted and deposited by them.

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3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been / are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

Essential Indicators:

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

   The Company regularly engages with a number of stakeholders including employees, shareholders, customers, suppliers, government agencies, industry associations, not for profit organizations and communities. The Company identifies key stakeholders group on the basis of industry dynamic, business model and the influence and impact they have on the Company.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually / Half yearly / Quarterly/ others, please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Leadership development training, Performance Evaluation, Continuous Feedback, Employee induction, Emails communications.	Periodical / need based	Training and development of employees, health and safety, career growth and quality of work & life.
Shareholders	No	Annual Reports, Quarterly Results, Company Website and intimation to Stock exchanges	Quarterly / annual / need based	Transparency, Good Governance, building reputation and brand image
Customers	No	Virtual meetings / email communications / visits	Need based	Market opportunities, business growth, end customer feedback, business forecast
Suppliers	No	Virtual meetings / email communications / visits	Need based	Supply chain matter, quality compliance, forecast and delivery of products
Government agencies	No	Applicable reports, intimations, virtual / physical meetings	Periodical / need based	Ensuring timely compliance with applicable laws, industry matters
Local communities	No	Interaction with community members	Need based	Addressing any specific issues, creating awareness, local employment generation

Principle 5: Businesses should respect and promote human rights

Essential Indicators:

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

Category	**FY 2023-24**			FY 2022-23		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	665	399	60%	636	331	52%
Other than permanent	0	0	NA	0	0	NA
Total Employees	665	399	60%	636	331	52%
Workers						
Permanent	481	289	60%	457	224	49%
Other than permanent	156	80	51%	202	81	40%
Total Workers	637	369	58%	659	305	46%

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

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	569	2	0.3%	567	99.7%	555	14	3%	541	97%
Female	96	0	0%	96	100%	81	0	0%	81	100%
Other than permanent										
Male	0	NA	NA	NA	NA	0	NA	NA	NA	NA
Female	0	NA	NA	NA	NA	0	NA	NA	NA	NA
Workers										
Permanent										
Male	480	56	12%	424	88%	457	25	5%	432	95%
Female	1	0	0%	1	100%	0	NA	NA	NA	NA
Other than permanent										
Male	150	150	100%	0	NA	197	197	100%	0	NA
Female	6	6	100%	0	NA	5	5	100%	0	NA

3. Details of remuneration / salary / wages:

a. Median remuneration / wages:

(₹ in million)

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	3	6.97	0	NA
Key Managerial Personnel (KMP)	2	6.06	0	NA
Employees other than BoD and KMP	564	0.41	96	0.34
Workers	480	0.15	1	0.18

b. Gross wages paid to females as a % of total wages paid by the entity:

Particulars	FY 2023-24	FY 2022-23
Gross wages paid to females as a % of total wages	8.62%	6.64%

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

Yes, the Company's Human Resources Department is responsible for monitoring and addressing human rights impacts and issues. As part of its human resource policy, the Company expects all its key stakeholders to respect and comply with the policy principles, as well as all applicable laws and regulations, across the organization.

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

The human rights related issues can be addressed through the open channels of communication and through the mechanism prescribed under the Company's Whistle Blower Policy.

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

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

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

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

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

The Company is committed to and follows the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The Whistle Blower Policy and the Prevention of Sexual Harassment (POSH) ensures the protection of the concerned individual(s) and safeguard them at work against any retaliation or reprisal. The Company proceeds with the corrective measures after assuring the confidence in the complaint raised is genuine and not made in the spirit of damaging someone's reputation, which prevents adverse consequences of false allegations.

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

Yes

10. Assessments for the year:

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

All the locations under the entity are assessed by the entity on the above parameters, complying with the requirements of the Shops and Establishments Act for offices, and the Factories Act at plants and R&D centres.

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

No significant risks / concerns were noted during the assessments as mentioned above.

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

Essential Indicators:

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

Parameter	FY 2023-24	FY 2022-23
From renewable sources		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	59,153.53	28,043.74
Total energy consumed from renewable sources (A+B+C)	59,153.53	28,043.74
From non-renewable sources		
Total electricity consumption (D)	86,331.81	79,185.92
Total fuel consumption (E)	11,797.09	64,116.03
Energy consumption through other sources (F)	25,052.68	-
Total energy consumed from non-renewable sources (D+E+F)	123,181.49	143,301.95
Total energy consumed (A+B+C+D+E+F)	182,335.02	171,345.69
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in ₹ million)	50.74	66.65
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	N.A.	N.A.
Energy intensity in terms of physical Output	N.A.	N.A.
Energy intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	N.A.	N.A.

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

No

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

   No

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

Parameter	**FY 2023-24**	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Ground water	157,315	248,569
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	157,315	248,569
Total volume of water consumption (in kilolitres)	157,315	248,569
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations in ₹ Million)	43.75	96.69
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	N.A.	N.A.
Water intensity in terms of physical output	N.A.	N.A.
Water intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.

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

No

4. Provide the following details related to water discharged:

Parameter	**FY 2023-24**	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	35,479.20	55,617.00
(iii) To Seawater	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	N.A.	N.A.
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	35,479.20	55,617.00

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

No

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

   No, the company has not implemented a mechanism for Zero Liquid Discharge.

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

Parameter	Unit	**FY 2023-24**	FY 2022-23
NOx	ug/m^3	23.1	23.4
SOx	ug/m^3	20.7	21.8
Particulate Matter (PM)	ug/m^3	79.8	79.7
Persistent Organic Pollutants (POP)		-	-
Volatile Organic Compounds (VOC)		-	-
Hazardous Air Pollutants (HAP)		-	-
Others - please specify	ug/m^3	51.6	-

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

No

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

Parameter	Unit	**FY 2023-24**	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		N.A.	N.A.
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		N.A.	N.A.
Total Scope 1 and Scope 2 emissions intensity in terms of physical output		N.A.	N.A.
Total Scope 1 and Scope 2 emissions intensity (optional – the relevant metric may be selected by the entity)		N.A.	N.A.

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

No

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

No, the entity does not have any project related to reducing Green House Gas emission for the FY 2023-24.

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

Parameter	**FY 2023-24**	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	119	89.05
E-waste (B)	2.87	0.69
Bio-medical waste (C)	48.62	62.70
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Returned to vendors under buyback policy	Returned to vendors under buyback policy
Radioactive waste (F)	Nil	Nil
Other Hazardous waste, if any (G):		
• Drums (in nos.)	3,777	2,015
• Used oil (in metric tons)	2.78	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector):		
• Drums (in Nos.)	1,354	-
• Other waste (in metric tons)	323.86	439.11
Total (A+B + C + D + E + F + G + H)	497.13 metric ton and 5,131 Drums	591.55 metric ton and 2,015 drums

Parameter	FY 2023-24	FY 2022-23
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in ₹ million)	0. 14	0. 23
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	N.A.	N.A.
Waste intensity in terms of physical output	N.A.	N.A.
Waste intensity (optional) – the relevant metric may be selected by the entity	N.A.	N.A.
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	119 (Plastic waste)	89.05 (Plastic waste)
(ii) Re-used	2.78	Nil
(iii) Other recovery operations	Nil	Nil
Total	121.78	89.05
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	48.62	62.70
(ii) Landfilling	41.81	39.12
(iii) Other disposal operations	Nil	Nil
Total	90.43	101.82

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

No.

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

    The Company has a robust waste management system in place. The Company takes responsibility for collecting plastic waste and ensures its recycling through a third-party vendor. The Company has established a matrix for product waste generations and disposal methods to ensure the zero environmental burden. The Company has all the required approvals and authorizations for recycling, landfills, incineration of the waste materials in accordance with the governmental rules and regulations. Hazardous waste, bio-medical waste, e-waste, and other categories of waste are stored in dedicated areas. These areas are designed with impervious flooring to prevent soil contamination, adhering to the respective waste management rules. Each type of waste is properly labelled and stored. The Company maintains proper records to maintain the data and movement of the waste. The Company ensures that all hazardous waste is disposed of at a Pollution Control Board authorized common treatment, storage, and disposal facility (CTSDF). The method of disposal, whether landfilling or incineration, is determined based on the fingerprint analysis of the waste.

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

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

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

Name and brief details	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No environmental impact assessment carried out during this period.					

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

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

The Company is compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder.

Leadership Indicators:

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):
   For each facility / plant located in areas of water stress, provide the following information:
   (i) Name of the area: Lalru, Baddi & Delhi
   (ii) Nature of operations: Manufacture and/or Research & Development of Vaccines

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(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	**FY 2023-24**	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	N.A.	N.A.
(ii) Groundwater	157,315	248,569
(iii) Third party water	N.A.	N.A.
(iv) Seawater / desalinated water	N.A.	N.A.
(v) Others	N.A.	N.A.
Total volume of water withdrawal (in kilolitres)	157,315	248,569
Total volume of water consumption (in kilolitres)	157,315	248,569
Water intensity per rupee of turnover (Water consumed / turnover in ₹ million)	43.75	96.69
Water intensity (Optional / the relevant metric may be selected by the entity)	N.A.	N.A.
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Nil	Nil
- No treatment		
- With treatment		
(ii) Into Groundwater	Nil	Nil
- No treatment		
- With treatment		
(iii) Into Seawater	Nil	Nil
- No treatment		
- With treatment		
(iv) Sent to third-parties	Nil	Nil
- No treatment		
- With treatment		
(v) Others	Nil	Nil
- No treatment		
- With treatment-please specify level of treatment		
Total water discharged (in kilolitres)	Nil	Nil

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

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	**FY 2023-24**	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover		N.A.	N.A.
Total Scope 3 emissions intensity (Optional) – the relevant metric may be selected by the entity		N.A.	N.A.

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

No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, along-with summary)	Outcome of the initiative		
			Estimated amount of emission reductions over 10 years period		
			Location	CO_2e Ton.	Remarks
i)	The project activity involving fuel switch from fossil fuel (FO) to biomass briquettes has been envisaged at Baddi & Lalru location.	The main purpose of appropriately using biomass (a renewable fuel) for steam generation: - Avoiding the burning of fossil fuels furnace oil (FO) - Generation of steam in an environmentally friendly manner. - Reduction in greenhouse gas (GHG) i.e. CO_2 emissions.	Baddi	31,140	Commissioned
			Lalru	34,370	Commissioned
			Total	65,510	

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link.

Yes, the Company has developed robust business continuity and disaster management plan to restore the operation in the shortest possible term in case of any disasters with the objective of ensuring business continuity.

This business continuity plan enables the Company to adapt in situations arising from any natural calamity or an unprecedented event which may disrupt the business operations. The Company continuously enhances its existing plan by incorporating interferences and observations from disruptions faced in the unprecedented situations. Further, the Company's risk management plan enables the minimisation of disaster-linked losses, by assessing the potential major disruption with its consequent risks to the business and by providing the appropriate mitigation action plans.

The purpose of the program is to maintain a continuing state of emergency readiness and response. The plan would be invoked to manage all emergencies using all the available resources effectively in order to ensure smooth business operations and to protect life and property.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

   The Company has not experienced any significant adverse impact incidents on the environment arising from the supply chain during the reporting period.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   None.

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

Essential Indicators:

1. a. Number of affiliations with trade and industry chambers / associations

   During the year, the Company had active affiliations with 7 (Seven) trade and industry chambers / associations

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

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Indian Pharmaceutical Alliance	National
2	The Indian Drug Manufacturers Association	National
3	Confederation of Indian Industry	National
4	Delhi Chamber of Commerce	State
5	Federation of Indian Export Organisation (FIEO)	National
6	Pharmaceuticals Export Promotion Council of India	National
7	Developing Countries Vaccine Manufacturers Network	International

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

   During financial year 2023-24, there were no adverse orders against the Company related to anti-competitive conduct.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators:

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   The Company did not have any mandatory requirement of SIA for any of its projects.

2. Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R), being undertaken by your entity:

   Not Applicable

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

   The Company interacts with local community members to understand their grievances, if any, and act upon them accordingly.

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

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs / small producers	4.89%	2.27%
Sourced directly from within the district and neighbouring districts	3.80%	4.66%

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

Location	**FY 2023-24**	FY 2022-23
Rural	-	-
Semi-urban	60.13%	55.87%
Urban	-	-
Metropolitan	39.87%	44.13%

(place to be categorised as per RBI Classification System – Rural / Semi-urban / Urban / Metropolitan)

Business Responsibility & Sustainability Report

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

Essential Indicators:

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

   The Company has a comprehensive complaint management process to address any product quality complaints received by it. The Company may receive a product quality complaint either directly or through a third-party. As soon as the complaint is received, it is registered in the Company's system, acknowledged, and a preliminary assessment is initiated. Along with the initial evaluation, a follow-up is initiated for requesting the complaint sample and any additional information to facilitate the preliminary assessment and the investigation. A remedial corrective and preventive action plan is launched after the investigation is completed and the root cause is determined. A complaint summary report is also prepared at the same time. The complaint is finally closed after a final risk assessment is completed and a response is delivered to the complainant. Any market actions for the impacted product are considered and may be communicated with the local regulatory authorities depending on local requirements. The Company has a pharmacovigilance policy and mechanism in place, which is supported by a competent team and third-party consultants, committed to responding to patient safety concerns and incidents.

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

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

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

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

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

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

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

   Yes, the Company has a robust framework in place to manage data privacy and cyber security. To ensure the cyber security it uses antivirus, antispyware protection and firewalls to protect against any possible breach. For maintaining data privacy and security, the Company uses remote data back-ups, latest versions of software through secured computers and servers to mitigate the technology risks. The framework on data privacy and cyber security is internally available to the relevant stakeholders on the intranet.

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

   Not applicable.

7. Provide following information relating to data breaches:
   a. Number of instances of data breaches: Nil
   b. Percentage of data breaches involving personally identifiable information of customers: Not Applicable
   c. Impact, if any, of the data breaches: Not Applicable

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director

Place : New Delhi
Date : August 14, 2024

Report on Corporate Governance

1. **Company's Philosophy on Corporate Governance**

   At Panacea Biotec, Corporate Governance reflects its value system encompassing its culture, policies, and relationships with its shareholders and the commitment to values with an aim to develop a culture of the best management practices and compliances coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters. The Company believes that a sound corporate governance is critical in enhancing and retaining investor trust and recognizes that the Corporate Governance is one of the most important aspects in terms of achieving the Company's goal of enhancing corporate value by deepening societal trust.

   Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company is determined to do things in the right way, which means making business decisions and acting in a way that is ethical and in line with the applicable laws.

   The Company believes that businesses must have a purpose beyond profit and in order to achieve goals, it needs to act with the highest standards of corporate governance and behaviour towards everyone we collaborate with, the communities we interact with, and the environment we shape.

   The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. Corporate Governance is the key attribute in ensuring commitment to values, ethical business conduct, investors' protection, excellent work environment leading to highest standards of management and maximization of everlasting long-term values. Panacea Biotec beholds Corporate Governance measures as an integral part of business which adds to considerable internal and external values and contributes to business growth.

   Panacea Biotec's corporate governance framework comprises of a formal system of control and administration that helps the management to take prudent decisions whilst in the interest of the stakeholders, and at the same time enables the Company to utilise its resources in a systematic and effective manner. We consider stakeholders as partners in our success and remain committed to maximizing stakeholder's value.

   Panacea Biotec's focus is not only to ensure compliance with the requirements as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') regarding corporate governance but is also committed to sound corporate governance principles and practices, and constantly strives to adopt emerging best corporate governance practices being followed worldwide. The Company's philosophy on Corporate Governance is, thus, linked with the ethics, values and morals of the Company and its directors who are expected to act in the best interests of the Company and remain accountable to members and other beneficiaries for their actions and properly comply with all the applicable legal and regulatory requirements.

2. **Board of Directors**

   The governance structure of the Company is multi-tiered, comprising of the Board of Directors, Board Committee, the Chairman and Managing Director, Joint Managing Director and Whole-time Director. The Board is the apex decision making body which comprises experts from various functions having rich knowledge and experience in the industry for providing strategic guidance and directions in running and managing the Company. The Chairman and Managing Director leads the Board and is responsible for its overall effectiveness. The Board is responsible for providing strategic guidance & supervision, overseeing the management performance and governance of the Company on behalf of the shareholders and other stakeholders.

a) Composition, Category & Size of Board: The Board of the Company comprises of highly experienced persons of repute, eminence and has a good and diverse mix of executive and non-executive directors with majority of the Board members comprising Independent Directors including Independent Women Directors.

   As on March 31, 2024, the Board consisted of 11 directors (including two women directors) comprising of 3 executive directors, 1 non-executive non-independent director and 7 non-executive independent directors. Mr. K. M. Lal, Mr. N. N. Khamitkar and Mr. R. L. Narasimhan, non-executive independent directors, have completed their second and final term of 5 (five) consecutive years as an independent director and consequently ceased to be the directors of the Company w.e.f. close of business hours on March 31, 2024.

   As on the date of this Report, the Board consists of 8 directors (including two women directors) comprising of 3 executive directors, 1 non-executive non-independent director and 4 non-executive independent directors. The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 ("Act") and Regulation 17(1) of the SEBI LODR Regulations enjoining optimum combination of executive and non-executive directors, with not less than 50% of the Board comprising of non-executive directors and at least one-half comprising of independent directors.

   The Composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board as a part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long- term needs of the Company.

b) Board functioning & procedure:

   i) Background: With a view to institutionalize all corporate affairs and setting up systems and procedures for advance planning in the matters requiring discussions and decisions by the Board, the Company has defined procedures for Board and Committee meetings.

      The Board is committed to ensuring good governance through a self-governing style of functioning. The directors enjoy complete freedom to express their opinion. The decisions are taken based on consensus / majority arrived at after detailed discussions. The

Report on Corporate Governance

directors are free to bring up any matter for discussion at the Board and Committee Meetings.

ii) Frequency of Board Meetings and Selection of Agenda items: The Board meets at least once in a quarter, with a maximum time gap of 120 days between any two consecutive meetings, to discuss, review and approve the quarterly financial results / statements and other items of agenda, including the minimum information required to be placed before the Board, as per Part A of Schedule II of the SEBI LODR Regulations. The Board also meets and conducts additional meetings as and when required and thought fit. The Committees of the Board usually meet a day prior or on the same day as the Board Meeting. The recommendations of the Committees are placed before the Board for necessary approval / noting. The dates for the Board and Committee Meetings are decided in advance and timely communicated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution through circulation, as permitted by law, which are noted and confirmed in the subsequent meeting. Video / Audio-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the Meetings.

The agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and Managing Director / Joint Managing Director of the Board. The agenda of the meeting along with relevant supporting documents and explanatory notes are made available to directors at least 7 (seven) days in advance of the meetings, to facilitate meaningful and quality discussions during the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. The Board members are at liberty to bring up any matter for discussions at the Board Meetings and the functioning of the Board is democratic. Update(s) on matters arising from previous meetings are placed at the succeeding meeting of the Board / Committees for discussions, approvals, noting, etc.

iii) Minimum Information placed before the Board Members: In addition to the regular business items, the Company provides the following information to the Board and/or Board Committees as and when required, either as part of the agenda papers or by way of presentations and discussion material during the meetings:

- Annual operating plans & budgets and any updates;
- Capital budgets and any updates;
- Quarterly results of the Company and its operating divisions or business segments;
- Minutes of meetings of Audit Committee and other Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or cessation of the Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices, which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Any issue which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have 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, if any;
- Transactions, if any, that involve substantial payment towards goodwill, brand equity or intellectual property;
- Any significant labour problems and their proposed solutions;
- Any significant development in human resources / industrial relations front;
- Any sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken to limit the risks of adverse exchange rate movement, if material; and
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer, etc.

At the Board and Committee Meetings, apart from Board Members and the Company Secretary, the management team are invited to present the Company's performance in key areas such as the major business segments and their operations, subsidiaries and key functions.

iv) Recording Minutes of the Proceedings: The Company Secretary records the Minutes of the proceedings of each Board and Committee Meeting. Draft minutes of each Board / Committee are circulated to the Board / Committee Members within 15 (fifteen) days from the meeting for their feedback / comments, if any in writing on the draft minutes within 7 (seven) days from the date of circulation. The minutes of all the meetings are entered in respective Minutes Books within 30 (thirty) days from the conclusion of the Meeting and signed by the chairperson of the said meeting / next meeting. The copy of the signed Minutes, certified by the Company Secretary or in his absence by any Director authorised by the Board, are made available to all the Directors.

v) Post Meeting Follow-Up Mechanism: In adherence to good corporate governance, the important and significant decisions taken at the Board / Committee levels are promptly communicated to the concerned departments immediately after the meetings. Moreover, the action taken in respect of such decisions is also reported in the form of status report and is placed at the subsequent meeting of the Board / Committee for discussion and noting.

vi) Statutory Compliance of Laws: The Board periodically reviews the compliance report of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.

c) Board Meetings and attendance: During the financial year 2023-24, 4 (four) Board Meetings were held on May 30, 2023, August 12, 2023, November 10, 2023 and February 13, 2024.

The attendance of directors at Board Meetings held during the financial year 2023-24 and last Annual General Meeting ("AGM") and number of their other directorships & committee memberships / chairmanships as on March 31, 2024, is as under:

S. No.	Name of Director and Category of Directorship	No. of board meetings held during the tenure	Attendance at meetings during 2023-24		No. of Directorships$ and Committee Memberships/ Chairmanships$$ held in other companies			Name of the other listed Company(ies) in which director and Category of Directorship
			Board	AGM	Director-ships	Committee Memberships	Committee Chairmanships	
1.	Dr. Rajesh Jain, Promoter – CMD	4	4	No	3	0	0	Nil
2.	Mr. Sandeep Jain, Promoter – JMD	4	4	Yes	2	0	0	Nil
3.	Mr. Ankesh Jain, Promoter Group - WTD	4	1	No	2	1	0	Nil
4	Mr. Narotam Kumar Juneja, Non-Executive Non-Independent Director - NENID	4	4	Yes	1	1	0	Nil
5.	Mrs. Ambika Sharma, NEID*	NA	NA	NA	5	2	0	LT Foods Limited – NEID
6.	Mr. Bhupinder Singh, NEID	4	1	No	2	0	0	Avonmore Capital & Management Services Limited – NEID
7.	Mr. K. M. Lal, NEID#	4	4	Yes	3	3	2	Polylink Polymers (India) Limited – NEID
8.	Mrs. Manjula Upadhyay, NEID	4	4	Yes	3	1	1	Nil
9.	Mr. Mukul Gupta, NEID	4	4	Yes	0	0	0	Nil
10.	Mr. N. N. Khamitkar, NEID#	4	4	Yes	4	4	3	Ravinder Heights Limited – NEID
11.	Mr. R. L. Narasimhan, NEID#	4	4	Yes	4	3	1	Ravinder Heights Limited - NEID

Note: CMD = Chairman and Managing Director, JMD = Joint Managing Director, WTD = Whole-time Director, NENID = Non-Executive Non Independent Director, NEID = Non-Executive Independent Director.

$ Excludes directorship in foreign companies, membership of managing committees of various chambers / bodies / Section 8 companies and the Company.

$$ In accordance with Regulation 26(1) of the SEBI LODR Regulations, memberships / chairmanships of only Audit Committee and Stakeholders' Relationship Committee in all the companies (excluding the Company) have been taken into account.

* Appointed as Non-Executive Independent Director of the Company w.e.f. 14.02.2024.

Ceased to be the director of the Company w.e.f. close of business hours on 31.03.2024 on account of completion of second and final term of 5 (five) consecutive years as independent director of the Company.

None of the directors on the Board is a member in more than 10 committees across all the public limited entities in which he / she is a director and/or acts as Chairman of more than 5 committees across all the listed entities in which he / she is a director.

None of the independent directors is serving as an independent director in more than 7 listed companies including Panacea Biotec Ltd.

d) Disclosure of relationships between directors inter-se: Dr. Rajesh Jain, Chairman and Managing Director is elder brother of Mr. Sandeep Jain and father of Mr. Ankesh Jain. None of the other directors of the Company are related to each other.

e) Number of Shares held by Non-Executive Directors: Nil

f) Familiarization Programme for Independent Directors: The Company has established a Familiarization Programme for Independent Directors in terms of the provisions of the SEBI LODR Regulations. All new independent directors inducted into the Board attend an orientation program. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, functions, duties and responsibilities. The Board members are provided with necessary document / brochures, reports and internal policies to enable them to familiarise themselves with the Company's procedures and practices. The Company believes that the Board should be continuously empowered with knowledge of latest developments affecting the Company as well as the industry and for ensuring the same, periodic presentations are made at the Board or Committee meetings on business and performance updates of the Company including finance, sales, marketing, etc. along with various changes in regulatory framework and its impact on the Company, etc.

Visits to plant locations are generally organised for the Independent Directors to enable them to understand and get acquainted with the operations of the Company. However, no such visit was organised during the financial year 2023-24.

Report on Corporate Governance

The familiarization programme aims at helping the Board members to understand the functions and operations of the Company, its management, its business model and business risks, nature of industry in which it operates, the regulatory challenges apart from their roles, rights, responsibilities in the Company, etc.

The Company's familiarization policy and the details of programme conducted for Board members including details of programs attended and hours spent by independent directors during financial year 2023-24 may be accessed on the Company's website at the link: https://www.panaceabiotec.com/en/section/informationrepository/familiarization-programmes.

Key qualifications, core skills, expertise and attributes available with the Board: In terms of requirement of the SEBI LODR Regulations and in the context of the Company's business and activities, the Board has identified the following expertise / core skills / behavioural traits / competencies, of the Directors:

- Knowledge: Specialization / Expertise in one or more fields of Science & Innovation, Research & Development, Finance & Accounts, Legal, Governance, Industry Knowledge, Risk Management, General Management.
- Skills: Business Leadership, Strategic Thinking / Planning Skills, Problem Solving Skills, Analytical Skills, Decision Making Skills.
- Behavioural Traits: Integrity, Genuine interest, Interpersonal Skills / Communication, Active Participation.

Based on the above-mentioned skill matrix, the skills which were available with the Board of Directors the Company during the financial year 2023-24, are given below:

Name of the Directors	Knowledge : Whether the Specialization / Expertise in one or more fields is possessed by the Director						
	Science & Innovation, Research & Development	Finance & Accounts	Legal	Corporate Governance & Compliance	Industry Knowledge	Risk Management	General Management
Dr. Rajesh Jain, Promoter – CMD	√	√	√	√	√	√	√
Mr. Sandeep Jain, Promoter – JMD	√	√	√	√	√	√	√
Mr. Ankesh Jain, Promoter Group – WTD	√	√	√	√	√	√	√
Mr. Narotam Kumar Juneja – NENID	√	-	-	√	√	√	√
Mrs. Ambika Sharma – NEID*	-	√	-	√	√	√	√
Mr. Bhupinder Singh – NEID	-	√	-	√	√	√	√
Mr. K. M. Lal – NEID#	-	√	√	√	√	√	√
Mrs. Manjula Upadhyay – NEID	-	√	√	√	√	√	√
Mr. Mukul Gupta – NEID	-	√	√	√	√	√	√
Mr. N. N. Khamitkar – NEID#	-	√	-	√	√	√	√
Mr. R. L. Narasimhan – NEID#	√	√	-	√	√	√	√

* Appointed as Independent Director of the Company w.e.f. 14.02.2024.

Ceased to be the director of the Company w.e.f. close of business hours on 31.03.2024 on account of completion of second and final term of 5 (five) consecutive years as independent director of the Company.

The Company recognizes and embraces the importance of a diverse Board in its success. It believes that a truly diverse Board will leverage differences in thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, gender, knowledge and skills including expertise in financial, global business, leadership, technology, mergers & acquisitions, Board service, strategy, sales and marketing etc. As far as skills namely business leadership, strategic thinking / planning skills, problem solving skills, analytical skills, decision making skills and behavioural traits namely integrity, genuine interest, interpersonal skills / communication and active participation are concerned, all the Directors of the Company possess the same.

The Board is satisfied that it is comprised of highly qualified members who possess required skills, expertise, diversity and competencies which is required for effective function of the Company and allow them to make effective contributions to the Board and its Committees. From time to time, few members of the Board have also received recognition from the Government, industry bodies and business associations for the contribution made in their respective areas of expertise.

g) Confirmation regarding Independence: The Independent Directors provide an annual confirmation stating that they meet the criteria of independence as stated in Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16 of the SEBI LODR Regulations. Based on the confirmations / declarations / disclosures received from the Independent Directors and on evaluation of the relationship disclosed, the Board confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the Act and the SEBI LODR Regulations and are independent of the management.

h) Independent Directors' databank registration: The Independent Directors confirmed that they have enrolled themselves in the Independent Directors' database maintained by the Indian Institute of Corporate Affairs. Requisite disclosures under Section 149(6) of the Act, have also been received from the independent directors in this regard.

i) Separate Meeting of Independent Directors: For the Board to exercise free and fair judgment in all matters related to the functioning of the Company as well as the Board, it is important for the independent directors to have meetings without the presence of the executive management.

During the financial year under review, in terms of Schedule IV of the Act read with the Rules thereunder and Regulations 25(3) of the SEBI LODR Regulations, one meeting of independent directors was held on August 11, 2023, without the presence of non-independent directors or members of the management of the Company. All of the then independent directors except Mr. Bhupinder Singh, were present during the above said meeting to discuss the issues arising out of the Committee and Board Meetings including performance of the Company and risks faced by it, the flow of information between the Company's management and the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements and also to review the performance of the non-independent directors including Chairman and the Board as a whole.

They also provided feedback to the Board about the key elements that emerge out of the meeting.

j) Code of Conduct: The Board has laid down a Code of Conduct for all the Board Members, Senior Management Personnel and other employees of the Company which gives guidance and support needed for ethical conduct of business and compliance of law. The said Code has been communicated to the directors, senior management personnel and other employees of the Company and is also available on the website of the Company and can be accessed through the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

Declaration from the Chairman and Managing Director confirming that the Company has received affirmations from the Board members and the senior management personnel regarding compliance of Code of Conduct during the year under review, is annexed as **Annexure-I** and forms part of this Report.

k) Succession Planning: The Company believes that a sound succession plan for the Board Members and Senior Management is vital for creating a robust future for the Company. The Nomination and Remuneration Committee of the Company plays an instrumental role in the development of a diverse pipeline for succession thereby ensuring that the Company has a strong, diverse and high performing Board and Management now and in the future.

The Company strives to maintain an appropriate balance of skills and experience within the organization and the Board in an endeavour to introduce new perspectives while maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met.

The Board members also bring to the table their broad and diverse skills and viewpoints to aid the Company in advancing its strategy. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

l) Statutory Compliance Monitoring Tool: The Company has in place a web-based Statutory Compliance Monitoring Tool, which has been implemented to enhance and streamline the tracking of all the statutory & legal obligations required by the Company. This tool provides a comprehensive platform for managing compliance across various domains, ensuring that all legal requirements are met in a timely and efficient manner. It serves as a reliable resource for the Board, offering necessary assurances regarding the Company's adherence to applicable legal standards. By leveraging this tool, the Company can effectively navigate the complex landscape of statutory requirements, mitigate potential risks, and maintain a robust compliance posture.

This, in turn, reinforces the Company's commitment to ethical business practices and good governance, while providing the Board with a clear and transparent view of the Company's compliance status.

m) Disclosure regarding appointment / re-appointment / cessation of Directors: Every appointment / re-appointment made by the Board is based on the recommendation by the Nomination and Remuneration Committee after considering various factors such as qualifications, positive attributes, area of expertise and other relevant criteria. The same is further taken for shareholders' approval, as and when required, under the provisions of applicable laws.

During the year under review, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has, in its meeting held on February 13, 2024, appointed Mrs. Ambika Sharma (DIN: 08201798) as an Additional Director in the category of Non-Executive Independent Director of the Company, for a period of 5 years w.e.f. February 14, 2024 and also re-appointed Mr. Bhupinder Singh (DIN: 00062754) as Non-Executive Independent Director for a period of 1 year w.e.f. April 08, 2024.

In terms of the provisions of Regulation 17 of the SEBI LODR Regulations, the said appointment / re-appointment had also been approved by the shareholders by way of resolutions passed through Postal Ballot on April 11, 2024, the result whereof was declared on April 13, 2024. The detailed information pertaining to changes in the Board of Directors is furnished in the Directors' Report, forming

Report on Corporate Governance

part of the Annual Report. The terms and conditions of appointment of Independent Directors are as per Schedule IV of the Act.

Any person who becomes a Director or an Officer, including an employee who is acting in a managerial capacity, shall be covered under the Directors' and Officers' Liability Insurance Policy. The Company has provided insurance cover in respect of legal action against its Directors under the Directors' and Officers' Liability Insurance.

Mr. Krishna Murari Lal (DIN: 00016166), Mr. Namdeo Narayan Khamitkar (DIN: 00017154) and Mr. Raghava Lakshmi Narasimhan (DIN: 00073873), Independent Directors of the Company have completed their second and final term of 5 (five) consecutive years as Independent Directors and consequently ceased to be the directors of the Company w.e.f. close of business hours on March 31, 2024.

The Board of Directors and the Management of the Company express sincere appreciation and gratitude to the aforesaid directors for their extensive contribution and guidance towards business growth of the Company.

Further, Mr. Narotam Kumar Juneja, Non-executive Director of the Company is liable to retire by rotation and being eligible, he has offered himself for re-appointment as director at the ensuing Annual General Meeting ("AGM"). Based on performance evaluation and recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment for a period upto March 31, 2025.

Brief profile of Director seeking re-appointment in the ensuing AGM, to be provided in terms of Regulation 36(3) of the SEBI LODR Regulations, is furnished below:

i. Mr. Narotam Kumar Juneja

Date of Birth and Age: November 19, 1955 (~69 Years)

Qualification: M. Pharm and Post Graduate Diploma in Personnel Management & Industrial Relations.

Brief Resume: Mr. Narotam Kumar Juneja has rich experience of over 44 years in pharmaceutical operations and has executed multiple internationally approved projects worth US$ 150M+ for reputed companies. He has earlier been associated with the Company as Vice President Operations & Projects during 2003-2006 and again as Chief Operating Officer during 2010-2014. Since April 2022, Mr. Narotam Kumar Juneja is associated with the Company as the Non-Executive Non-Independent Director and also with its wholly owned subsidiary company, Panacea Biotec Pharma Limited as Whole-time Director.

He also worked as Chief Operating Officer with Dawa Group Ltd., Kenya during 2014-2018. Earlier he has held various other senior positions from time to time in several companies including Unichem Laboratories, Baddi; Ranbaxy Laboratories, Paonta Sahib; Systopic India, New Delhi; Dabur India, New Delhi.

Nature of expertise in specific functional areas: He has expertise in Science & Innovation, Research & Development Corporate Governance & Compliance, Industry Knowledge, Risk Management and General Management

Inter-se relationship between directors: He is not related to any director on the Board of the Company.

Directorships: He does not hold any directorship in any other listed entity. He is a Whole-time Director of Panacea Biotec Pharma Limited designated as Director Technical and Compliance.

Committee Membership / Chairmanship: He is not a member of any committee of the Board in any other listed entity. He is a Member of Stakeholders' Relationship Committee and Risk Management Committee of the Company. He is also a member of the Audit Committee and Committee of Directors of Panacea Biotec Pharma Limited.

Listed entities from which he has resigned in the past 3 years: He has not resigned from any listed entity since last 3 years.

Shareholding in the Company including as a beneficial owner as on date: Nil.

3. Audit Committee

a) Composition: The composition of the Audit Committee of the Board of Directors of the Company meets the requirements of Section 177 of the Act and Regulation 18 of the SEBI LODR Regulations. As on March 31, 2024, the composition of the Committee was as under:

S. No.	Name	Position	Category
1.	Mr. R. L. Narasimhan#	Chairman	Independent Director
2.	Mr. K. M. Lal#	Member	Independent Director
3.	Mr. N. N. Khamitkar#	Member	Independent Director

Ceased to be the Member of the Committee w.e.f. close of business hours on 31.03.2024 on account of completion of the 2nd and final term of 5 (five) consecutive years as Independent Director of the Company.

The Board of Directors has, vide its resolution dated April 01, 2024, reconstituted the Audit Committee w.e.f. April 01, 2024. The Audit Committee now comprises of the following members:

S. No.	Name	Position	Category
1.	Mr. Mukul Gupta	Chairman	Independent Director
2.	Mrs. Manjula Upadhyay	Member	Independent Director
3.	Mrs. Ambika Sharma	Member	Independent Director

The Committee comprises of independent directors who are financially literate persons having vast experience in the area of finance, accounts, strategy & management.

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The Chairman of the Audit Committee is an independent director. The Audit Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company. It acts as an oversight body for transparent, effective anti-fraud & risk management mechanisms, efficient internal audit & external audit functions and financial reporting. The Audit Committee considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of Regulation 18 read with Part C of Schedule II of SEBI LODR Regulations and provisions of Section 177 of the Act.

b) Key Terms of Reference: The Audit Committee is governed by its terms of reference which are in line with the regulatory requirements mandated by the Act and SEBI LODR Regulations. The Audit Committee periodically reviews the actions undertaken by it vis-à-vis its terms of reference. This periodic review ensures that the Committee discharges its roles and responsibilities as required under its terms of reference. The key terms of reference and scope of the Audit Committee, inter-alia, include the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board for the appointment/ reappointment, remuneration and terms of appointment of auditors;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual / quarterly financial statements and auditors' report thereon before submission to the Board for approval;
- Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process;
- Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussions with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussions with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- Approval of, or any subsequent modification of, transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Reviewing the utilization of loans and / or advances from / investment by the Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments;
- Evaluation of internal financial controls and risk management systems;
- To review the functioning of the Whistle Blower Mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and
- To carry out any other duties / terms of reference which are incidental / necessary for the fulfillment of the above mentioned terms of reference and 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.

c) Review of information by Audit Committee: Apart from other matters, as per Regulation 18(3) of the SEBI LODR Regulations, the Audit Committee reviews, to the extent applicable, the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses, if any, issued by statutory auditors;
- Internal Audit Reports relating to internal control weaknesses;
- Appointment, removal and terms of remuneration of the internal auditors; and
- Statement of Deviations, if applicable:
  - i) 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 SEBI LODR Regulations.
  - ii) Annual statements of funds utilized for purposes other than those stated in the offer documents / prospectus / notice, if applicable, in terms of Regulation 32(7) of the SEBI LODR Regulations.

The Audit Committee is also vested with the following powers:

- To investigate into any matter in relation to the items specified in Section 177 of the Act or referred to it by the Board and for this purpose, the Audit Committee has full access to the information contained in the records of the Company and also has power to obtain external professional advice, if necessary;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it is considered necessary.

d) Meetings of Audit Committee and attendance of members: During the financial year 2023-24, 4 (four) meetings of

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the Audit Committee were held on May 29, 2023, August 11, 2023, November 09, 2023 and February 12, 2024. The attendance of members of the Committee at these meetings was as follows:

S. No.	Name of the Member	No. of Meetings	
		Held	Attended
1.	Mr. R. L. Narasimhan	4	4
2.	Mr. K. M. Lal	4	4
3.	Mr. N. N. Khamitkar	4	4

The Audit Committee meets at least four times in a year, with a maximum time gap of 120 days between any two consecutive meetings.

The Statutory Auditors, Internal Auditors, Chairman and Managing Director, Joint Managing Director, Whole-time Director, Non-executive non-independent director, Associate Director Finance & Corporate Affairs, Sr. Vice President Human Resources, Chief Financial Officer, Dy. General Manager Audit & Compliance and Coordinator of Audit Committee and General Manager - Business Development are the permanent invitees to the meetings of Audit Committee and provide such information and clarifications as required by the Audit Committee, which provides a deeper insight into the respective business and functional areas of operations. Apart from them, other officials of the Company attended one or more of the Audit Committee Meetings during the year under review.

The Cost Auditors and the Internal Auditors also attend the respective Audit Committee Meetings, where cost audit report / internal audit reports are discussed.

The Company Secretary of the Company acts as the Secretary to the Audit Committee. The minutes of each Audit Committee Meeting are placed in the next meeting of the Board.

The then Chairman of the Audit Committee, Mr. R. L. Narasimhan was present at the last AGM of the Company held on September 29, 2023.

4. Nomination and Remuneration Committee

a) Composition: The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company meets the requirements of Section 178 of the Act and Regulation 19 of the SEBI LODR Regulations. As on March 31, 2024, the composition of the Committee was as under:

S. No.	Name	Position	Category
1.	Mr. R. L. Narasimhan#	Chairman	Independent Director
2.	Mr. K. M. Lal#	Member	Independent Director
3.	Mr. N. N. Khamitkar#	Member	Independent Director

Ceased to be the Member of the Committee w.e.f. close of business hours on 31.03.2024 on account of completion of the 2nd and final term of 5 (five) consecutive years as Independent Director of the Company.

The Board of Directors has, vide its resolution dated April 01, 2024, reconstituted the Nomination and Remuneration Committee w.e.f. April 01, 2024. The Nomination and Remuneration Committee now comprises of the following members:

S. No.	Name	Position	Category
1.	Mrs. Manjula Upadhyay	Chairperson	Independent Director
2.	Mr. Mukul Gupta	Member	Independent Director
3.	Mr. Bhupinder Singh Sharma	Member	Independent Director

The Committee comprises of the non-executive independent directors only. The Chairperson of the Committee is also an independent director.

b) Terms of Reference: The terms of reference of the Nomination and Remuneration Committee, inter-alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Preparation of description of the role and capabilities required for an independent director, on the basis of evaluation of balance of skills, knowledge and experience on the Board. For the purpose of identifying suitable candidates, the Committee may use:
    i) the services of an external agencies, if required;
    ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
    iii) consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the Board;
- Devising a policy on diversity of the Board;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- Recommending to the Board whether to extend or continue the term of appointment of the independent director, on the basis of report of performance evaluation of independent directors;
- Recommending to the Board all remuneration, in whatever form payable to the senior management;
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Schemes; and
- To carry out any other duties / terms of reference which are incidental/ necessary for the fulfillment of the above mentioned terms of reference and 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.

c) Meeting of Nomination and Remuneration Committee and attendance of members: During the financial year 2023-24, 3 (three) meetings of the Committee were held on May 30, 2023, August 11, 2023 and February 12, 2024. The attendance of members of the Committee at these meetings was as follows:

S. No.	Name of the Member	No. of Meetings	
		Held	Attended
1.	Mr. R. L. Narasimhan	3	3
2.	Mr. K. M. Lal	3	3
3.	Mr. N. N. Khamitkar	3	3

The Company Secretary is acting as the Secretary to the Nomination and Remuneration Committee.

The then Chairman of the Committee, Mr. R. L. Narasimhan was present at the last AGM of the Company held on September 29, 2023.

d) Performance Evaluation Criteria for Independent Directors: One of the key functions of the Board is to monitor and review the Board evaluation framework. In view of the same and pursuant to the applicable provisions of the Act and the SEBI LODR Regulations, the Board has, in consultation with its Nomination and Remuneration Committee, formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees, and executive / non-executive / independent directors through peer evaluation, excluding the director being evaluated.

A structured questionnaire is in place covering various aspects of the functioning of the Board and its Committees, such as adequacy of the constitution & composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meetings, Board's focus, regulatory compliances and corporate governance, compliance with code of conduct etc. Similarly, for evaluation of individual director's performance, the questionnaire covers various aspects like his / her profile, attendance, effective participation / contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc.

The Board members had submitted their response on a scale of 1 (outstanding) to 5 (poor) for evaluating the entire Board, respective Committees of which they are members and of their peer Board members, including the Chairman. The independent directors had met separately without the presence of non-independent directors and the members of senior management and discussed, inter-alia, the performance of non-independent directors and Board as a whole and the performance of the Chairman after taking into consideration the views of executive and non-executive directors.

The Nomination and Remuneration Committee has also carried out an evaluation of each director's performance.

The performance evaluation of the independent directors has been done by the entire Board, excluding the director being evaluated. Based on the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

e) Remuneration Policy: The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on a review of achievements, on a periodical basis.

The key components of the Company's remuneration policy are:

- Compensation will be based on credentials and the major driver of performance;
- Compensation will be competitive and benchmarked with a selected group of companies from the pharmaceutical sector; and
- Compensation will be fully transparent and tax compliant.

The details of Remuneration policy are available on the Company's website viz. https://www.panaceabiotec.com/en/section/information-repository/policy.

5. Stakeholders' Relationship Committee

a) Composition: The composition of the Stakeholders' Relationship Committee of the Board of Directors meets the requirements of Section 178 of the Act and Regulation 20 of the SEBI LODR Regulations. As on March 31, 2024, the composition of the Committee was as under:

S. No.	Name	Position	Category
1.	Mr. K. M. Lal#	Chairman	Independent Director
2.	Mr. R. L. Narasimhan#	Member	Independent Director
3.	Mr. Sandeep Jain	Member	Executive Director

Ceased to be the Member of the Committee w.e.f. close of business hours on 31.03.2024 on account of completion of 2nd and final term of 5 (five) consecutive years as Independent Directors of the Company.

The Board of Directors has, vide its resolution dated April 01, 2024, reconstituted the Stakeholders' Relationship Committee w.e.f. April 01, 2024. The Stakeholders' Relationship Committee now comprises of the following members:

S. No.	Name	Position	Category
1.	Mrs. Manjula Upadhyay	Chairperson	Independent Director
2.	Mr. Narotam Kumar Juneja	Member	Non-Executive Non-Independent Director
3.	Mr. Sandeep Jain	Member	Executive Director

b) Role & Terms of Reference: The Stakeholders' Relationship Committee plays an important role in acting as a link between the management and ultimate owners of the Company i.e., the shareholders. The Committee looks after the redressal of investors' grievances and performance of the Registrar & Transfer Agent and recommends measures for overall improvement in the quality of investor services. The terms of reference of the Committee, inter-alia, include the following:

- Approve issue of duplicate share / debenture certificates;
- Oversee the performance of the Company's Registrar & Transfer Agent;
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading;
- Consider, resolve and monitor various aspects of interest of shareholders, debenture holders and other security holders including the redressal of 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.;
- Review measures taken for effective exercise of voting rights by shareholders;
- Review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Transfer Agent and recommend methods to upgrade the service standards adopted by the Company; and
- Carry out any other matter relating to securities of the Company, any other areas of investors' service and 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.

Other Terms:

- The Committee may delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- The Committee may invite other directors / officers of the Company to attend the meetings of the Committee as invitees from time to time as and when required.

The Chairperson, or in his absence any other member of Committee authorised by / her, attends the general meeting of the shareholders of the Company.

c) Meetings of Stakeholders' Relationship Committee and attendance of members: During the financial year 2023-24, 4 (four) meetings of the Committee were held on May 29, 2023, August 11, 2023, November 09, 2023 and February 12, 2024. The attendance of members of the Committee at these meetings was as follows:

S. No.	Name of the Member	No. of Meetings	
		Held	Attended
1.	Mr. K. M. Lal	4	4
2.	Mr. R. L. Narasimhan	4	4
3.	Mr. Sandeep Jain	4	4

The Company Secretary is acting as the Secretary to the Stakeholders' Relationship Committee.

Compliance Officer: Mr. Vinod Goel, Group CFO and Head Legal & Company Secretary is the Compliance Officer of the Company pursuant to Regulation 6(1) of the SEBI LODR Regulations and is duly assisted by qualified company secretary.

The then Chairman of the Committee, Mr. K. M. Lal was present at the AGM of the Company held on September 29, 2023.

d) Stakeholders' Grievance Redressal: The details of Investors' complaints received and resolved during the financial year 2023-24 are as under:

No. of Investor Complaints			
Pending as at April 01, 2023	Received from April 01, 2023 to March 31, 2024	Resolved from April 01, 2023 to March 31, 2024	Pending as at March 31, 2024
Nil	Nil	Nil	Nil

The Company put utmost priority on the satisfaction of its shareholders. The Company maintains continuous interaction with its Registrar & Transfer Agent ("RTA") viz. Skyline Financial Services Pvt. Ltd. and takes proactive steps and actions for resolving shareholder complaints / queries.

The Company addresses all complaints, suggestions and grievances expeditiously and suitable replies have been sent / issues have been resolved expeditiously, except in case of dispute over facts or other legal constraints.

6. Risk Management Committee

a) Composition: The composition of the Risk Management Committee of the Board of Directors of the Company meets the requirements of Regulation 21 of the SEBI LODR Regulations. As on March 31, 2024, the composition of the Committee was as under:

S. No.	Name	Position	Category
1.	Dr. Rajesh Jain	Chairman	Chairman and Managing Director
2.	Mr. Sandeep Jain	Member	Joint Managing Director
3.	Mr. Narotam Kumar Juneja	Member	Non-Executive Non-Independent Director
4.	Mr. K. M. Lal#	Member	Independent Director
5.	Mr. Devender Gupta	Member	Employee (Chief Financial Officer and Head IT)
6.	Mr. Rajneesh Chatrath	Member	Employee (Vice President - Corporate Q.A.)

Ceased to be the Member of the Committee w.e.f. close of business hours on 31.03.2024 on account of completion of the 2nd and final term of 5 (five) consecutive years as Independent Director of the Company.

The Board of Directors has, vide its resolution dated April 01, 2024, reconstituted the Risk Management Committee w.e.f. April 01, 2024. The Risk Management Committee now comprises of the following members:

S. No.	Name	Position	Category
1.	Dr. Rajesh Jain	Chairman	Chairman and Managing Director
2.	Mr. Sandeep Jain	Member	Joint Managing Director
3.	Mr. Ankesh Jain	Member	Whole-time Director
4.	Mr. Mukul Gupta	Member	Independent Director
5.	Mr. Narotam Kumar Juneja	Member	Non-Executive Non-Independent Director

b) Role & Terms of Reference: The Risk Management Committee plays an important role in overseeing the risk management framework which encompass risk identification, its likely impact on the Company and mitigation plan for the same. The terms of reference of the Risk Management Committee, inter-alia, includes the following:

- Formulation of a detailed risk management policy which shall include:

  (i) A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

  (ii) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (iii) Business continuity plan;

- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Reviewing periodically the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken; and
- To carry out any other duties / terms of reference which are incidental/necessary for the fulfillment of the above mentioned terms of reference and 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.

c) Meetings of Risk Management Committee and attendance of members: During the financial year 2023-24, two (2) meetings of Risk Management Committee were held on July 08, 2023 and December 29, 2023. The attendance of members of the Risk Management Committee at the meeting was as follows:

S. No.	Name of the Member	No. of Meetings	
		Held	Attended
1.	Dr. Rajesh Jain	2	-
2.	Mr. Sandeep Jain	2	2
3.	Mr. K. M. Lal	2	2
4.	Mr. Narotam Kumar Juneja	2	2
5.	Mr. Devender Gupta	2	2
6.	Mr. Rajneesh Chatrath	2	2

7. Particulars of senior management including changes therein since the close of previous financial year:

As on the date of the report, the following officers and personnel of the Company and its material subsidiary viz. Panacea Biotec Pharma Limited ("PBPL") are members of core management team (excluding the members of the Board of Directors):

S. No.	Name	Designation
A.	Panacea Biotec Limited:	
1.	Dr. Amulya Kumar Panda	Associate Director
2.	Mr. Sunil Anand	Associate Director - Finance & Corporate Affairs
3.	Mr. Vinod Goel	Group CFO and Head Legal & Company Secretary
4.	Mr. Devender Gupta	Chief Financial Officer & Head Information Technology
5.	Mr. Gurinder Pal Singh	Sr. Vice President – Sales
6.	Mr. Khalid Ali Syed	Chief Scientific Officer
7.	Mr. Kulvinder Sarao	Sr. Vice President - Human Resources
8.	Mr. Parmanand Das Karan	Sr. Vice President - Business Development & Corporate Affairs
9.	Dr. Lalitendu Mohanty	Vice President - Clinical Research
10.	Mr. Mohammed Shafiqur Rahman	Vice President – Regulatory Affairs
11.	Dr. Naveen Kumar Jain	Vice President - NPI & Project Management
12.	Mrs. Navita Khanna	Vice President - Business Development & Supply Chain Management
13.	Mr. Rajesh Kumar Chopra	Vice President - Manufacturing Excellence
14.	Mr. Rajneesh Chatrath	Vice President - Corporate Quality Assurance
15.	Mrs. Anshu Rastogi	General Manager - Global Sourcing
16.	Mr. Ashish Jain	Chief Information Officer
17.	Mr. Narender Pal Singh	General Manager - Corporate Engineering
B.	Panacea Biotec Pharma Limited:	
1.	Dr. Rajeeva Kumar Mangalum	Chief Operating Officer
2.	Mr. Dinesh Singla	Sr. Vice President - R&D, VFR, IPR & RA
3.	Mr. Rishi Prakash	Vice President – Business Development & Sales (Region 1, 2 & 4)
4.	Mr. Sarad Kumar Singh	Vice President - International Markets (ROW Region 3)
5.	Mr. Rajiv Kumar Sharma	Sr. General Manager – Supply Chain Management

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The following changes in Senior Management Team of PBPL have occurred since the close of the previous financial year till the date of the report i.e. August 14, 2024:

S. No.	Name of Senior Management	Designation	Changes
1	Mr. Rishi Prakash	Vice President – Business Development & Sales (Region 1, 2 & 4)	Appointed w.e.f. 01.05.2024
2.	Mr. Sanjay Kumar	Sr. General Manager - Quality (Pharma & Oncology)	Resigned w.e.f. 31.03.2024
3.	Dr. Shekhar Patel	Chief Executive Officer - US Business	Resigned w.e.f. 25.06.2024*

* Upon appointment as CEO of the Company's indirect WOS, Panacea Biotec Inc.

8. Remuneration of Directors

The elements of remuneration of the executive directors consists of basic salary, perquisites and variable portion in the form of commission on profits in the case of Chairman and Managing Director, Joint Managing Director and Whole-time Director, as approved by the Board of Directors and shareholders of the Company within the limits prescribed in Schedule V to the Act. The Nomination and Remuneration Committee recommends to the Board the compensation package of the executive directors.

a) Remuneration to Executive Directors: The shareholders had, at their 37th Annual General Meeting ("AGM") held on September 25, 2021, approved the re-appointment of Dr. Rajesh Jain, Mr. Sandeep Jain and Mr. Ankesh Jain as Managing Director, Joint Managing Director and Whole-time Director (designated as Director Sales & Marketing), respectively, of the Company for a period of 3 (three) years w.e.f. April 01, 2022 on certain terms and conditions including their remuneration subject to prescribed limit under the rules and regulations.

The details of remuneration paid to Chairman and Managing / Joint Managing / Whole-time Director during the financial year 2023-24 are as under:

(₹ in million)

S. No.	Name	Designation	Salary	Allowances / Perquisites*	Total
1.	Dr. Rajesh Jain	Chairman and Managing Director	6.00	3.01	9.01
2.	Mr. Sandeep Jain	Joint Managing Director	5.52	2.85	8.37
3.	Mr. Ankesh Jain	Whole-time Director#	1.80	1.23	3.03

* Does not include the provision for Gratuity & Leave Encashment.

\# Designation has been changed from Whole-time Director designated as Director Sales & Marketing to Whole-time Director, w.e.f. 01.06.2024

Notes:

1. The tenure of office of Chairman and Managing / Joint Managing / Whole-time Director is for 3 (three) years from their respective date of appointments and can be terminated by either party by giving three months' notice in writing or a shorter period as decided mutually. No severance fee (other than retiral benefits as per the terms of appointment) is payable upon termination of contract.
2. The Company has an Employees' Stock Option Scheme which was approved by its shareholders through Postal Ballot on 17.07.2020. However, no further steps have been taken pursuant to such Scheme.
3. All elements of remuneration of the Chairman and Managing / Joint Managing / Whole-time Directors, i.e., salary, perquisites and other benefits, etc. are given in Note No. 41 B to the Standalone Financial Statements of the Company.

b) Criteria for making payment to Non-executive Directors: The Company's Non-Executive Directors are professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation. The Company's Non-Executive Directors have been shaping and steering the long-term strategy and making valuable contributions towards Panacea's group level strategy, monitoring of risk management and compliances.

The non-executive director and independent directors are being paid only the sitting fees for attending the meetings of the Board or Committees thereof, of such sum as may be approved by the Board of Directors within the overall limits as prescribed under the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The details of sitting fees paid to the non-executive directors during financial year 2023-24 are as under:

(₹ in million)

S. No.	Name	Sitting Fees
1.	Mr. Bhupinder Singh	0.05
2.	Mr. K. M. Lal	0.30
3.	Mrs. Manjula Upadhyay	0.20
4.	Mr. Mukul Gupta	0.20
5.	Mr. N. N. Khamitkar	0.26
6.	Mr. Narotam Kumar Juneja	0.22
7.	Mr. R. L. Narasimhan	0.27

In addition to the sitting fees, the non-executive director gets reimbursement of the expenses, if any, incurred by him / her for attending the meeting of the Board and/or Committee thereof.

c) Service Contracts, Notice Period and Severance Fees: As on March 31, 2024, the Board comprised of 11 (Eleven) directors, including 3 Executive Directors and 1 Non-Executive Non-Independent Director and 7 Independent Directors.

Dr. Rajesh Jain, Chairman and Managing Director, Mr. Sandeep Jain, Joint Managing Director and Mr. Ankesh Jain, Whole-time Director, are employees of the Company. Hence, the provision for payment of severance fees to them shall be as per the terms mentioned in their respective Service Contract and in terms of the Company's Policy. However, other Directors are not subject to any notice period and severance fees.

d) All pecuniary relationship or transactions of the Non-Executive Directors: There are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its non-executive directors which has potential conflict with the interest of the organization at large except those disclosed in the Financial Statements for the financial year ended March 31, 2024.

e) Stock options details, if any: During the financial year under review, no options under the Company's ESOP Scheme were granted to any Executive / Non-Executive Directors of the Company.

9. General Body Meetings

a) Annual General Meetings: In compliance with the applicable provisions of the Act and General Circulars issued by the Ministry of Corporate Affairs from time to time, the Company's Annual General Meetings held during the previous 3 (three) years, were deemed to be conducted at the Registered Office of the Company situated at Ambala-Chandigarh Highway, Lalru-140501, Punjab. The date and time of the last three Annual General Meetings held through Video Conferencing / Other Audio-Visual Means and the special resolutions passed thereat are as under:

Financial Year	Date	Time	Special Resolution(s) passed
2022-23	29.09.2023	11:30 A.M.	No special resolution was required to be passed
2021-22	28.09.2022	11:30 A.M.	Re-appointment of Mr. Soshil Kumar Jain as director, liable to retire by rotation.
2020-21	25.09.2021	11:30 A.M.	Re-appointment of Mr. Soshil Kumar Jain as Whole-time Director designated as Chairman.

b) Extraordinary General Meetings: No Extraordinary General Meeting was conducted during the year under review.

c) Postal Ballot: During the year under review, the Company passed following special resolutions with requisite majority on April 11, 2024 through Postal Ballot, result of which was declared on April 13, 2024.

Special Resolution(s) passed	Votes cast in favour		Votes cast against	
	No. of votes	%	No. of votes	%
• Appointment of Mrs. Ambika Sharma (DIN: 08201798) as Non-Executive Independent Director	61,359,499	99.9830%	10,413	0.0170%
• Re-appointment of Mr. Bhupinder Singh (DIN: 00062754) as Non-Executive Independent Director	61,357,581	99.9799%	12,332	0.0201%

d) Person who conducted the postal ballot exercise:

Mr. Sandeep Jain, Joint Managing Director, Mr. Sunil Anand, Associate Director Finance & Corporate Affairs, Mr. Vinod Goel, Group CFO and Head Legal & Company Secretary and Mr. Devender Gupta, Chief Financial Officer & Head IT of the Company were appointed as persons responsible for conducting postal ballot process in a fair and transparent manner. Mr. Debabrata Debnath, Partner of M/s R&D Company Secretaries, Practicing Company Secretaries, was appointed as the Scrutinizer for conducting the postal ballot process, through remote e-voting, in a fair and transparent manner.

e) Procedure followed by the Company for conducting the Postal Ballot: In compliance with Regulation 44 of the SEBI LODR Regulations and provisions of Sections 108 and 110 and other applicable provisions of the Act, read with Rules 20 and 22 of the Management and Administration Rules, 2014 ("Management Rules"), as amended from time to time, and in accordance with the General Circulars issued by the MCA from time to time, the Company extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form.

Further, in compliance with the requirements of the MCA Circulars, the Company sent / emailed the postal ballot notices to its members who have registered their email addresses with the Company / its RTA or depository participants in the electronic form only and the shareholders were required to communicate their assent or dissent through the remote e-voting system only. The communication of assent / dissent of the members took place through the remote e-voting system. As required by Rules 20 and 22 of the Management Rules read with the MCA Circulars and the SEBI LODR Regulations, the details pertaining to the Postal Ballot was published in one English national daily newspaper (all editions) and one daily newspaper circulating in Lalru, Chandigarh (in vernacular language, i.e. Punjabi).

The Company availed the services of National Securities Depository Limited (NSDL) for the purpose of providing remote e-voting facility to all its members. The Members desiring to exercise their votes were requested to vote by electronic mode before close of working hours on the last date of remote e-voting i.e. 05:00 p.m. IST on Thursday, April 11, 2024.

The scrutinizer submitted his report to the Chairman, after the completion of scrutiny. The results of the voting by postal ballot (through remote e-voting) were then announced by the authorized officer. The results were also displayed on the website of the Company, https://www.panaceabiotec.com besides being communicated to the stock exchanges where the Equity Shares of the Company are listed, NSDL and Registrar & Transfer Agent. The last date specified for remote e-voting was deemed to be the date of passing of the resolutions.

Report on Corporate Governance

f) Details of resolution proposed to be conducted through Postal Ballot: None of the businesses are proposed to be transacted at the ensuing AGM which require passing of a Special Resolution through Postal Ballot.

g) Participation and voting at the 40th Annual General Meeting ("AGM"): Pursuant to the General Circular Nos. 14/2020, 17/2020, 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively and subsequent circulars issued by the Ministry of Corporate Affairs in this regard, the latest being Circular No. 09/2023 dated September 25, 2023, ("MCA Circulars") the 40th AGM of the Company will be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"). Hence the members can attend and participate in the AGM through VC / OVAM only. The detailed procedure and instructions for participation and voting at the meeting is available in the notice of the 40th AGM of the Company.

10. Means of communication

The Company recognizes the importance of two-way communication with shareholders and of giving a balanced reporting of any disclosure, results etc. and responds to questions and issues raised in a timely and consistent manner. Shareholders seeking information may contact the Company directly or to the Company's Registrar & Transfer Agent throughout the year. Some of the modes of communication are mentioned below:

a) Results: The Quarterly / Half-Yearly / Annual results are published in the prominent daily newspapers, viz. Business Standard, New Delhi and Mumbai editions and in Desh Sewak, Chandigarh edition, the local newspaper published in the language of the region in which Registered Office is situated.

b) Intimation to the Stock Exchanges: The Company also intimates / made disclosures to the Stock Exchanges about all price sensitive matters or such matters which, in its opinion, are material and of relevance to the shareholders and subsequently issues a press release on the matter, wherever necessary. The Company also regularly provides information to the stock exchanges as per the requirements of the SEBI LODR Regulations.

c) News Releases, Presentations: Press releases are sent to the Stock Exchanges before sending the same to media and are also displayed on the Company's website i.e. https://www.panaceabiotec.com/en/section/news-centre.

d) Annual Reports: The Annual Report containing, inter-alia Audited Financial Statements (Standalone as well as Consolidated), Directors' Report including the Management Discussion and Analysis Report, Auditors' Report, Business Responsibility and Sustainability Report and other important information is sent to every shareholder of the Company and others entitled thereto by email. The physical copy thereof is also sent to the shareholder(s) by post / courier, upon receipt of request in this regard. The Annual Report is also available in downloadable form on the website of the Company under the link https://www.panaceabiotec.com/en/section/ information-repository/annual-report.

e) Website: The Company's website, viz. https://www.panaceabiotec.com contains a separate dedicated 'Investor Zone' section to serve shareholders, by giving complete information pertaining to the Board of Directors and its Committees, annual reports along with supporting documents, financial results including subsidiaries financials, stock exchange disclosures and compliances such as shareholding pattern, corporate governance report and press releases, notice of the Board and General Meetings, contact details of Registrar & Transfer Agent, details of unclaimed or unpaid dividend and Investor Education and Protection Fund ('IEPF') related information, amongst others.

f) Presentations to Institutional Investors / analysts: No presentations on financial results are made to the Institutional Investors or to the analysts.

g) SEBI Complaints Redressal System (SCORES): The investor complaints are processed by the SEBI in a centralized web-based complaints redressal system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its status.

h) NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (BSE Listing Centre): NEAPS and BSE Listing Centre are web-based applications designed by NSE and BSE respectively, for the corporates, for smooth filing of information to the stock exchanges. All periodical compliance related filings like shareholding pattern, corporate governance report, results, press releases, and other disclosures under the SEBI LODR Regulations are electronically filed on NEAPS and BSE Listing Centre.

i) Designated Exclusive email-id: The Company has designated the following email-id for investor servicing: investorgrievances@panaceabiotec.com.

Investors can also e-mail their queries to the Registrar & Transfer Agent at compliances@skylinerta.com or virenr@skylinerta.com.

11. General Information for Shareholders

a) Company Registration Details: The Company is registered in the State of Punjab, India. The Corporate Identity Number ("CIN") allotted to the Company by the Ministry of Corporate Affairs is L33117PB1984PLC022350.

b) Date of AGM: The 40th AGM is scheduled to be held on Friday, the 27th day of September 2024, at 11:30 A.M. through Video Conferencing / Other Audio Visual Means.

Remote e-voting Period shall be from Tuesday, September 24, 2024 (09:00 A.M.) to Thursday, September 26, 2024 (05:00 P.M.)

c) Financial Year: The financial year of the Company covers the period from April 01 to March 31.

d) Financial Calendar 2024-25 (tentative):

S. No.	Tentative Schedule	Actual or Tentative Date (on or before as the case may be)
1.	Financial reporting for the quarter ended June 30, 2024	August 14, 2024 (Actual)
2.	Financial reporting for the quarter ending September 30, 2024	By November 14, 2024
3.	Financial reporting for the quarter ending December 31, 2024	By February 14, 2025
4.	Financial reporting for the quarter ending March 31, 2025	By May 30, 2025
5.	Annual General Meeting for the year ended March 31, 2025	On or before September 30, 2025

e) Date of Book Closure: The Share Transfer Books and Register of Members of the Company will remain closed from Friday, September 20, 2024 to Friday, September 27, 2024 (both days inclusive) for the purpose of AGM.

f) Dividend Payment Date: In view of accumulated losses until previous year and inadequate profits during the financial year under review, the Board of Directors has decided to retain the entire amount of profits and invest the surplus towards the growth of the Company and has not recommended any dividend on the Equity as well as Preference Shares of the Company.

In terms of Regulation 43A of the SEBI LODR Regulations, the Company has the Dividend Distribution Policy with an objective to broadly specify the circumstances under which the shareholders of the Company may or may not expect dividend and the external and internal factors including financial parameters that shall be considered by the Board of Directors of the Company while declaring dividend and how the retained earnings shall be utilized, in the interest of providing transparency to the shareholders. The said policy is available on the Company's website at the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

g) Transfer of Unpaid / Unclaimed Dividends and Shares to Investor Education and Protection Fund (IEPF): Pursuant to the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, declared dividends which remained unpaid or unclaimed by the shareholders for a period of 7 (seven) consecutive years or more are required to be transferred by the Company to the IEPF, which has been established by the Central Government. In pursuance of this, the dividend remaining unclaimed in respect of dividends declared upto the financial year 2010-11 have been transferred to the IEPF.

Pursuant to the provisions of Section 124(6) of the Act read with IEPF Rules as amended from time to time, all the shares in respect of which dividend has not been claimed by the concerned shareholders for 7 (seven) consecutive years or more shall be transferred by the Company into the Demat Account of IEPF Authority. Accordingly, all the shares in respect of which dividends were declared upto the financial year 2010-11 and remained unclaimed for a continuous period of 7 (seven) years have been transferred to the Demat Account of IEPF Authority.

The number of shares transferred and held by IEPF Authority as on March 31, 2024 is as under:

S. No.	Particulars	No. of shares
1.	No. of shares transferred during financial year 2017-18	72,879
2.	No. of shares transferred during financial year 2018-19	42,414
3.	Total No. of shares transferred	115,293
4.	Less: Shares transferred back to the Shareholders by the IEPF Authority	10,310
5.	Aggregate shares held by IEPF Authority	104,983

The details of such persons whose shares have been so transferred to the IEPF is available on the Company's website https://www.panaceabiotec.com.

Any person whose shares and/or unpaid / unclaimed dividends get transferred to the IEPF, may claim the shares and/or unpaid / unclaimed dividends from the IEPF in accordance with prescribed procedure and on submission of prescribed documents.

The voting rights on the shares transferred to IEPF Authority remains frozen till the rightful owner claims the shares.

As on the date of this report, one request lodged by a shareholder for claiming back 1,000 shares of the Company is under process with the IEPF Authority.

h) Listing on Stock Exchanges: The Company's Equity Shares are listed on the following Stock Exchanges:

- The National Stock Exchange of India Limited, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 ("NSE").
- BSE Limited, P J Tower, Dalal Street, Fort, Mumbai - 400001 ("BSE").

The Company's Preference Shares are not listed on any Stock Exchange.

The Company has paid listing fees for the financial year 2023-24 to both the above stock exchanges and there is no outstanding payment as on date.

i) Payment of Depository fees: The Company has paid Annual Custody / Issuer fee to both Depositories viz. National Securities Depository Ltd. ('NSDL') and Central Depository Services (India) Ltd. ('CDSL') based on invoices received from them and there is no outstanding payment as on date.

j) Stock Code of Equity Shares:

- Trade Symbol at NSE is PANACEABIO.
- Stock Code at BSE is 531349.
- ISIN No. for Dematerialization is INE922B01023.

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k) Stock Code of Preference Shares:

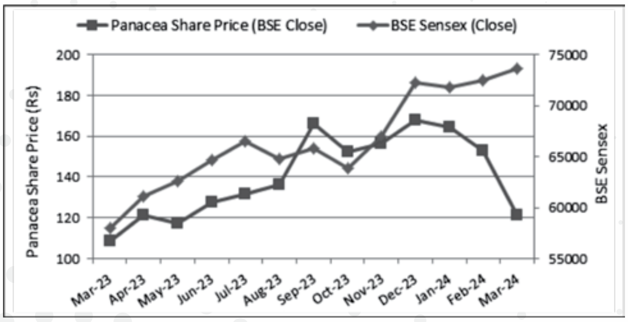
- ISIN No. for Dematerialization is INE922B04019.

l) Market Price data: The Monthly High and Low prices of the shares of the Company at BSE and NSE during the year ended March 31, 2024 are as under:

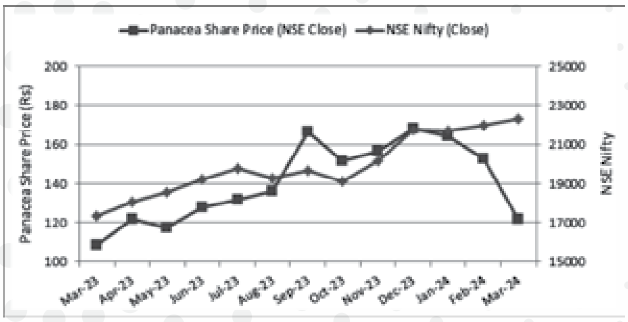
Month	Share price at BSE (in ₹)		Share price at NSE (in ₹)	
	High	Low	High	Low
April 2023	125.95	108.75	124.60	109.45
May 2023	125.95	113.55	125.50	114.20
June 2023	141.00	115.15	141.65	117.00
July 2023	138.50	121.30	139.00	121.10
August 2023	163.30	127.05	163.00	126.80
September 2023	173.50	129.10	173.50	129.30
October 2023	181.95	141.10	181.00	140.95
November 2023	166.00	149.10	166.05	148.35
December 2023	178.00	152.95	178.40	151.60
January 2024	202.20	160.00	202.50	159.55
February 2024	169.60	143.60	169.70	145.20
March 2024	160.00	120.35	156.95	120.30

m) Performance in comparison with broad based indices: The chart below depicts the performance of the Company's share price in comparison to broad based indices, such as BSE Sensex and NSE Nifty. The Management of the Company cautions that the stock movement shown in the graph below should not be considered indicative of potential future stock price performance.

Share Price Performance in comparison to BSE Sensex



Share Price Performance in comparison to NSE Nifty



n) Share Price Performance in comparison to broad based indices - BSE Sensex & NSE NIFTY as on March 31, 2024:

Particulars	March 31, 2023	March 31, 2024	Changes in %
Panacea Biotec's Share Price (closing) at BSE	108.35	121.30	11.95%
BSE Sensex Closing Price	57,991.52	73,651.35	27.00%
Panacea Biotec's Share Price (closing) at NSE	108.45	121.55	12.08%
NIFTY Closing Price	17,359.75	22,326.9	28.61%

o) Registrar & Transfer Agent: Skyline Financial Services Pvt. Ltd. is acting as Registrar & Transfer Agent ("RTA") for handling the shares related matters, both in physical as well as dematerialized mode. All the work relating to equity shares are being done by the RTA. The Shareholders are, therefore, advised to send all their correspondence directly to the RTA. However, for the convenience of shareholders, documents relating to shares received by the Company are forwarded to the RTA for necessary action thereon.

p) Share Transfer System: In terms of Regulation 40(1) of the SEBI LODR Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. The Company had sent communications to the shareholders encouraging them to get their shareholding in the Company dematerialised. The communication, inter-alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. In the case of shares held in electronic form, the transfers are processed by NSDL and CDSL through respective Depository Participants.

The authority for transmission, transposition and dematerialisation of the Company's shares has been delegated to the Company Secretary and the RTA. The delegated authority generally attends the formalities on a weekly basis and as and when required to expedite all such matters and redressal of Investors' grievance, etc., if any. The requests received by the Company / RTA for registration of transmission, transposition and dematerialization are processed by RTA (generally within a week of receipt) and transferred expeditiously and wherever applicable, the letter of confirmation in lieu of share certificate(s) are sent to the shareholder(s) by registered post. As per the requirement of Regulation 40(9) of the SEBI LODR Regulations, the Company obtains an annual compliance certificate, from a Company Secretary in Practice with respect to due compliance of share and security transfer formalities by the Company and the copy thereof is submitted with the Stock Exchanges.

q) Nomination Facility: Pursuant to Section 72 of the Act, the members are entitled to make a nomination in respect of shares held by them. The members holding shares in physical form and desirous of making a nomination are requested to send their requests in Form No. SH-13, pursuant to the Rule 19(1) of the Companies (Share Capital and

Debentures) Rules, 2014, available on the Company's website at https://https://www.panaceabiotec.com/en/section/information-repository/other-important-information or may write to the RTA of the Company. Those holding shares in dematerialized form may contact their respective Depository Participant to avail the nomination facility.

r) Share Certificates in respect of sub-divided Shares: After the sub-division of the Company's Equity Shares of ₹10 each into Equity Shares of ₹1 each, in the year 2003, the Company had sent several letters to all the shareholders holding shares of the face value of ₹10 in physical form, requesting them to exchange their share certificate(s) into new share certificate(s) in respect of shares of face value of ₹1 each. Members may kindly note that consequent to the sub-division of shares of the Company from ₹10 to ₹1, the share certificates of the face value of ₹10 have ceased to be valid for any purpose whatsoever.

Hence, all the shareholders who have not yet sent their request for exchange of share certificates are requested to immediately forward their old share certificate(s) in respect of shares of face value of ₹10 each (which are no longer tradable) to the Company, along with a request letter duly signed by all the joint holders.

s) Elimination of Duplicate Mailing: The shareholders who are holding shares in more than one folio in identical name or in joint holders' name in similar order, may send the share certificate(s) along with request for consolidation of holding in one folio to avoid mailing of multiple Annual Reports.

t) Reconciliation of Share Capital Audit: The Company get reconciliation of share capital audit done from Practicing Company Secretary in each quarter to reconcile the total admitted capital with NSDL & CDSL and total issued and listed capital. The audit reports confirm that the total issued / paid up capital is in agreement with the total number of equity shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The Audit Reports for each quarter of the Financial Year 2023-24 have duly been filed with the Stock Exchanges within one month of the end of the respective quarter.

u) Distribution of Shareholding as on March 31, 2024:

i) Equity Shares:

Category (Amount) From – To	Shareholders		Equity Shares held	
	Number	% of total no. of Shareholders	Number	% of Shareholding
Upto 5,000	45,916	99.30	9,036,238	14.75
5,001-10,000	173	0.37	1,235,089	2.02
10,001-20,000	73	0.16	1,028,392	1.68
20,001-30,000	25	0.05	617,054	1.01
30,001-40,000	11	0.02	399,566	0.65
40,001-50,000	12	0.03	543,389	0.89
50,001-1,00,000	14	0.03	960,671	1.57
1,00,001 and above	18	0.04	47,430,347	77.44
Total	46,242	100.00	61,250,746	100.00

ii) Preference Shares:

Category (Amount) From – To	Shareholders		Preference Shares held	
	Number	% of total no. of Shareholders	Number	% of Shareholding
1,00,001 and above	2	100.00	16,137,000	100.00
Total	2	100.00	16,137,000	100.00

v) Pattern of Shareholding as on March 31, 2024:

i) Equity Shares:

S. No.	Category	No. of Shares	% of Shareholding
1.	Promoters and Promoters' Group	45,073,866	73.59
2.	Institutional Investors (FIIs, Banks, Mutual Funds and Alternate Investment Funds)	511,716	0.84
3.	NRIs / OCB / Foreign Corporate Bodies / Foreign Portfolio Investors	558,956	0.91
4.	Domestic Companies	1,599,079	2.61
5.	Indian Public / Trust / PMS / Others	13,507,129	22.05
	Total	61,250,746	100.00

ii) Preference Shares:

S. No.	Category	No. of Shares	% of Shareholding
1.	Promoters and Promoters' Group	16,137,000	100.00
	Total	16,137,000	100.00

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w) Share Dematerialization System: The requests for dematerialization of shares are processed by the RTA expeditiously and the confirmation in respect of dematerialization of shares is entered by the RTA in the depository system of the respective depositories, by way of electronic entries for dematerialization of shares generally on weekly basis. In case of rejections, the documents are returned under objection to the Depository Participant with a copy to the shareholder and electronic entry for rejection is made by the RTA in the Depository System.

x) Dematerialization of Shares and its liquidity: The Company has been among the few top most companies in India in which maximum number of shares have been dematerialized. As on March 31, 2024, 99.73% of the Company's total Equity Share Capital representing 61,087,525 Equity Shares were held in dematerialized form and only 163,221 Equity Shares were held in physical form.

The shareholders holding shares in physical form are requested to contact any of the Depository Participants in their vicinity to get their shares dematerialized at the earliest, as the Company's shares are required to be compulsorily traded at Stock Exchanges in dematerialized form only.

The Equity Shares of the Company are regularly traded at the NSE and the BSE

y) Outstanding ADRs / GDRs / Warrants or any convertible Instruments, conversion date and likely impact on equity: The Company does not have any outstanding ADRs / GDRs / Warrants or any convertible Instruments.

z) Disclosure of commodity price risks and commodity hedging activities: The Company's finished goods i.e. vaccines are normally not prone to commodity price risk. They are, in fact, subject to the risk of the Government's intervention in the domestic market and competitive scenario in international market. However, the Company's raw materials are subject to commodity price risks. The Company does not have any hedging activities for the same. The Company is a net foreign exchange earner and like other players in the pharmaceutical sector, it faces foreign currency fluctuation risk. Looking at the availability of natural hedge and the future long-term trend, the Company keeps its position generally open.

aa) Plant Locations:

- Vaccines Formulations facility at Village Malpur, Baddi, Dist. Solan, H.P.-173205, India.
- Drug Substance for Vaccines facilities at Village Samalheri, Ambala-Chandigarh Highway, Lalru-140501, Dist. Mohali (S.A.S. Nagar), Punjab, India.
- Pharmaceuticals Formulations, Oncology and Health Supplement Product facilities at Village Malpur, Baddi, Dist. Solan, H.P.-173205, India (owned by Panacea Biotec Pharma Limited, Company's wholly-owned subsidiary).

bb) Address for correspondence:

For transfer/dematerialization of shares, payment of dividend and any other query relating to shares	Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Indl. Area, Phase-I, New Delhi - 110020, India Phone : +91-11-40450193-97; Fax: +91-11-26812682 E-mail: compliances@skylinerta.com, virenr@skylinerta.com
For investors assistance	Company Secretary, Panacea Biotec Limited B-1 Extn./G-3, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi - 110 044, India Phone: +91-11-41679000 Extn. 2071, 41578035 (D) Email: companysec@panaceabiotec.com, investorgrievances@panaceabiotec.com Contact Person: Ms. Ritu Dhyani, Manager - Secretarial & Compliance
For query relating to financial matters	Chief Financial Officer, Panacea Biotec Limited B-1 Extn./G-3, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi - 110 044, India Phone: +91-11-41679000 Extn. 2041, 41578055 (D) E-mail: amitsaraswat@panaceabiotec.com Contact Person: Mr. Amit Saraswat, AGM - Finance

cc) Credit Rating: During the year under review, the Company has not availed any new bank facilities and has consequently not undertaken any credit rating exercise.

12. Other Disclosures

a) Material Related Party Transactions: The Company's major related party transactions are generally with its subsidiaries. All transactions entered with related parties as defined under the Act and Regulation 23 of the SEBI LODR Regulations during the financial year 2023-24 were in the ordinary course of business and on an arm's length basis.

The required statements / disclosures with respect to the related party transactions, if any, as prescribed in the SEBI LODR Regulations, are placed before the Audit Committee on regular basis with appropriate disclosures and safeguards being implemented to isolate the conflict.

Where required, external expert opinions are sought for Board consideration.

Further, during the year under review, there were no materially significant related party transactions with the Company's subsidiaries, promoters, directors or management, their relatives, etc., that may have potential conflict with the interests of the Company at large. The other related party transactions are given in Note No. 41 of the Standalone Financial Statements for the financial year ended March 31, 2024 forming part of the Annual Report.

In accordance with Regulation 23 of the SEBI LODR Regulations, a policy relating to dealing with Related Party Transactions has been formulated by the Company and available on the website of the Company and can be accessed through the link: https://www.panaceabiotec.com/en/section/information-repository/policy. The Register of Contracts / Statements of related party transactions are placed before the Board / Audit Committee regularly.

b) Compliances by the Company: The Company comply with all the applicable laws in true letter and spirit. Therefore, during the last 3 (three) financial years, there were no instances of non-compliances by the Company related to capital markets and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any such other Statutory Authority. Further, the securities of the Company were not suspended from trading at any time during the year under review.

However, during the current year, both the Stock Exchanges have imposed a fine of ₹10,000 each plus applicable tax for one inadvertent non-compliance of the provisions of Regulation 29 of the SEBI LODR Regulations. The Company has paid the said amount and also requested them to reconsider their decision. As on date no due is outstanding towards any of the Stock Exchanges.

c) Vigil Mechanism: The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting instances of illegal or unethical behavior. The Company has a Vigil Mechanism and has implemented a Vigil Mechanism / Whistle Blower Policy in the Company in pursuance of Regulation 22 of the SEBI LODR Regulations and during the year under review, no personnel was denied access to the Chairman of the Audit Committee of the Company. A copy of Vigil Mechanism / Whistle Blower Policy is available on the website of the Company and can be accessed through the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

d) Details of utilization of funds raised through preferential allotment or qualified institutions placement: During the year under review, the Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI LODR Regulations. Also, there were no unutilized funds available with the Company as on March 31, 2024.

e) Certification from Company Secretary in Practice: As required under Regulation 34(3) read with Clause 10(i) Part C of Schedule V of the SEBI LODR Regulations, the Company has received a certificate from Mr. Debabrata Debnath, Company Secretary in Practice, Partner of M/s R&D Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continue as Director of Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed as **Annexure – II** and forms part of this Report.

f) Governance of Subsidiary Companies: All subsidiary companies are Board managed with their Board of Directors having the rights and obligations to manage such companies in the best interest of their respective stakeholders. In terms of Regulation 16(1)(c) of the SEBI LODR Regulations, the Board of Directors has adopted a policy with regard to the determination of material subsidiaries. The policy is available on the website of the Company and can be accessed through the link: https://www.panaceabiotec.com/en/section/information-repository/policy.

As on March 31, 2024, Panacea Biotec Pharma Limited ("PBPL") was the only material non-listed Indian subsidiary of the Company. Mrs. Manjula Upadhyay (one of the independent directors of the Company) is acting as an independent director on the Board of PBPL as well.

The Audit Committee of the Company reviewed the financial statements, in particular the investments made by all its Indian subsidiary companies.

The minutes of Board meetings of Indian subsidiary companies are placed at the Board Meeting of the Company and the significant transactions or arrangements entered into by the unlisted subsidiary companies are periodically informed to the Board.

g) Disclosure of Accounting Treatment: The Company has prepared the financial statements for the year under review, in compliance with the Indian Accounting Standards ('Ind- AS') notified by the Ministry of Corporate Affairs. The Significant Accounting Policies applied in preparation of the financial statements as per Ind-AS have been set out in the Notes to financial statements.

h) Risk Management: The Company has a procedure to inform the Board about the risk assessment and minimization procedures. The Company has formulated a Risk Management Policy and also constituted Risk Management Committee. The Board of Directors / management periodically reviews the risk management framework of the Company and comes out with strategic risk mitigation measures.

i) Fees paid to the Statutory Auditors: Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Statutory Auditors and other firms in the network entity of which the statutory auditors are a part, during the financial year 2023-24, was ₹9.81 million.

Report on Corporate Governance

j) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. No complaint has been filed by any of the women employee, during the financial year 2023-24.

k) Loans and advances to firms/ companies in which directors are interested: The details of loans and advances to firms / companies in which directors of the Company are interested have been disclosed in Notes to the Financial Statements forming part of the Annual Report.

l) Material Subsidiary: As on March 31, 2024 and as well as on the date of this report, Panacea Biotec Pharma Limited ("PBPL") was the only material subsidiary of the Company. PBPL was incorporated on March 22, 2019 in New Delhi, having its registered office at B-1 Extn./A-27, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044.

M/s Walker Chandiok & Co. LLP (Firm Regn. No. 001076N/ N500013), Chartered Accountants were the Statutory Auditors of PBPL until August 13, 2024 and the date of their appointment was November 10, 2020. During the current year, M/s Suresh Surana & Associates LLP (Firm Regn. No. 121750W/W100010), Chartered Accountants have been appointed as the Statutory Auditors of PBPL w.e.f. August 14, 2024 in casual vacancy caused due to resignation of M/s Walker Chandiok & Co. LLP in order to align the Statutory Auditors of PBPL with the Statutory Auditors of the Company.

m) Agreement on compensation of profit sharing in connection with dealings in securities of the Company: During the financial year under review, no employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement, either for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in securities of the Company.

n) Disclosure by Senior Management Personnel: The senior management of your Company have made disclosures to the Board confirming that there are no material, financial and commercial transactions where they have personal interest that may have a potential conflict of interest with the Company at large.

o) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI LODR Regulations : As per the information available with the Company, as at March 31, 2024, there were no agreements which have been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect was to, impact the management or control of the Company or impose any restriction or create any liability upon the Company with respect thereto.

13. Compliance with mandatory requirements and adoption of non-mandatory requirements

a) Mandatory requirements: The Company has complied with all the mandatory requirements of the SEBI LODR Regulations with regard to corporate governance. M/s R&D Company Secretaries, Secretarial Auditors of the Company, have certified that the Company has complied with the mandatory requirements of corporate governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and para C, D & E of Schedule V of the SEBI LODR Regulations for the financial year ended March 31, 2024. The said certificate is annexed to this Report as **Annexure IV**.

b) Non-mandatory requirements: The status on the compliance with the non-mandatory recommendations / discretionary requirements as specified in Part E of Schedule II to the SEBI LODR Regulations is as under:

i) Shareholders' rights: The quarterly / half-yearly / annual financial results, after they are approved by the Board of Directors, are uploaded electronically on the website of NSE & BSE via NEAPS Portal and BSE Listing Centre respectively, published in the newspapers as mentioned under the heading "Means of Communication" at Sl. No. 10 above and also displayed on the Company's website viz. https://www.panaceabiotec.com. The results are not separately circulated to the shareholders.

ii) Modified opinion(s) in audit report: During the financial year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure in the regime of unmodified audit opinion on financial statements.

iii) Reporting of Internal Auditors: The Internal Auditors of the Company report directly to the Audit Committee.

iv) Prohibition of Insider Trading: The Company has instituted a comprehensive Code of Conduct for prevention of Insider Trading ("Code"), which prohibits the Directors, Members of Management Committee and other Designated Persons (collectively called as "Designated Employees") from dealing in the securities of the Company on the basis of Unpublished Price Sensitive Information ("UPSI"), available to them by virtue of their position in the Company. The object of the Code is to prevent misuse of UPSI and prohibit insider trading activity, in order to protect the interests of the shareholders at large. The Code lays down guidelines, which advises Designated Employees on procedures to be followed and disclosures to be made while dealing with the Shares of the Company.

The Company has put in place a mechanism for monitoring the trades done by Designated Employees as well as generation of system-based disclosures in line with the Company's Code of Conduct for Prevention of Insider Trading. The details of dealing in Company's shares by such employees are placed before the Audit Committee and the Board for information on event basis. This Code also prescribes sanction framework and any instance of breach of the Code is dealt with in accordance with the said sanction framework. The Company Secretary has been appointed as the Compliance Officer for ensuring implementation of the Code. A copy of the Code is made available to all the employees of the Company and compliance of the same is ensured.

The Code is available on the website of the Company at https://www.panaceabiotec.com/en/section/information-repository/policy.

14. Disclosure of the compliance with corporate governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI LODR Regulations:

Sl. No.	Regulation No.	Particulars	Compliance Status (Yes or No)
1.	17	Board of Directors	Yes
2.	18	Audit Committee	Yes
3.	19	Nomination and Remuneration Committee	Yes
4.	20	Stakeholders Relationship Committee	Yes
5.	21	Risk Management Committee	Yes
6.	22	Vigil Mechanism	Yes
7.	23	Related Party Transactions	Yes
8.	24	Corporate Governance requirements with respect to subsidiaries	Yes
9.	25	Obligations with respect to Independent Directors	Yes
10.	26	Obligations with respect to employees including senior management, key managerial persons, directors and promoters	Yes
11.	27	Other Corporate Governance requirements	Yes
12.	46(2)(b) to (i)	Website	Yes

15. CEO/CFO Certification

As required by Regulation 17(8) read with Part B of Schedule II of the SEBI LODR Regulations, the Chairman and Managing Director and Chief Financial Officer of the Company have certified to the Board that the Financial Statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards. The said certificate of the Financial Statements, internal control and the Cash Flow Statement for the financial year 2023-24 is annexed as **Annexure - III** and forms part of this Report. The Chairman and Managing Director and Chief Financial Officer also give quarterly certificate on the financial results while placing the same before the Board in terms of the Regulation 33(2) of the SEBI LODR Regulations.

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director

Place: New Delhi
Dated: August 14, 2024

Annexure to the Report on Corporate Governance

Annexure - I

DECLARATION ON CODE OF CONDUCT

To
The Members of Panacea Biotec Limited

I hereby declare that all the Board Members and the Senior Management Personnel of the Company have affirmed the compliance with the provisions of the Code of Conduct for the financial year ended March 31, 2024.

For and on behalf of the Board of
Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director

Place: New Delhi
Dated: August 14, 2024

Annexure to the Report on Corporate Governance

Annexure - II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members of
Panacea Biotec Limited
Ambala-Chandigarh Highway, Lalru-140501, Punjab

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Panacea Biotec Limited, a Company having CIN L33117PB1984PLC022350 and having registered office at Ambala-Chandigarh Highway, Lalru-140501, Punjab (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Part-C, 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 and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2024, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	Dr. Rajesh Jain	00013053	15.11.1984
2.	Mr. Sandeep Jain	00012973	15.11.1984
3.	Mr. Ankesh Jain	03556647	01.04.2016
4.	Mr. Narotam Kumar Juneja	01204817	01.04.2022
5.	Mr. Bhupinder Singh	00062754	08.04.2019
6.	Mr. Krishna Murari Lal#	00016166	28.04.2006
7.	Mrs. Manjula Upadhyay	07137968	30.03.2015
8.	Mr. Mukul Gupta	00254597	01.04.2016
9.	Mr. Namdeo Narayan Khamitkar#	00017154	31.01.2006
10.	Mr. Raghava Lakshmi Narasimhan#	00073873	13.01.2001
11.	Mrs. Ambika Sharma	08201798	14.02.2024

Ceased to be the director of the Company w.e.f. close of business hours on 31.03.2024 on account of completion of the 2nd and final term of 5 (five) consecutive years as an independent director of the Company.

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

For R&D Company Secretaries

Sd/-
Debabrata Deb Nath
Partner
Membership No.-FCS: 7775
C.P No.: 8612
UDIN: F007775F000908268
Peer Review Certificate no. 1403/2021
Unique Identification No. P2005DE011200

Place : Delhi
Dated: August 06, 2024

Annexure - III

Certificate from Chairman and Managing Director and Chief Financial Officer

[Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors,
Panacea Biotec Limited

We do hereby confirm and certify that:

a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2024 and that, to the best of our knowledge and belief:
   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware of and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:
   i) significant changes in internal control over financial reporting during the year;
   ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii) there has not been any instance, during the year, of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Panacea Biotec Limited

	Sd/-	Sd/-
Place : New Delhi	Devender Gupta	Dr. Rajesh Jain
Dated : May 30, 2024	Chief Financial Officer & Head Information Technology	Chairman and Managing Director

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Annexure - IV

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Panacea Biotec Limited

We have examined the compliance of conditions of Corporate Governance by Panacea Biotec Limited, for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI LODR Regulations during the year ended on March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R&D Company Secretaries
Sd/-
Debabrata Deb Nath
Partner
Membership No.-FCS: 7775
C.P No.: 8612
UDIN: F007775F000908312
Peer Review Certificate no. 1403/2021
Unique Identification No. P2005DE011200

Place : Delhi
Dated: August 06, 2024

Independent Auditors' Report

To the Members of Panacea Biotec Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Panacea Biotec Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Revenue recognition Refer note 1.3(j) and note 26 of notes to the standalone financial statements and other explanatory information of the Company for the year ended 31 March 2024. The Company recognises revenue from the sales of products when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered with customers. The Company has a large number of customers operating in various geographies and the sales contracts/ arrangements with various customers have distinct commercial terms, including Incoterms that determine the timing of transfer of control and require judgment in determining timing of revenue recognition as per Ind AS 115, Revenue from Contracts with Customers. We have identified the recognition of revenue from sale of products as a key audit matter because revenue is a key performance indicator for the Company and there is risk of revenue being overstated due to the pressure to achieve targets or earning expectations.	Our audit procedures to address this key audit matter included, but were not limited to the following: a) Obtained an understanding of the Company's process of revenue recognition and read customer contracts on sample basis; b) Evaluated the design, tested the operating effectiveness of the Company's internal controls over recognition and measurement of revenue in accordance with underlying customer contracts and accounting policies; c) Performed substantive testing (including year-end cut off testing) by selecting samples of revenue transactions recorded during and after the year and verified the underlying documents, which included sales invoices / contracts and dispatch / shipping documents; d) Performed substantive analytical procedures during the audit period to identify any unusual trends warranting additional audit procedures; e) Obtained direct balance confirmations from customers on a sample basis as at the year-end or performed alternate audit procedures where such confirmations could not be obtained; and f) Assessed the appropriateness and adequacy of the related disclosures in the standalone financial statements of the Company in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
B. Assessment of impairment of Property, plant and equipment The Company considers its property, plant and equipment (PPE) as a single cash generating unit (CGU). As at 31 March 2024, the carrying value of Company's PPE aggregates to Rs. 4,229.91 million. These balances have been subject to a test of impairment by the management in accordance with Ind AS 36 "Impairment of Assets" (Ind AS 36) in the current year as the management have identified impairment indicators as explained in note 2.1(vi) to the accompanying financial statements. Refer note 1.3(f) and 2.1(vi) to the accompanying standalone financial statements. The Company has engaged independent third-party valuer to arrive at the value in use of the CGU as per discounted cash flow method and to arrive at the fair value based on market approach method. Based on the report issued by such valuer, the recoverable value of the CGU being higher than its carrying value, the Company has concluded that no impairment provision needs to be recorded in the financial statements as at 31 March 2024. In addition to significance of the amounts, management's assessment process is complex as it involves significant judgement in determining the assumptions to be used to estimate the recoverable amounts involved in forecasting cash flows for the CGU, principally relating to budgeted revenue, operating margins, short-term and long-term growth rates and the discount rates used. Considering the materiality of the amounts involved, significant judgment and high estimation uncertainty in determining the recoverable value of such PPE and such estimates and judgements being inherently subjective, this matter is determined as a key audit matter for the current year audit.	Our audit procedures to address this key audit matter included, but were not limited to the following: a) Obtained an understanding of the management's process for identification of impairment indicators for Property, plant and equipment and process for identification of CGU and impairment testing of such assets; b) Evaluated the Company's accounting policy in respect of impairment assessment, and the methods and models used to determine the recoverable amounts of property, plant and equipment in accordance with the requirements of Ind AS 36, c) Tested the design and operating effectiveness of internal controls over such identification and impairment measurement of identified assets; d) Evaluated management's identification of CGU and obtained the impairment assessment workings prepared by the management and its experts for such CGU; e) Involved auditor's experts to assess the appropriateness of the valuation methodologies used by the management and its expert to determine the recoverable values; f) Reconciled the cash flows to the business plans approved by the Board of Directors of the Company/companies which constitute identified CGU; g) Evaluated and challenged the reasonableness of key inputs and assumptions such as implied budgeted revenue, operating margins, growth rates and discount rates for their appropriateness based on our understanding of the business of the respective CGU, past results and external factors such as industry trends and forecasts. h) Obtained and evaluated sensitivity analysis performed by the management on the key assumptions and performed independent sensitivity analysis of the key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts for the CGU to evaluate sufficiency of headroom between recoverable values and carrying amounts. i) Compared the carrying value of the net assets with the estimated recoverable value to calculate the impairment loss to be recognised, if any ; and j) Evaluated the adequacy of disclosures given in the standalone financial statements with respect to Property, plant, and equipment, including disclosure of significant assumptions, judgements and sensitivity analysis performed, in accordance with applicable accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

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

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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

Independent Auditors' Report

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

8. In preparing the standalone financial statements, the Board of Directors 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.
9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

10. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and 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;

f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

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

   i. the Company, as detailed in note 37 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2024;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 52(vi) to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year ended 31 March 2024.

   vi. As stated in Note 54 to the standalone financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has 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 been 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, other than the consequential impact of the exception given below.

Nature of exception noted	Details of exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFR8180

Place: New Delhi
Date : 30 May 2024

Annexure A

Annexure A referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of Panacea Biotec Limited on the standalone financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment property 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 programme of physical verification of its property, plant and equipment, capital work-in-progress, investment property and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress, investment property and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 52(xii) to the standalone financial statements, are held in the name of the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) The Company has not made investments in, provided any guarantee or security or granted any advances in the nature of loans to companies, firms, limited liability partnerships during the year. Further, the Company has granted unsecured loans to other parties during the year, in respect of which:

(a) The Company has provided loans to others during the year as per details given below:

Particulars	(₹ in million)
Aggregate amount provided / granted during the year	
- Others - Employee loans	24.27
Balance outstanding as at balance sheet date in respect of above cases	
- Others - Employee loans	27.93

(b) The Company has not made any investment or provided any guarantee or security or granted advances in the nature of loans during the year. However, the Company has granted loans and in our opinion, and according to the information and explanations given to us, such loans granted are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount and interest thereon is not due for repayment.

(d) There is no overdue amount in respect of loans granted to such companies or other parties.

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans that existed as at the beginning of the year.

(f) The Company has not granted any loan, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans granted and investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security provided by it.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ in million)	Amount paid under Protest (₹ in million)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income-tax	92.93	-	Assessment Year 2017-18 to 2020-21	Commissioner of Income tax Appeals ('CIT(A)')
Income Tax Act, 1961	Income-tax	3,457.12	-	Assessment Year 2005-06 to 2008-09	Income Tax Appellate Tribunal ('ITAT')
Finance Act, 1994	Service tax	70.60	-	Financial Year 2009-10 to 2012-13	High Court of Delhi
Finance Act, 1994	Service tax	12.90	-	Financial year 2012-13	Supreme Court of India
Finance Act, 1994	Service tax	1.20	-	Financial year 2011-12	Commissioner of central excise, CHD-II
Finance Act, 1994	Rebate claim	3.45	-	Financial year 2010-11	High Court of Delhi
Finance Act, 1994	Service tax	0.90	0.01	Financial year 2016-17	Commissioner Appeal, CGST, Ludhiana
Kerela Value Added Tax, 2003	Disallowance of input tax credit	1.75	0.01	Financial year 2017-18	Appellate Authority, Kochi
Customs Act, 1962	Customs duty	3.10	-	Financial year 2009-10 to 2012-13	Deputy Commissioner of Customs, New Delhi
Finance Act, 1994	Service tax	49.90	-	Financial year 2003-04 to 2008-09	Principal Commissioner, CGST, New Delhi

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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

Annexure to the Auditors' Report

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any core investment company (CIC).

(xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to Rs. 49.81 million in the immediately preceding financial year.

(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 in 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-

Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFR8180

Place : New Delhi
Date : 30 May, 2024

Annexure B

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

1. In conjunction with our audit of the standalone financial statements of Panacea Biotec Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFR8180

Place : New Delhi
Date : 30 May, 2024

Panacea Biotec
Innovation in support of life

Standalone Balance Sheet as at March 31, 2024

(₹ in million)

Particulars	Note No.	**As at March 31, 2024**	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	2.1	3,572.18	3,852.56
b) Capital work-in-progress	2.2	707.95	164.24
c) Investment property	2.3	657.73	500.42
d) Intangible assets	2.4	0.40	0.57
e) Intangible assets under development	2.5	257.43	114.23
f) Financial assets			
(i) Investments	3	2.70	2.70
(ii) Loans	4	-	3.51
(iii) Other financial assets	5	25.51	25.46
g) Income tax assets (net)	6	47.50	35.06
h) Other non-current assets	7	433.03	488.96
Total non-current assets		5,704.43	5,187.71
Current assets			
a) Inventories	8	1,079.29	1,160.98
b) Financial assets			
(i) Trade receivables	9	110.79	122.72
(ii) Cash and cash equivalents	10	50.92	60.06
(iii) Bank balances other than cash and cash equivalents	11	243.43	372.44
(iv) Loans	12	26.43	8.06
(v) Other financial assets	13	1.71	2.10
c) Other current assets	14	319.40	264.96
Total current assets		1,831.97	1,991.32
Assets classified as assets held for sale	2.1	-	60.00
Total assets		7,536.40	7,239.03
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	15	61.25	61.25
b) Other equity	16	3,230.17	3,195.26
Total equity		3,291.42	3,256.51
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	17	1,248.67	1,023.96
(ii) Other financial liabilities	18	100.32	54.15
b) Provisions	19	158.19	126.97
c) Deferred tax liability (net)	20	247.92	247.92
Total non-current liabilities		1,755.10	1,453.00
Current liabilities			
a) Financial liabilities			
(i) Borrowings	21	-	0.55
(ii) Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises		30.10	18.84
- Total outstanding dues of creditors other than micro and small enterprises		1,196.75	1,272.40
(iii) Other financial liabilities	23	171.42	201.70
b) Other current liabilities	24	791.94	727.65
c) Provisions	25	299.67	287.38
Total current liabilities		2,489.88	2,508.52
Liabilities directly associated with the assets held for sale	2.1	-	21.00
Total equity and liabilities		7,536.40	7,239.03

The accompanying notes form an integral part of these standalone financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013
Sd/-
Arun Tandon
Partner
Membership No. 517273

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Place : New Delhi
Date : May 30, 2024

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

(₹ in million)

Particulars	Note No.	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Income			
Revenue from operations	26	3,596.04	2,570.67
Other income	27	249.07	344.35
Total income		3,845.11	2,915.02
Expenses			
Cost of materials consumed	28	1,238.99	1,311.63
Purchases of traded goods	29	-	7.46
Changes in inventories of finished goods, traded goods and work-in-progress	30	177.87	311.52
Employee benefits expense	31	865.29	710.32
Finance costs	32	137.81	100.64
Depreciation and amortisation expense	33	210.87	244.96
Other expenses	34	1,172.22	856.01
Total expenses		3,803.05	3,542.54
Profit / (Loss) before tax		42.06	(627.52)
Tax expense			
Current tax	35	6.36	-
Deferred tax		0.20	247.92
Total tax expense		6.56	247.92
Profit / (Loss) for the year		35.50	(875.44)
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit plans		(0.79)	(18.99)
Income tax effect on above		0.20	-
Other comprehensive income / (loss)		(0.59)	(18.99)
Total comprehensive income / (loss) for the year		34.91	(894.43)
Earning / (Loss) per equity share - basic and diluted (face value of ₹1 each) (in ₹)	36	0.58	(14.29)

The accompanying notes form an integral part of these standalone financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No. 517273

Place : New Delhi
Date : May 30, 2024

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Panacea Biotec
Innovation in support of life

Standalone Cash Flow Statement for the year ended March 31, 2024

(₹ in million)

	Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash flow from operating activities**			
	Profit / (Loss) before tax		42.06	(627.52)
	Adjustments for:			
	Depreciation and amortisation expense	33	210.87	244.96
	Unrealized foreign exchange (gain) / loss (net)	27	7.86	45.96
	Loss / (Gain) on sale / disposal of property, plant and equipment and intangible assets (net)	27	4.45	(52.38)
	Excess provisions and other balances written back	27	(20.49)	(232.45)
	Dividend income	27	(0.08)	-
	Allowance for expected credit loss and doubtful advances	34	115.83	9.96
	Loss on termination of leases and other agreements	34	-	5.65
	Bad Debts and advances written off	34	5.43	4.28
	Interest income	27	(152.18)	(22.34)
	Finance costs	32	137.81	100.64
	Operating profit / (loss) before working capital changes		351.56	(523.24)
	Adjustment for working capital changes:			
	Inventories		81.69	131.48
	Trade receivables		12.76	(40.20)
	Other financial assets		(7.16)	0.91
	Loans and other assets		(79.52)	(40.31)
	Provisions and other liabilities		32.20	374.80
	Cash generated from / (used in) operating activities		391.53	(96.56)
	Income tax (paid)		(18.80)	(10.86)
	Net cash generated from / (used in) operating activities (A)		372.73	(107.42)
B.	**Cash flow from investing activities**			
	Payment for property, plant and equipment and intangible assets (including Capital work in progress, intangible under development and capital advances) (net)		(750.27)	(383.80)
	Advance received against / proceeds from sale of property, plant and equipment		66.40	394.34
	Interest received		37.23	22.34
	Dividend income		0.08	-
	Investments in bank deposits having original maturity of more than three months		(118.50)	(1,162.21)
	Redemption of bank deposits having original maturity of more than three months		255.01	1,153.43
	Net cash generated from / (used in) investing activities (B)		(510.05)	24.10
C.	**Cash flow from financing activities**			
	Proceeds from non-current borrowings		2,153.37	1,464.49
	Repayment of non-current borrowings		(1,939.32)	(1,289.93)
	Interest paid		(85.87)	(84.50)
	Net cash generated from / (used in) financing activities (C)		128.18	90.06
	Net Increase / (decrease) in cash and cash equivalents during the year (A+B+C)		(9.14)	6.74
	Cash and cash equivalents at the beginning of the year		60.06	53.32
	Cash and cash equivalents at the end of the year		50.92	60.06
	Cash and cash equivalents			
	Balances with banks			
	- in current accounts		24.63	21.09
	- in exchange earners' foreign currency accounts		1.13	2.46
	Cash on hand		0.15	0.29
	Deposits with original maturity upto 3 months		25.01	36.22
	Total		50.92	60.06

Note: The Standalone Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

The accompanying notes form an integral part of these standalone financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013
Sd/-
Arun Tandon
Partner
Membership No. 517273

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Place : New Delhi
Date : May 30, 2024

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

A. Equity share capital

(₹ in million)

Particulars	Amount
Balance as at April 1, 2022	61.25
Changes during the year	-
Balance as at March 31, 2023	61.25
Change during the year	-
Closing balance as at March 31, 2024	61.25

Note: Refer note 15 for share capital details.

B. Other equity

(Also refer note 16)

(₹ in million)

Particulars	Equity component of compound financial instruments	Reserves and surplus					Total Other Equity
		Securities premium reserve	Capital redemption reserve	General reserve	Capital Reserve	Retained earnings	
Balance as at April 1, 2022	216.54	897.05	1,022.34	684.99	2,148.34	(879.57)	4,089.69
Profit / (Loss) for the year	-	-	-	-	-	(875.44)	(875.44)
Other comprehensive income / (loss) for the year (net of taxes)	-	-	-	-	-	(18.99)	(18.99)
Total comprehensive income / (loss) for the year	-	-	-	-	-	(894.43)	(894.43)
Balance as at March 31, 2023	216.54	897.05	1,022.34	684.99	2,148.34	(1,774.00)	3,195.26
Profit / (Loss) for the year	-	-	-	-	-	35.50	35.50
Other comprehensive income / (loss) for the year (net of taxes)	-	-	-	-	-	(0.59)	(0.59)
Total comprehensive income / (loss) for the year	-	-	-	-	-	34.91	34.91
Transfer to general reserve	-	-	-	-	-	-	-
Balance as at March 31, 2024	216.54	897.05	1,022.34	684.99	2,148.34	(1,739.09)	3,230.17

The accompanying notes form an integral part of these standalone financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Arun Tandon
Partner
Membership No. 517273

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Place : New Delhi
Date : May 30, 2024

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

Summary of Material Accounting Policies

1. Company information

Panacea Biotec Limited (Corporate identification number: L33117PB1984PLC022350) ('PBL' or the 'Company') is a public company incorporated and domiciled in India. The Company has its registered office at Ambala-Chandigarh Highway, Lalru-140501, Punjab, India. The Company has been incorporated under the provisions of the Companies Act 1956 and its equity shares are listed with BSE Limited and National Stock Exchange of India Limited.

Company overview

The Company is one of India's leading research-based biotechnology companies engaged in the business of research, development, manufacture and marketing of vaccines in India and international markets. The Company's wholly owned subsidiary company viz. Panacea Biotec Pharma Ltd. is engaged in the business of research, development, manufacture and marketing of branded pharmaceutical formulations and paediatric nutrition products in India and international markets.

1.1 Basis of preparation

a. Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These standalone financial statements have been prepared for the Company on going concern basis in accordance with accounting principles generally accepted in India. These standalone financial statements were authorized for issuance by the Board of Directors of the Company on May 30, 2024.

b. Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – plan assets measured at fair value.

1.2 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed in note 1.4.

1.3 Material accounting policies

The material accounting policies that are used in the preparation of these financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the standalone financial statements.

a. Current versus non-current classification

The Company has considered an operating cycle of 12 months for determining current and non-current classification of assets and liabilities in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b. Inventories

Inventories are valued as follows:

Raw material, components, stores and spares

Raw materials (including packing materials), stores and spares are valued at lower of cost or net realisable value. 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. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Stores and spares having useful life of more than twelve months are capitalised as "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

Work in progress and finished goods

Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion. Cost is determined on a weighted average basis.

Traded goods

Traded goods are valued at lower of cost or net realisable value. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable 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.

c. Property, plant and equipment

Recognition and initial measurement

All items of property, plant and equipment are initially measured at cost. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under non-current assets.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight-line method arrived on the basis of the useful life prescribed under Schedule II of the Act. The following useful life of assets has been determined by the Company:

Particulars	Useful life
Building – Factory	30 years
Building – Non-factory	60 years
Plant and Equipment	15 years and 20 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer equipment	3 years and 6 years

i) Freehold land has an unlimited useful life and therefore is not depreciated.

ii) Leasehold land is amortised over the period of lease.

iii) Leasehold improvements are amortised over the initial period of lease or useful life, whichever is shorter.

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

d. Intangible assets

Recognition and initial measurement

Research and development costs

Expenditure on the research phase of projects is recognised as an expense as incurred. Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided the Company can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- the management's intention is to complete the intangible asset and use or sell it
- its ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development

Development costs not meeting these criteria for capitalisation are expensed as and when incurred.

Directly attributable costs include employee costs incurred on development of prototypes along with an appropriate portion of relevant overheads and borrowing costs.

Other intangibles

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding product development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets under development are not amortized as these assets are not yet available for use. These assets are evaluated for potential impairment on an annual basis or when there are indications that the carrying value is not recoverable.

Subsequent measurement (Amortisation and useful lives)

All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Particulars	Useful life
Patents, trademarks and designs	7 years
Product development	5 years
Technical know-how	5 years
Software	5 years
Websites	2 years

The amortization expense on intangible assets with finite life is recognised in the statement of profit and loss under the head depreciation and amortization expense.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

e. Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition, including transaction costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Properties held under leases are classified as investment properties when it is held to earn rentals or for capital appreciation or for both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the lease period of the right-of-use assets.

Though, the Company measures investment properties using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model acceptable internationally.

De-recognition

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

f. Impairment of non-financial assets / Assets classified as held for sale

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit'). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. 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. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

During the current financial year, the Company has considered it appropriate to undertake the impairment assessment based on certain indicators. With reference to the latest business plan, the decline in operating profits is considered temporary. Based on management's impairment assessment, recoverable amount is higher than the carrying amount of property, plant and equipment and hence, no impairment is recognized.

g. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing cost consists of interest, ancillary costs and other costs in connection with the borrowing and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h. Foreign and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional and presentation currency.

Foreign currencies

Transactions and balances

Initial recognition

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.

All other exchange differences are charged to the statement of profit and loss.

i. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- 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 a 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.

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 results 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, 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 the fair value measurement as a whole) at the end of each reporting period or each case.

j. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognises revenue when it transfers control over a product or service to a customer.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out below:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Company, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of discounts. Revenue is disclosed exclusive of goods and services tax.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Revenue from services rendered is recognised in the statement of profit and loss over the period the underlying services are performed.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (“EIR”) method.

Royalty income

Royalty is recognized on an accrual basis based on actual sale of product by the licensee and in accordance with the terms of the relevant agreement.

Research and license fees income

Research and license fees income is recognized on an accrual basis based on actual sale of product by the licensee and in accordance with the term of the relevant agreement.

Export incentives

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

k. Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Investments in equity instruments of subsidiaries and joint ventures - Investments in equity instruments of subsidiaries and joint ventures are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

iii. Financial assets at fair value

Investments in equity instruments other than above – Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss ("FVTPL"). For all other equity instruments, the Company makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income ("FVOCI") or fair value through profit or loss FVTPL.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

De-recognition of financial assets

A financial asset is primarily de-recognised 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.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

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

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

l. Investment in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

m. Post-employment and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation other than the contribution payable to the Provided Fund. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the gratuity plan (administered through the Life Insurance Corporation of India), which is a defined benefit plan, is calculated by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined on the basis of actuarial valuation using the projected unit credit method. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Compensated absences

Compensated absences, which are expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats compensated absences expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

n. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) 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 including a bonus issue.

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 effects of all dilutive potential equity shares.

o. Income taxes

Income tax expense recognized in statement of profit and loss comprises current tax and deferred tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with the applicable tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and presented as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

p. Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the group will comply with all the conditions.

Government grants related to the income are deferred and recognised in statement of profit and loss over the period necessary to match them with the cost that are intended to compensate and presented within other income.

Government grants related to property plant and equipment are included in the non-current liabilities as deferred income and are credited to profit and loss on a straight-line basis over the expected life of the related assets and presented within other income.

q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the Board of Director (Managing Director and Chief Financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. In accordance with Ind AS 108, Operating Segments, the management has disclosed the segment information in the consolidated financial statements of the Group.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s. Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties associated with the present obligation.

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet.

Any amount that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognized in the financial statements.

1.4 Critical management judgments in applying accounting policies and estimation uncertainty

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 related disclosures.

Judgments

Research and developments costs - Management monitors progress of internal research and development projects by using a project management system. Significant judgment is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

Recognition of deferred tax assets - 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 utilised.

Provisions, contingent liabilities and contingent assets – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. In view of the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

Defined benefit obligation – Management's estimate of the Defined Benefit Obligations (DBO) is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

1.5 New and amended standards

The Company has applied the following amendments for the first time for their annual reporting period commencing 1 April 2023:

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance on applying materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.6 Recent accounting pronouncements (Standard issued but not yet effective):

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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

2.1 Property, plant and equipment

(₹ in million)

Particulars	Freehold land	Right of use asset - land	Buildings	Plant and equipments	Furniture and fittings	Vehicles	Office equipments	Computer equipments	Total
Gross carrying value:									
As at April 1, 2022	1,662.00	350.16	2,447.96	3,498.48	141.57	54.60	81.18	100.25	8,336.20
Additions	31.74	-	-	41.40	-	14.49	0.50	0.20	88.33
Disposals	(40.32)	(200.12)	(155.04)	(57.49)	(0.06)	(14.64)	-	-	(467.67)
Transferred to investment property (refer note (iv) below)	-	-	(146.81)	-	-	-	-	-	(146.81)
Assets classified as held for sale (refer note (ii) below)	(99.97)	-	-	-	-	-	-	-	(99.97)
As at March 31, 2023	1,553.45	150.04	2,146.11	3,482.39	141.51	54.45	81.68	100.45	7,710.08
As at April 1, 2023	1,653.42	150.04	2,146.11	3,482.39	141.51	54.45	81.68	100.45	7,810.05
Additions	-	-	-	85.80	0.30	2.56	2.34	7.34	98.34
Disposals	(99.97)	0.05	(2.00)	(100.88)	(23.49)	(11.72)	(21.80)	(18.12)	(277.93)
Transferred to investment property (refer note (v) below)	-	-	(172.60)	-	-	-	-	-	(172.60)
As at March 31, 2024	1,553.45	150.09	1,971.51	3,467.31	118.32	45.29	62.22	89.67	7,457.86
Accumulated depreciation:									
As at April 1, 2022	-	40.38	783.77	2,558.40	134.73	43.89	72.56	94.00	3,727.73
Charge for the year	-	2.44	54.34	175.33	0.10	2.28	1.47	0.87	236.83
Disposals	-	(17.08)	(30.62)	(28.56)	(0.06)	(13.32)	-	-	(89.64)
Transferred to investment property (refer note (iv) below)	-	-	(17.40)	-	-	-	-	-	(17.40)
As at March 31, 2023	-	25.74	790.09	2,705.17	134.77	32.85	74.03	94.87	3,857.52
As at April 1, 2023	-	25.74	790.09	2,705.17	134.77	32.85	74.03	94.87	3,857.52
Charge for the year	-	2.44	53.19	139.04	0.11	3.37	1.06	1.68	200.89
Disposals	-	0.01	(2.00)	(91.88)	(23.36)	(11.13)	(21.07)	(17.82)	(167.25)
Transferred to investment property (refer note (v) below)	-	-	(5.48)	-	-	-	-	-	(5.48)
As at March 31, 2024	-	28.19	835.80	2,752.33	111.52	25.09	54.02	78.73	3,885.68
Net carrying value:									
Net block as at March 31, 2024	1,553.45	121.90	1,135.71	714.98	6.80	20.20	8.20	10.94	3,572.18
Net block as at March 31, 2023	1,553.45	124.30	1,356.02	777.22	6.74	21.60	7.65	5.58	3,852.56

Notes :

(i) Assets mortgaged / hypothecated as security for borrowings: (₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Vehicle hypothecated against borrowing from Axis Bank Limited (refer note 17)	-	3.69

ii) Assets held for sale (₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment		
Gross carrying value	-	99.97
Less: Accumulated depreciation	-	-
Less: Provision for impairment	-	39.97
Total	-	60.00

(iii) Refer note 37(B) for information on contractual commitments related to property, plant and equipment.

(iv) During financial year ended March 31, 2023, the Company has classified its properties amounting ₹129.41 million (Gross value ₹146.81 million and accumulated depreciation ₹17.40 million) as investment property from property plant and equipment, due to change in plan and objective towards utilisation of said properties.

(v) During financial year ended March 31, 2024, the Company has classified its properties amounting ₹167.12 million (Gross value ₹172.60 million and accumulated depreciation ₹5.48 million) as investment property from property plant and equipment, due to change in plan and objective towards utilisation of said properties.

(vi) During the year, the Company carried out an impairment assessment of the aforesaid cash-generating units (CGUs) using a discounted cash flow model which is based on the net present value of the forecasted earnings of the CGUs with the help of an external valuation specialist. This is calculated using certain assumptions viz. discount rate of 13.10%, terminal year growth rate of 4% and cash flow forecasts for 5 years. The Company has also involved independent, registered valuer to assess the value in use of the CGUs by cash flow approach. These forecasts contain management's best view of the expected performance of the CGU based on the management's knowledge of the market environment, strategic initiatives and future business plans. As per the management's assessment, there is no impairment required to be recognized in the statement of profit and loss account.

(vii) The Company has adopted cost model for its property, plants and equipment.

2.2 Capital work-in-progress

(₹ in million)

Particulars	Amount
As at April 1, 2022	8.64
Additions	161.39
Capitalised	(5.19)
Disposals	(0.60)
As at March 31, 2023	164.24
As at April 1, 2023	164.24
Additions	602.60
Capitalised	(58.81)
Disposals	(0.08)
As at March 31, 2024	707.95

Notes :

(i) The capital work-in-progress relates to ongoing projects for construction and installation of property, plant and equipment.

(ii) Ageing for capital work-in-progress as at March 31, 2024: (₹ in million)

Capital work in progress	Amount in capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	646.53	61.42	-	-	707.95
Total	646.53	61.42	-	-	707.95

(iii) Ageing for capital work in progress as at March 31, 2023: (₹ in million)

Capital work in progress	Amount in capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	161.39	2.85	-	-	164.24
Total	161.39	2.85	-	-	164.24

(iv) Projects in progress as on March 31, 2024 and as on March 31, 2023 have not exceeded the cost and timeline compared to their respective original plans.

(v) The capital work in progress of projects in progress as on March 31, 2024 will be capitalised upon completion in subsequent years.

2.3 Investment property

(₹ in million)

Particulars	Freehold land	Building	Total
Gross carrying value:			
As at April 1, 2022	151.00	275.58	426.58
Transferred from property, plant and equipment (refer note 2.1(iv))	-	146.81	146.81
As at March 31, 2023	151.00	422.39	573.39
Transferred from property, plant and equipment (refer note 2.1(v))	-	172.60	172.60
As at March 31, 2024	151.00	594.99	745.99
Accumulated depreciation:			
As at April 1, 2022	-	47.62	47.62
Transferred from property, plant and equipment (refer note 2.1(iv))	-	17.40	17.40
Charge for the year	-	7.95	7.95
As at March 31, 2023	-	72.97	72.97
Transferred from property, plant and equipment (refer note 2.1(v))		5.48	5.48
Charge for the year		9.81	9.81
As at March 31, 2024	-	88.26	88.26
Net carrying value:			
As at March 31, 2024	151.00	506.73	657.73
As at March 31, 2023	151.00	349.42	500.42

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

Information regarding income and expenditure of the investment property:

(₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Rental income derived from investment property	41.21	27.74
Profit from investment property before depreciation	41.21	27.74
Less: Depreciation for the year	(9.81)	(7.95)
Profit arising from investment property	31.40	19.79

Fair value of the investment property:

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Investment property	657.73	500.42

Estimation of fair value : The fair value of investment property was carried out and was based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair valuation is based on prices in the active market for similar properties. The main input used are quantum, area, location and demand.

The fair valuation measurement is categorised in Level 2 fair value hierarchy (refer note 43(B)).

2.4 Intangible assets

(₹ in million)

Particulars	Patents, trademarks and copyrights	Softwares	Websites	Products development	Total
Gross carrying value:					
As at April 1, 2022	67.69	223.70	9.20	510.68	811.27
Additions	-	0.14	-	-	0.14
As at March 31, 2023	67.69	223.84	9.20	510.68	811.41
As at April 1, 2023	67.69	223.84	9.20	510.68	811.41
Additions	-	-	-	-	-
As at March 31, 2024	67.69	223.84	9.20	510.68	811.41
Accumulated amortisation:					
As at April 1, 2022	67.42	223.36	9.20	510.68	810.66
Charge for the year	0.05	0.13	-	-	0.18
As at March 31, 2023	67.47	223.49	9.20	510.68	810.84
As at April 1, 2023	67.47	223.49	9.20	510.68	810.84
Charge for the year	0.05	0.12	-	-	0.17
As at March 31, 2024	67.52	223.61	9.20	510.68	811.01
Net carrying value:					
As at March 31, 2024	0.17	0.23	-	-	0.40
As at March 31, 2023	0.22	0.35	-	-	0.57

Note: The Company has adopted cost model for its intangible assets.

2.5 Intangible assets under development

(₹ in million)

Particulars	Amount
As at April 1, 2022	0.14
Additions	114.23
Capitalised	(0.14)
As at March 31, 2023	114.23
As at April 1, 2023	114.23
Additions	143.68
Capitalised / adjustment	(0.48)
As at March 31, 2024	257.43

Notes :

(i) The cost incurred on intangible assets under development relates to products development, patents, technical know-how and softwares.

(ii) Ageing for intangible assets under development as at March 31, 2024: (₹ in million)

Capital work in progress	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	143.69	113.74	-	-	257.43
Total	143.69	113.74	-	-	257.43

(iii) Ageing for intangible assets under development as at March 31, 2023 : (₹ in million)

Capital work in progress	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	114.22	-	-	-	114.22
Total	114.22	-	-	-	114.22

(iv) Projects in progress as on March 31, 2024 and as on March 31, 2023 have not exceeded the cost and timeline as compared to their respective original plans.

(v) The capital work in progress ('CWIP') of projects in progress as on March 31, 2024 will be capitalised upon completion in subsequent years.

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
3. Investments (non-current)		
Investments in equity instruments (unquoted):		
A. In subsidiary companies (at cost unless otherwise stated):		
i) Panacea Biotec Pharma Limited		
1,000,000 (March 31, 2023: 1,000,000) equity shares of ₹1 each, fully paid up	1.00	1.00
ii) Meyten Realtech Private Limited ("Meyten")		
4,876,319 (March 31, 2023: 100,000) equity shares of ₹1 each, fully paid up (refer note (iii) below)	0.10	0.10
iii) Adveta Power Private Limited		
90,000 (March 31, 2023: 90,000) equity shares of ₹10 each, fully paid up	0.90	0.90
iv) PanEra Biotec Private Limited		
419,767 (March 31, 2023: 419,767) equity shares of ₹10 each, fully paid	4.20	4.20
v) Panacea Biotec (International) S.A., Switzerland (refer note 49)		
6,000 (March 31, 2023: 6,000) equity shares of CHF 100 each, fully paid up	34.36	34.36
	40.56	40.56
Less: Provision for impairment in value of investments mentioned at (iv) and (v) above	38.56	38.56
Total (A)	2.00	2.00
B. Other investments (at fair value through profit and loss)		
i) Shivalik Solid Waste Management Limited		
20,250 (March 31, 2022: 20,250) equity shares of ₹10 each fully paid up	0.20	0.20
ii) Mohali Green Environment Private Limited		
50,000 (March 31, 2023: 50,000) equity shares of ₹10 each fully paid up	0.50	0.50
Total (B)	0.70	0.70
Total investments (A+B)	2.70	2.70
Aggregate amount of unquoted investments	41.26	41.26
Aggregate amount of impairment in value of investments	38.56	38.56

Notes:

(i) The Company does not have any quoted investments during the current as well as previous year.

(ii) Refer note 43 for disclosure on fair value measurements in respect of financial assets at cost and fair value through profit and loss.

(iii) Meyten has allotted 4,776,319 equity shares of ₹1 each during financial year 2023-24 pursuant to completion of demerger of Specified Leasing Business pursuant to the terms of the Composite Scheme of Arrangement amongst inter-alia, Meyten and Radhika Heights Limited.

4. Loans (non-current)		
(Unsecured, considered good, unless stated otherwise)		
Loans to employees	-	1.21
Loans to related parties (refer note 41)	-	2.30
Total (A)	-	3.51
(Unsecured, considered doubtful / credit impaired)		
Loans to related parties (refer note 41)	416.20	416.20
Less : Loss allowance (refer note 41)	(416.20)	(416.20)
Total (B)	-	-
Total (A+B)	-	3.51

Notes:

(i) Loans to related parties include accrued interest of ₹114.95 million (March 31, 2023: Nil).
Loans have been granted for business purposes. In line with Circular No. 04/2015 issued by Ministry of Corporate Affairs dated 10th March, 2015, loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

(ii) During the year, the Company has not given any loan to Promoters, Directors and KMPs.

(iii) Refer note 43 and 44 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

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

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
5. Other financial assets (non-current)		
(Unsecured, considered good, unless stated otherwise)		
Security deposits	19.11	11.27
Bank deposits (due for maturity after 12 months from the reporting date)	6.40	13.90
Others	-	0.29
Total (A)	25.51	25.46
(Unsecured, considered doubtful / credit impaired)		
Accrued Interest (refer note 41)	(114.95)	-
Less : Loss allowance (refer note 41)	114.95	-
Total (B)	-	-
Total (A+B)	25.51	25.46

Notes:
(i) Fixed deposits amounting to ₹5.78 million (March 31, 2023: ₹13.19 million) are pledged / deposited with banks and various government authorities for tender, bank guarantee, margin money, etc.
(ii) Refer note 43 and 44 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

Particulars	As at March 31, 2024	As at March 31, 2023
6. Income tax assets (net)		
Advance taxes	1,762.25	1,749.81
Less: Provision for taxes	(1,714.75)	(1,714.75)
Total	47.50	35.06
7. Other non-current assets		
(Unsecured, considered good unless stated otherwise)		
Capital advances	5.04	66.53
Balances with statutory authorities	427.49	422.22
Prepaid expenses	0.50	0.21
Total (A)	433.03	488.96
(Unsecured, considered doubtful / credit impaired)		
Capital advances	177.57	176.80
Less: Allowance for doubtful advances	(177.57)	(176.80)
Total (B)	-	-
Total (A+B)	433.03	488.96
8. Inventories		
(Valued at lower of cost or net realisable value)		
Raw materials including packing materials	526.26	387.21
Finished goods (refer note (ii) below)	318.30	509.88
Traded goods	-	1.00
Work-in-progress	134.00	119.29
Stores and spares	100.73	143.60
Total	1,079.29	1,160.98

Notes:
(i) The Company recorded inventory write down (net) of ₹63.16 million (March 31, 2023: ₹621.95 million) on account of inventory obsolescence, expiry etc. This is included as part of cost of materials consumed and changes in inventories of finished goods, work-in-progress, stores, spares and stock-in-trade in profit or loss, as the case may be.
(ii) Refer note 28, 29, and 30 for consumption of and changes in inventories recorded by the Company.
(iii) Includes goods in transit of ₹ Nil (March 31, 2023: ₹7.12 million)

Particulars	As at March 31, 2024	As at March 31, 2023
9. Trade receivables		
Unsecured, considered good	110.79	122.72
Unsecured, considered doubtful, credit impaired	22.46	25.62
	133.25	148.34
Less: Allowance for expected credit loss	(22.46)	(25.62)
Total	110.79	122.72

Notes:
(i) Refer note 43 and 44 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

(ii) Ageing for trade receivables as at March 31, 2024: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	98.91	9.70	0.64	0.41	-	1.13	110.79
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	0.96	0.96
Undisputed trade receivables credit impaired	0.23	0.14	0.42	0.71	1.53	18.47	21.50
Total	99.14	9.84	1.06	1.12	1.53	20.56	133.25
Less: Allowance for doubtful trade receivables							(22.46)
Trade receivables (Net)							110.79

(iii) Ageing for trade receivables as at March 31, 2023: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	114.94	3.24	0.01	0.11	0.10	-	118.40
Undisputed trade receivables which have significant increase in credit risk	-	-	-	1.23	0.27	2.82	4.32
Undisputed trade receivables credit impaired	2.50	0.25	0.00	1.00	2.85	18.62	25.22
Disputed trade receivables credit impaired	-	-	-	-	-	0.40	0.40
Total	117.44	3.49	0.01	2.34	3.22	21.84	148.34
Less: Allowance for doubtful trade receivables							(25.62)
Trade receivables (Net)							122.72

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
10. Cash and cash equivalents		
Balances with banks		
- in current accounts	24.63	21.09
- in exchange earners' foreign currency accounts	1.13	2.46
Cash on hand	0.15	0.29
Deposits with original maturity upto 3 months	25.01	36.22
Total	50.92	60.06
Notes:		
(i) Fixed deposits amounting to ₹ Nil (March 31, 2023: ₹35.80 million) are pledged / provided with banks and various government authorities for tender, bank guarantee, margin money, etc.		
(ii) There are no repatriation restrictions with regards to cash and cash equivalents as at the end of reporting year		
11. Bank balances other than cash and cash equivalents		
Bank Deposits (with original maturity for more than 3 months but less than 12 months from the reporting date)	243.43	372.44
Total	243.43	372.44
Note: Fixed deposits amounting to ₹242.55 million (March 31, 2023: ₹256.63 million) are pledged / provided with banks and various government authorities for tender, bank guarantee, margin money, etc.		
12. Loans (current)		
(Unsecured, considered good, unless stated otherwise)		
Amounts receivable from employees	26.43	8.06
Total (A)	26.43	8.06
(Unsecured, considered doubtful / credit impaired)		
Loan to employees	1.50	2.80
Loans to related parties (refer note 41 and 49)	585.16	585.16
	586.66	587.96
Less : Loss allowance for doubtful loans / credit impaired (refer note 41 and 49)	(586.66)	(587.96)
Total (B)	-	-
Total (A+B)	26.43	8.06
Notes:		
(i) Refer note 43 and 44 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.		
(ii) Loans to related parties have been granted for business purposes.		

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

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
13. Other financial assets (current)		
(Unsecured, considered good, unless stated otherwise)		
Security deposits	1.71	2.10
Total (A)	1.71	2.10
(Unsecured, considered doubtful / credit impaired)		
Security deposits	1.85	1.74
Less: allowance for doubtful deposits	(1.85)	(1.74)
Total (B)	-	-
Total (A+B)	1.71	2.10

Note: Refer note 43 and 44 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

Particulars	As at March 31, 2024	As at March 31, 2023
14. Other current assets		
(Unsecured, considered good, unless otherwise stated)		
Balances with statutory authorities	269.77	221.17
Prepaid expenses	24.23	16.11
Export benefits receivable	3.89	6.19
Advance to suppliers	21.51	21.49
Total (A)	319.40	264.96
(Unsecured, considered doubtful / credit impaired)		
Advance to suppliers	34.61	37.29
Less: Allowance for doubtful advances	(34.61)	(37.29)
Total (B)	-	-
Total (A+B)	319.40	264.96
15. Share capital		
Authorised		
125,000,000 (March 31, 2023: 125,000,000) equity shares of ₹1 each	125.00	125.00
109,837,000 (March 31, 2023: 109,837,000) preference shares of ₹10 each	1,098.37	1,098.37
	1,223.37	1,223.37
Issued, subscribed and fully paid up		
61,250,746 (March 31, 2023: 61,250,746) equity shares of ₹1 each	61.25	61.25
Total	61.25	61.25

Notes:

(a) Reconciliation of number of equity shares:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in million	No. of shares	₹ in million
Equity shares at the beginning of the year	61,250,746	61.25	61,250,746	61.25
Changes during the year	-	-	-	-
Equity shares at the end of the year	61,250,746	61.25	61,250,746	61.25

(b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors has not proposed any dividend for current year and previous year.

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 including preference shares. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

The Company has not reserved any shares for issuance under options.

(c) Details of Promoters' equity share holding in the Company:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Dr. Rajesh Jain	30,217,312	49.33%	30,217,312	49.33%
Mr. Sandeep Jain	10,031,600	16.38%	10,031,600	16.38%

(d) Details of equity shareholders holding more than 5% of equity shares in the Company:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Dr. Rajesh Jain	30,217,312	49.33%	30,217,312	49.33%
Mr. Sandeep Jain	10,031,600	16.38%	10,031,600	16.38%
Serum Institute of India Private Limited	NA	NA	4,652,118	7.60%

The above information has been furnished as per the shareholders' details available with the Company at the year end.

(e) The Company has neither bought back any equity shares nor issued any equity shares as bonus or for consideration other than cash, during the period of five years immediately preceding the reporting date.

(f) Terms attached to 0.5% cumulative non-convertible and non-participating redeemable preference shares:

The Company has only one class of preference shares having a par value of ₹10 per share. The Company declares and pays dividends in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors has not proposed any dividend for current year and previous year.

The preference shares were initially issued for a period of 10 years w.e.f. January 6, 2015. The terms of preference shares were amended on April 8, 2019 so as to enhance the tenure from 10 years to 15 years with an option with the Company as well as preference shareholders for early redemption of preference shares, provided the secured debt obligations with respect to debentures issued by the Company are fully serviced as per the agreed terms. The said debentures were assigned and novated in favour of Panacea Biotec Pharma Limited in financial year 2019-20 and have subsequently been fully redeemed during financial year 2021-22.

In the event of liquidation of the Company, the holders of preference shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in preference to the equity shareholders. The distribution will be in proportion to the number of preference shares held by the preference shareholders. Also refer note 17(iii).

(g) Reconciliation of 0.5% cumulative non-convertible and non-participating redeemable preference shares:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in million	No. of shares	₹ in million
Preference shares at the beginning of the year	16,137,000	161.37	16,137,000	161.37
Changes during the year	-	-	-	-
Preference shares at the end of the year	16,137,000	161.37	16,137,000	161.37

(h) The Company has neither bought back any preference shares nor issued any preference shares as bonus or for consideration other than cash, during the period of five years immediately preceding the reporting date.

(i) Details of Promoter's preference shareholding and preference shareholders holding more than 5% of 0.5% cumulative non convertible and non participating redeemable preference share capital:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Dr. Rajesh Jain	13,008,600	80.61%	13,008,600	80.61%
Mr. Sandeep Jain	3,128,400	19.39%	3,128,400	19.39%

The above information has been furnished as per the shareholders details available with the Company at the year end.

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
16. Other equity		
A. Reserves and surplus:		
Capital reserve	2,148.34	2,148.34
Retained earnings	(1,739.09)	(1,774.00)
General reserve	684.99	684.99
Securities premium reserve	897.05	897.05
Capital redemption reserve	1,022.34	1,022.34
Total (A)	3,013.63	2,978.72
B. Equity component of compound financial instruments (refer note 15(f) to 15(i) and 17(iii))	216.54	216.54
Total (A+B)	3,230.17	3,195.26

Note: For changes in balances of reserves, refer to the Standalone Statement of Changes in Equity.

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

Nature and purpose of other reserves:

General reserve: The Company has transferred a portion of the net profit before declaring dividend to general reserve pursuant to the provisions of the erstwhile Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

Securities premium reserve : Represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earnings: Profits / (losses) that the Company has earned till date, less any transfer to any reserves, dividend or other distribution paid to shareholders.

Capital redemption reserve: Created in accordance with provisions of the Act in connection with the buy back of equity shares from the market.
Capital reserve: Created pursuant to the transfer of pharmaceutical business to PBPL and demerger of the real estate business.

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
17. Borrowings (non-current)		
Rupee Term loan from:		
Axis Bank Limited (secured) (refer note (ii)(a) below)	-	2.36
Unsecured loans:		
Liability component of compound financial instruments:		
16,137,000 (March 31, 2023: 16,137,000) 0.5% cumulative non-convertible and non-participating redeemable preference shares of Rs.10 each (refer note (iii) below)	59.94	49.83
Loans from related parties (refer note (ii)(b) below)	1,188.73	972.32
	1,248.67	1,024.51
Less: current maturities of non-current borrowings (disclosed under note 21)	-	(0.55)
Total	1,248.67	1,023.96

Notes :

(i) Rate of interest: The Company's long term borrowings were at an effective weighted average rate of 9% p.a. (March 31, 2023: 9% p.a.).

(ii) Repayment terms and security of loans :
  (a) The vehicle loan taken from Axis Bank has been repaid in full during the financial year 2023-24.
  (b) Loans from related parties include loans from promoter director and / or bodies corporate and are payable after April 7, 2024. Interest rates is 9% p.a. Refer note 41 also.

(iii) Liability component of compound financial instruments:

Further to note 15(f), the preference shares are presented in the balance sheet as follows:

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Value of preference shares issued	161.37	161.37
Opening interest accrued	105.00	96.62
Interest expense (refer note below)	10.11	8.38
Total (A)	276.48	266.37
Equity component of preference shares (refer note below)	216.54	216.54
Total (B)	216.54	216.54
Liability component of compound financial instruments (A-B)	59.94	49.83

Note: The equity component is the difference between fair value of liability component computed at the effective interest rate of 18.85% p.a. (March 31, 2023: 18.85% p.a.) and the value of preference shares issued, which is presented as a separate component of equity in the Standalone Statement of Changes in Equity.

18. Other financial liabilities (non-current)		
Interest accrued but not due on borrowings (refer note 41)	96.00	54.15
Security deposit	4.32	-
Total	100.32	54.15
19. Provisions (non-current)		
Provision for gratuity (refer note 42)	91.13	68.67
Provision for compensated absences (refer note 42)	67.06	58.30
Total	158.19	126.97

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
20. Deferred tax liabilities (net)		
Deferred tax liabilities arising on account of:		
Property, plant and equipment and intangible assets	708.16	708.16
Total (A)	708.16	708.16
Deferred tax assets arising on account of:		
Expenditure allowed on payment basis	46.04	46.04
Unabsorbed business losses / provisions	414.20	414.20
Total (B)	460.24	460.24
Total (A-B)	247.92	247.92
Note: Refer note 35 for changes in balances of deferred tax assets and / or liabilities.		
21. Borrowings (current)		
Current maturities of non-current borrowings (refer note 17)	-	0.55
Total	-	0.55
Note: Refer note 2.1 for information on assets mortgaged / hypothecated as security.		
22. Trade payables		
Total outstanding dues of micro enterprises and small enterprises	30.10	18.84
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,196.75	1,272.40
Total	1,226.85	1,291.24

Notes:

(a) Refer note 41 for related party transactions disclosures.

(b) Ageing for trade payables outstanding as at March 31, 2024: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments				Unbilled due	Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
Micro Enterprises and Small Enterprises	25.81	1.14	0.15	-	-	-	30.10
Others	34.01	322.81	72.64	4.39	22.61	122.26	578.72
Disputed Dues - Others	-	-	-	618.03	-	-	618.03
Total	59.82	326.95	72.79	622.42	22.61	122.26	1,226.85

(c) Ageing for trade payables outstanding as at March 31, 2023: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments				Unbilled due	Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
Micro Enterprises and Small Enterprises	15.73	3.08	0.04	-	-	-	18.85
Others	357.35	182.56	8.95	11.69	23.20	79.76	663.51
Disputed Dues - Others	-	-	608.88	-	-	-	608.88
Total	373.08	185.64	617.87	11.69	23.20	79.76	1,291.24

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

(d) Details of dues to micro, small and medium enterprises as defined under the Micro Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

On the basis of confirmation obtained from suppliers who have registered themselves under the MSMED Act, and based on the information available with the Company, the following are the disclosures pursuant to the said MSMED Act :

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
The amount remaining unpaid to any supplier as at the end of each accounting year		
Principal	30.10	18.84
Interest	0.14	0.02
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 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 MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.14	0.02
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 MSMED Act	-	-

23. Other financial liabilities (current)

Grant received (refer note (ii) below)	171.03	196.62
Interest accrued but not due on borrowings	-	0.01
Others	0.39	5.07
Total	171.42	201.70

Notes:

(i) Refer note 43 and 44 for disclosure of fair value in respect of financial liabilities measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

(ii) During the financial year 2022-23, the Company has received grant of ₹236.65 million from Coalition for Epidemic Preparedness Innovations (CEPI), Norway for development of a broadly protective betacoronavirus vaccine. The project is in progress. Pending completion of the project, the unutilised amount of grant is considered as other financial liability as on March 31, 2024.

24. Other current liabilities

Advances from customers (refer note 37(A)(viii) and note 50)	632.20	631.34
Advance against sale of property, plant and equipment	-	21.00
Deferred government grant	143.38	70.74
Statutory liabilities	16.36	25.57
	791.94	748.65
Less: Liabilities directly associated with assets held for sale (refer note 2.1)	-	(21.00)
Total	791.94	727.65

25. Provisions (current)

Provision for compensated absences (refer note 42)	64.84	52.55
Others	234.83	234.83
Total	299.67	287.38

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
26. Revenue from operations		
Sale of products (net)		
Finished goods	3,530.84	2,545.78
Traded goods	0.84	13.81
Sale of services		
Royalty income	18.44	-
Others	0.26	-
Other operating revenue		
Export benefits	3.63	3.24
Production Linked Incentive	26.50	-
Scrap sale	6.19	7.84
Technology transfer fee	9.34	-
Total	3,596.04	2,570.67
A. Disaggregated revenue from contracts with customers:		
Revenue from sale of products and service		
Vaccine*	3,549.28	2,545.78
Others	1.10	13.81
Other operating revenue:		
Vaccine	39.47	3.24
Others	6.19	7.84
Total	3,596.04	2,570.67

* Total revenue from two customers contributing more than 10% of the Company's total revenue during financial year 2023-24 was ₹ 2,936.26 million (March 31, 2023 : ₹ 2,077.93 million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue by Geography:		
India	437.83	468.42
Outside India	3,158.21	2,102.25
Total	3,596.04	2,570.67
B. Reconciliation of gross revenue with the revenue from contracts with customers:		
Gross Revenue	3,604.10	2,587.28
Adjusted for:		
Discounts	(1.02)	(1.36)
Sales returns	(7.04)	(15.25)
Total	3,596.04	2,570.67

Notes:

(i) Revenues are recorded at a point in time when the Company has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.

(ii) Refer note 41 for related party transaction disclosures.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. Information about trade receivables, contract assets from contracts with customers:		
Trade receivables (refer note (i) below) (also refer note 9)	133.25	148.34
Contract balances: Advances from customers (refer note (ii) below) (also refer note 24)	632.20	631.34
Total	765.45	779.68

Notes:

(i) Trade receivables are non-interest bearing and are generally due within 30 to 180 days. There is no significant financing component in any transaction with the customers.

(ii) The adjustments of advances during the year are not considered to be significant.

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

(₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
27. Other income		
Income from investments:		
Dividend income	0.08	-
Interest income from:		
Bank deposits	31.79	21.15
Loans to subsidiaries	114.95	0.18
Others	5.44	1.01
Others:		
Excess provisions and other balances written back	20.49	232.45
Lease rent - investment property	41.21	27.74
Lease rent - others	5.81	6.53
Gain on sale of property, plant and equipment (net)	0.56	52.98
Gain on foreign exchange transactions and translations (net)	20.37	-
Miscellaneous	8.37	2.31
Total	249.07	344.35
Note: Refer note 41 for related party transaction disclosures.		
28. Cost of materials consumed		
Raw materials including packing materials:		
Inventories at the beginning of the year	387.21	254.50
Add : Purchases during the year	1,378.04	1,444.34
Less: Inventories at the end of the year	(526.26)	(387.21)
Total	1,238.99	1,311.63
29. Purchases of traded goods		
Purchases of traded goods	-	7.46
Total	-	7.46
Note: Refer note 41 for related party transaction disclosures		
30. Changes in inventories of finished goods, traded goods and work-in-progress		
Inventories at the end of the year:		
Finished goods	318.30	509.88
Traded goods	-	1.00
Work-in-progress	134.00	119.29
Total (A)	452.30	630.17
Inventories at the beginning of the year:		
Finished goods	509.88	686.01
Traded goods	1.00	1.00
Work-in-progress	119.29	254.68
Total (B)	630.17	941.69
Changes in inventories of finished goods, traded goods and work-in-progress (B-A)	177.87	311.52
31. Employee benefits expense		
Salary and wages	809.13	659.21
Contribution to provident and other funds (refer note 42)	23.70	21.80
Staff welfare expenses	32.46	29.31
Total	865.29	710.32
Note: Refer note 41 for related party transaction disclosures.		
32. Finance costs		
Interest expense	132.16	97.40
Other borrowing costs	5.65	3.24
Total	137.81	100.64
Note: Refer note 41 for related party transaction disclosures.		
33. Depreciation and amortisation expense		
Depreciation on property, plant and equipment	200.89	236.83
Depreciation on investment property	9.81	7.95
Amortisation of intangible assets	0.17	0.18
Total	210.87	244.96

(₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
34. Other expenses		
Advertising and sales promotion	16.37	16.66
Allowance for expected credit loss and doubtful advances	115.83	9.96
Analytical testing and trial	43.04	34.19
Bad debts, advances and other balances written off	5.43	4.28
Commission on sales	12.79	11.21
Consumption of stores and spares	250.29	168.87
Directors' sitting fees	1.50	1.60
Freight and forwarding	77.93	100.26
Insurance	31.59	31.16
Legal and professional	88.10	41.11
License fee	1.69	-
Loss on foreign exchange transactions and translations (net)	-	4.23
Loss on termination of leases or other agreements	-	5.65
Meetings and conferences	5.95	11.34
Miscellaneous	10.83	9.79
Office expenses	1.86	2.87
Payment to statutory auditor (refer note (i) below)	6.70	6.00
Postage and communication	5.27	5.14
Power and fuel	253.31	224.29
Printing and stationery	4.80	3.80
Property, plant and equipment impaired / written off (refer note 2.1)	5.00	0.60
Rates and taxes	15.31	17.17
Rent	20.18	19.39
Repairs to and maintenance of:		
Buildings	35.18	5.23
Plant and machinery	28.50	26.36
Others	47.02	28.19
Security charges	19.89	19.25
Staff training and recruitment	8.95	3.68
Subscription	13.02	7.22
Travelling and conveyance	30.17	24.16
Vehicle running and maintenance	15.72	12.35
Total	1,172.22	856.01
Notes:		
(i) Payment to statutory auditor (excludes GST)		
As auditor		
- Audit fee	2.10	2.10
- Limited review fee	2.40	2.40
In other capacity		
- Certification and other matters	1.62	1.18
- Reimbursement of out of pocket expenses	0.58	0.32
Total	6.70	6.00
(ii) Refer note 41 for related party transaction disclosures.		

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

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
35. Tax expense		
Income tax expense consists of the following:		
Current tax	6.36	-
Deferred tax	0.20	247.92
Total tax expense	6.56	247.92
Reconciliation of estimated tax expense at statutory income tax rate to income tax expense reported:		
Profit / (Loss) before income taxes	42.06	(627.52)
At Company's statutory income tax rate of 25.17% (March 31, 2023: 26%)	10.59	(163.15)
Adjustment on account of different tax base and tax rates	-	-
Deferred tax assets reversed on account of expiry of losses, other inadmissible expenses and set off during the year	(10.59)	404.10
Others	6.56	6.97
Income tax expense reported in the Statement of Profit and Loss	6.56	247.92

Tax losses:

a) The Company has recognized deferred tax assets to the extent that management is reasonably certain that the same would be available for adjustment against foreseeable tax profit. The Company has unabsorbed business losses and unabsorbed depreciation as per tax laws of ₹784.03 million and ₹275.17 million, respectively as at March 31, 2024 (March 31, 2023: ₹1,322.18 million and ₹253.05 million, respectively) that is available for off-setting against the future taxable profits of the Company. The unabsorbed business losses can be carried forward for a period of eight years from the date of incurrence of such losses as per tax laws. These unabsorbed business losses will expire in financial year ending March 31, 2026 and March 31, 2030.

b) Movement in deferred tax assets / (liabilities) :

For the year ended March 31, 2024: (₹ in million)

Particulars	As at March 31, 2023	Charged / (credited) to		As at March 31, 2024
		Profit and loss account	Other comprehensive income	
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment and intangible assets	708.16	-	-	708.16
Total (A)	708.16	-	-	708.16
Tax effect of items constituting deferred tax assets:				
Expenditure allowed on payment basis	46.04	0.20	(0.20)	46.04
Effect of unabsorbed business losses and depreciation	414.20	-	-	414.20
Total (B)	460.24	0.20	(0.20)	460.24
Net deferred tax assets / (liabilities) (B-A)	(247.92)	0.20	(0.20)	(247.92)

For the year ended March 31, 2023: (₹ in million)

Particulars	As at March 31, 2022	Charged / (credited) to		As at March 31, 2023
		Profit and loss account	Other comprehensive income	
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment and intangible assets	720.86	(12.70)	-	708.16
Total (A)	720.86	(12.70)	-	708.16
Tax effect of items constituting deferred tax assets:				
Expenditure allowed on payment basis	51.47	(5.43)	-	46.04
Effect of unabsorbed business losses and depreciation	646.56	(232.36)	-	414.20
Others	22.83	(22.83)	-	-
Total (B)	720.86	(260.62)	-	460.24
Net deferred tax assets / (liabilities) (B-A)	-	(247.92)	-	(247.92)

c) The deferred tax assets on unabsorbed business losses and depreciation have been recognised only to the extent of deferred tax liabilities only.

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
36. Earning / (Loss) per share		
Profit / (Loss) attributable to shareholders	35.50	(875.44)
Weighted average number of equity shares	61,250,746	61,250,746
Face value per equity share (in ₹)	1.00	1.00
Earning / (Loss) per equity share - basic and diluted (in ₹)	0.58	(14.29)

(₹ in million)

Particulars	AS at March 31, 2024	As at March 31, 2023
37. Contingent liabilities and commitments		
(A) Contingent liabilities (to the extent not provided for):		
Disputed demands / show cause notices under:		
Income tax cases (refer notes (i) to (vi) below)	3,550.05	6,112.54
Sales Tax / VAT / GST / Service Tax / Excise / Custom Duty cases (refer note (vii) below)	143.80	174.57
Labour cases (refer note (xi) below)	-	270.37

Notes :

i) Includes income tax demand of ₹162.22 million in respect to Assessment Year 2005-06. The Income Tax Department had issued alleged demand based on certain grounds related to purchases made by the Company from an overseas vendor. The matter was decided in favour of the Company and the demand was cancelled by Commissioner of Income Tax (Appeals) ("CIT (Appeals)"). However, the Income Tax Department has filed an appeal before Income Tax Appellate Tribunal (ITAT) against the order of CIT (Appeals) which is pending at present. The Company believes that it has merit in this case, hence no provision is required.

ii) A search operation was conducted by the Income Tax Department in the premises of the Company in January 2012 and hence the Company had re-filed the income tax returns for the Assessment Year 2006-07 to 2012-13. During the year ended March 31, 2015, the Income Tax Department completed the assessment of the said years, disallowed certain expenses and issued demand of ₹3,294.90 million (including interest) on various grounds. The Company preferred appeals before the CIT (Appeals) against the orders of the Income Tax Department. The appeals were decided in favour of the Company and the demand was cancelled. However, CIT (Appeals) has made certain disallowances with respect to Assessment Year 2010-11 and 2011-12 against which the Company has filed appeals before the Income Tax Appellate Tribunal (ITAT). The Income Tax Department has also filed appeals before ITAT against the orders of CIT (Appeals). The appeals before ITAT are pending at present. Based on legal advice, the Company believes that it has merits in these cases, hence no provision is required.

iii) The Income Tax Department had raised a demand of ₹33.69 million in respect of Assessment Year 2016-17 based on transfer pricing order passed by Dispute Resolution Panel. The alleged demand was raised on purchase of certain goods by the Company from its associated enterprise wherein, according to Income Tax Department, arms' length price adjustment was warranted. The company filed appeal before Income Tax Appellate Tribunal against the order passed by the Income Tax Department. During financial year 2023-24, the said appeal has been decided in favour of the Company.

iv) The Income Tax Department has levied a penalty of ₹0.40 million in respect of Assessment Year 2017-18 on account of additions made in assessment order passed for the said year. The company has filed an appeal before CIT (Appeals) against the order passed by the Income Tax Department. The Company believes that it has merits in this case, hence no provision is required.

v) The Income Tax Department had raised a demand of ₹2,620.80 million in respect of Assessment Year 2020-21. The alleged demand was raised due to wrong addition of contingent liability not provided for, set-off of business losses not allowed and increase in other income due to set-off of business losses not allowed. The company filed an appeal before CIT (Appeals) and rectification application before assessing officer against the order passed by the Income Tax Department. During the financial year 2023-24, while the said appeal was under consideration, in the meantime the assessing officer has passed rectification order in favour of the Company and reduced the said tax demand to ₹91.63 million. The Company believes that it has merits in this case, hence no provision is required.

vi) The Income Tax Department has raised a demand of ₹0.90 million in respect of Assessment Year 2018-19 on the ground of non-deduction of withholding tax on certain foreign remittances made by the company during the year. The company has filed an appeal before CIT (Appeals) against the order passed by the Income Tax Department. The Company believes that it has merits in this case, hence no provision is required.

vii) In respect of Sales tax / VAT demands for Chennai, Kolkata, Patna and Pune the matters have been settled in favour of the Company. In respect of GST demand for Kochi, the Company has filed an appeal with GST Tribunal and the matter is pending there. Service Tax, Excise and Custom Duty litigations are pending with various authorities. The Company believes that it has merit in these cases and hence no provision is required.

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

viii) The Company had manufactured and offered supply of certain vaccines which were manufactured against the confirmed order received from the Ministry of Health and Family Welfare ("MOHFW"), Govt. of India. Some quantities of vaccines were supplied during December 2011, the balance could not be supplied in view of disputes with respect to delivery dates and in the meantime the stock of such vaccines amounting to ₹74.10 million expired. Further, the Company had also received an advance market commitment ("AMC") amounting to ₹100.00 million against these vaccines. The refund of the advance so received (after adjusting the amount receivable against the vaccines already supplied) was demanded back by MOHFW along with interest on account of non-supply of balance quantities of vaccines. In view of above disputes, the Company obtained a stay order from the Hon'ble Delhi High Court against recovery of said amount, till the disputes are finally resolved through arbitration. The arbitration award was pronounced in favour of the Company on March 14, 2019, vide which MOHFW was directed to pay the applicable amount for vaccine supplied / offered for supply along with interest. MOHFW filed an appeal before Hon'ble Delhi High Court raising certain objections against the award, which was dismissed by the Hon'ble Court. MOHFW filed an appeal against such order before the Division Bench of the Hon'ble Delhi High Court which was also rejected. MOHFW has filed a Special Leave Petition against such order before the Hon'ble Supreme Court of India. The Company's application for execution of award is currently pending before the Hon'ble Delhi High Court. The Company believes that it has merits in this case and the outcome of this matter will not have any material adverse impact on the financial position of the Company.

ix) In October 2023, the Company received notice from the International Court of Arbitration, Paris ("ICC") intimating commencement of an Arbitration proceeding pursuant to the request filed by Apotex Inc., claiming an amount of US$ 118.14 million towards outsized alleged losses plus interest thereon under the Collaboration Agreement dated May 09, 2014 entered into between Apotex Inc. and the Company. The said agreement was subsequently assigned and novated in favour of Panacea Biotec Pharma Limited ("PBPL") wholly owned subsidiary of the Company. The Company submitted its response to the notice of arbitration rebutting the claims raised by Apotex citing novation of the said agreement in favour of PBPL. Apotex subsequently filed request for Joinder of PBPL in the said arbitration proceedings raising the claim against the Company and PBPL aggregating to US$ 163.24 million, which has been objected by the Company as well as PBPL. The management believes that the Company and / or PBPL is not in breach of its obligations and the claims filed by Apotex are frivolous, unsubstantiated, premised on fundamental factual misstatements and incorrect legal assumptions regarding the Collaboration Agreement and contrary to the overwhelming facts and evidence. Currently both sides have appointed their respective arbitrators and they have nominated the third arbitrator who would act as the President of the arbitration tribunal. Based on the legal opinion obtained and assessment of aforesaid matter, the management is of the view that no material liability is expected to arise on the Company and / or PBPL on account of aforesaid claims.

PBPL has also filed a request for arbitration before ICC with respect to dispute with Apotex raising a claim of US$ 9.90 million towards PBPL's share of profit from sale of authorized generic products sold by Apotex during financial year 2022-23 in USA under the terms of the said Collaboration Agreement and the settlement agreement signed among the Parties including the innovator company. The said matter is also under consideration at ICC.

x) In March 2024, the Company received summons from Asst. Commissioner of State Tax, Mumbai, Maharashtra to enquire if the Company has paid GST on sale of the leasehold land and building at Navi Mumbai to Mankind Pharma Ltd. in March 2022. The Company's officials attended the proceedings and clarified that the GST in not applicable as the said transaction is covered under Schedule III to CGST / MGST Act. However, following persistent follow up by the GST authorities, the Company has deposited an amount of ₹31.42 million under protest. The Company is in the process of filing writ petition before the Hon'ble High Court of Judicature at Bombay against the said proceedings. The GST authorities are yet to assess the tax demand on this matter. The management believes that the Company has merit in its case and the outcome of this matter will not have any material adverse impact on the financial position of the Company. Accordingly, the Company has not made any provisions in respect of this matter.

xi) During financial year 2024-25, the Company has initiated settlement process in respect of the old labour cases in respect of manufacturing site at Lalru, Punjab and has recognised an amount of ₹42.80 million as the compensation payable in respect of these cases, out of which ₹12.69 million has been paid as on March 31, 2024 and the balance amount has been included as a liability in the financial statements. In view of large number of cases, it is impracticable to disclose each case.

xii) The Company has received notices from various authorities seeking information mentioned in the said notices. In view of the management these notices may not have any financial liability on the Company.

(B) Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Property, plant and equipment	76.94	34.22

38. Leases

Company as a lessee:

The Company does not have any long-term non cancellable leases as at March 31, 2024 (March 31, 2023: Nil). As on April 1, 2019, leasehold land has been transferred to Right of Use ("RoU") asset. Refer note 2.1 for details. Lease payments with respect to short term lease amounts to ₹20.18 million (March 31, 2023: ₹19.39 million) which has not been included in the measurement of lease liability.

Company as a lessor:

Operating leases

The Company has entered into operating leases on its investment property portfolio consisting of certain offices, guest house, warehouse, manufacturing buildings etc. These leases generally have term of 11 months. All leases generally include a clause for upward revision of the lease rental by 5% on an annual basis according to prevailing market conditions. Rental income recognised by the Company from above said lease agreements is ₹47.02 million (March 31, 2023: ₹27.74 million).

39. Details of loans and advances, in the ordinary course of business, to subsidiaries and companies in which directors are interested

(as required under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013).

(₹ in million)

	Particulars	**As at March 31, 2024**	As at March 31, 2023
a)	Loans to wholly owned subsidiaries (including accrued interest)		
	Meyten Realtech Private Limited	-	2.54
	Panacea Biotec (International) S.A. (refer note 49(a))	123.48	96.78
	Panacea Biotec Germany GmbH (refer note 49(a))	407.67	319.42
	Rees Investments Limited (refer note 49(b))	585.16	585.16
		1,116.31	1,003.90
b)	Maximum amount due at any time during the year		
	Meyten Realtech Private Limited	-	2.54
	Panacea Biotec (International) S.A. (refer note 49(a))	123.48	96.78
	Panacea Biotec Germany GmbH (refer note 49(a))	407.67	319.42
	Rees Investment Limited (refer note 49(b))	585.16	585.16
		1,116.31	1,003.90
c)	Allowance for doubtful advances on above loan and interest receivable	1,116.31	1,001.36

Note: The above loans have been given for business purposes. Also refer note 41 for related party transactions disclosure.

40. Research and development expenditure

Research and development expenditure incurred by the Company during the financial year are mentioned below:

(₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Revenue expenditure		
Materials consumed	10.96	9.66
Employee benefits expense	79.77	72.03
Depreciation and amortisation expense	26.33	27.72
Other expenses	85.17	57.44
Capital expenditure	22.42	34.03
Total	224.65	200.88

41. Related party disclosures

As per Ind AS 24, the disclosure of related parties and transactions with them are as given below:

A. List of related parties and relationship with whom transactions have taken place:

(i) Parties where control exists:

(a) Wholly owned subsidiaries (WOS):

- Meyten Realtech Pvt. Ltd. ("Meyten")
- Panacea Biotec Pharma Limited ("PBPL")

- Panacea Biotec (International) SA ("PBS"), Switzerland
- Panacea Biotec Germany GmbH ("PBGG"), Germany (Indirect WOS ("IWOS") through PBS)
- Panacea Biotec Inc., USA (IWOS through PBPL) (with effect from April 09, 2024)
- Rees Investments Limited ("Rees"), Island of Guernsey (WOS) (liquidated on May 23, 2019).

(b) Subsidiaries*:

Adveta Power Private Limited ("Adveta")

PanEra Biotec Private Limited ("PanEra")

* considered as subsidiary for the purpose of consolidation as per Ind AS 110.

(ii) Other related parties:

(a) Joint Venture:

- Chiron Panacea Vaccines Private Limited (Under liquidation) ("CPV")

(b) Key Management Personnel:

- Mr. Soshil Kumar Jain - Chairman and Whole-time Director (upto October 7, 2022)
- Dr. Rajesh Jain - Chairman and Managing Director (with effect from November 14, 2022) (Managing Director upto November 13, 2022)
- Mr. Sandeep Jain - Joint Managing Director
- Mr. Ankesh Jain - Whole-time Director designated as Director Sales & Marketing
- Mr. Bhupinder Singh - Non-Executive Independent Director
- Ms. Ambika Sharma – Non-Executive Independent Director (w.e.f. February 12, 2024)
- Mr. K. M. Lal - Non-Executive Independent Director (upto March 31, 2024)
- Mrs. Manjula Upadhyay - Non-Executive Independent Director
- Mr. Mukul Gupta - Non-Executive Independent Director
- Mr. N. N. Khamitkar - Non-Executive Independent Director (upto March 31, 2024)
- Mr. Narotam Kumar Juneja – Non-Executive Non Independent Director (w.e.f. April 01, 2022)
- Mr. R. L. Narasimhan - Non-Executive Independent Director (upto March 31, 2024)
- Mr. Vinod Goel - Group CFO and Head Legal & Company Secretary
- Mr. Devender Gupta - Chief Financial Officer & Head Information Technology

(c) Enterprises over which Person(s) (having control or significant influence over the Company / Key management personnel(s), along with their relatives) are able to exercise significant influence:

- First Lucre Partnership Co. (holding shares in the Company)
- MR Lex Corp LLP ("MR Lex")
- Neophar Alipro Limited ("Neophar")
- Lakshmi & Manager Holdings Limited*
- Trinidhi Finance Private Limited ("Trinidhi")*
- Best General Insurance Company Limited*
- OKI Estate Private Limited*
- Panacea Life Sciences Limited*
- Ravinder Heights Limited*
- Cabana Construction Private Limited*
- Cabana Structures Limited*
- Nirmala Buildwell Private Limited*
- Nirmala Organic Farms & Resorts Private Limited*
- Radicura Infra Limited*
- Sunanda Infra Limited*

*ceased to be related party w.e.f. October 07, 2022

(d) Other relatives of key management personnel having transactions with the Company:

- Mr. Ashwani Jain, son-in-law of Mr. Soshil Kumar Jain (ceased to be a relative post demise of Mr. Soshil Kumar Jain on October 07, 2022)
- Mr. Harshet Jain, son of Dr. Rajesh Jain and brother of Mr. Ankesh Jain
- Mr. Tanish Jain, son of Mr. Sandeep Jain (employed with effect from May 19, 2022)

B. Transactions with related parties:

(₹ in million)

S. No.		Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Transactions made during the year:			
	a)	Purchase of goods / materials		
		PBPL	0.19	7.97
	b)	Purchase of property, plant and equipment		
		PBPL	-	0.37
	c)	Sale of goods / materials		
		PBPL	0.14	0.80
	d)	Sale of property, plant and equipment		
		PBPL	-	-
	e)	Reimbursement of expenses		
		PBPL	25.91	25.30
	f)	Recovery of expenses		
		PBPL	13.95	11.89
	g)	Rent expense		
		Meyten	5.96	5.17
	h)	Rent income		
		Adveta	0.10	0.09
		Meyten	0.02	0.02
		PanEra	0.16	0.16
		PBPL	30.18	22.85
		Neophar	0.18	0.18
	i)	Interest income		
		PBS	26.70	-
		PBGG	88.25	-
		Meyten	-	0.18
	j)	Interest expense		
		PBPL	106.67	60.17
		Mr. Soshil Kumar Jain	-	13.71
		Dr. Rajesh Jain	13.57	14.36
	k)	Provision for doubtful allowance		
		PBS	26.70	-
		PBGG	88.25	-
	l)	Loan given		
		Meyten	-	1.50
	m)	Loan received		
		PBPL	2,099.23	1,464.49
	n)	Short-term employee benefits		
		Mr. Soshil Kumar Jain	-	36.35
		Dr. Rajesh Jain	9.01	8.24
		Mr. Sandeep Jain	8.37	7.56
		Mr. Ankesh Jain	3.03	2.93
		Mr. Vinod Goel	8.43	6.78
		Mr. Devender Gupta	6.43	5.59
		Mr. Ashwani Jain	NA	2.96
		Mr. Harshet Jain	1.20	0.92
		Mr. Tanish Jain	0.60	0.52
		Employees transferred from PBPL	13.28	-
	o)	Directors' sitting fees		
		Mr. Bhupinder Singh	0.05	0.20
		Mr. K. M. Lal	0.30	0.28
		Mrs. Manjula Upadhyay	0.20	0.20
		Mr. Mukul Gupta	0.20	0.20
		Mr. N. N. Khamitkar	0.26	0.25
		Mr. Narotam Kumar Juneja	0.22	0.20
		Mr. R. L. Narasimhan	0.27	0.27
	p)	Legal and professional expense		
		MR Lex	0.14	1.82
	q)	Repayment of loans received		
		Mr. Soshil Kumar Jain	-	125.21
		Dr. Rajesh Jain	-	22.02
		PBPL	1,936.97	1,143.45
	r)	Repayment of loans given		
		Meyten	2.30	-

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

(₹ in million)

S. No.		Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
II	Year end balances:			
	a)	Loans given		
		Meyten	-	2.30
		PBS	96.78	96.78
		PBGG	319.42	319.42
		Rees	585.16	585.16
	b)	Loans received (net)		
		PBPL	1,038.73	822.33
		Dr. Rajesh Jain	150.00	150.00
	c)	Interest accrued on loans given		
		Meyten	-	0.24
		PBS	26.70	-
		PBGG	88.25	-
	d)	Interest accrued on loans received		
		PBPL	96.00	54.15
	e)	Allowance for doubtful loans (including accrued interest)		
		PBS	123.48	96.78
		PBGG	407.67	319.42
		Rees	585.16	585.16
	f)	Trade receivables		
		PBGG	1.12	1.11
		Meyten	-	0.14
		Adveta	0.55	0.43
		PanEra	0.22	0.03
	g)	Allowance for doubtful receivable		
		PBGG	1.12	1.11
		PanEra	0.22	0.03
	h)	Provision for impairment for investment		
		PanEra	4.20	4.20
		PBS	34.36	34.36
	i)	Trade payables		
		Meyten	3.36	21.92
		MR Lex	1.14	1.25
		PBGG	21.22	21.02
		PBPL	147.72	177.15
	j)	Advance against salary		
		Mr. Vinod Goel	-	1.06
	k)	Investments		
		Adveta	0.90	0.90
		Meyten	0.10	0.10
		PanEra	4.20	4.20
		PBPL	1.00	1.00
		PBS	34.36	34.36
	l)	Post-employment benefits		
		Dr. Rajesh Jain	19.65	18.67
		Mr. Sandeep Jain	19.29	18.29
		Mr. Ankesh Jain	0.93	0.79
		Mr. Vinod Goel	1.88	1.72
		Mr. Devender Gupta	1.16	1.05
		Mr. Ashwani Jain	NA	2.00
		Mr. Harshet Jain	0.12	0.09
		Mr. Tanish Jain	0.02	0.01

Note: The Company intends to continue to provide necessary financial support to its subsidiaries as and when needed, so as to ensure they continue their operations as going concern in foreseeable future. All related party transactions are at arms' length price and in the ordinary course of business.

42. Employee benefits obligations

A. Defined benefit plan

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the Company is exposed to various risks as follows:

Salary increases risk:	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 than assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate risk:	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability risk:	Death and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals risk:	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Gratuity (funded)

The Company provides for gratuity for employees in India as per the Payments of Gratuity Act, 1972 to employees who are in continuous service for a period of 5 years. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan, the Company makes contributions to recognised funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The Company ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods.

The Company expects to contribute ₹20.18 million (March 31, 2023: ₹16.90 million) towards gratuity during next year.

The weighted average duration of the defined benefit obligation as at March 31, 2024 is 12.58 years (March 31, 2023: 13.27 years).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in million)

Particulars		**As at March 31, 2024**	As at March 31, 2023
a.	Reconciliation of present value of defined benefit obligation and the fair value of plan assets		
	Present value of defined benefit obligation as at the end of the year	150.19	127.32
	Fair value of plan assets as at the end of the year	59.04	58.64
	Net liability position recognised in balance sheet*	91.15	68.68
b.	Changes in defined benefit obligation		
	Present value of defined benefit obligation as at the start of the year	127.32	121.54
	Adjustments for:		
	Acquisition adjustment	8.91	-
	Interest cost	9.41	8.82
	Current service cost	11.60	9.67
	Benefits paid	(7.90)	(32.02)
	Actuarial (gain) / loss on defined benefit obligations	0.85	19.31
	Present value of defined benefit obligation as at the end of the year	150.19	127.32
c.	Net interest cost		
	Interest cost on defined benefit obligation	9.41	8.82
	Interest income on plan assets	4.33	3.48
	Net interest cost	5.08	5.34
d.	Amount recognised in the statement of profit and loss		
	Current service cost	11.60	9.67
	Net interest cost	5.08	5.34
	Amount recognised in the statement of profit and loss	16.68	15.01
e.	Change in plan assets		
	Fair value of the plan assets at the beginning of the year	58.64	47.91
	Employer contribution	3.91	12.64
	Actual return on plan assets	4.45	3.98
	Fund management charges	(0.06)	(0.17)
	Benefits paid for eligible employees	(7.90)	(5.72)
	Fair value of the plan assets at the end of the year	59.04	58.64

* The cash flows disclosed are discounted.

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

(₹ in million)

	Particulars	As at March 31, 2024	As at March 31, 2023
f.	Key categories of plan assets as a percentage of the fair value of total plan assets for gratuity:		
	Investment with insurer	100%	100%
g.	Other comprehensive income:		
	Actuarial loss on arising from change in demographic assumption	-	-
	Actuarial gain arising from change in financial assumption	1.82	(1.59)
	Actuarial gain arising from experience adjustment	(0.97)	20.90
	Actuarial gain arising on plan assets	0.06	0.32
	Total actuarial gain for the year	0.91	19.63
h.	Net liability recognised in the Balance Sheet:		
	Non-current provision	91.13	68.67
	Current provision	-	-
i.	Actuarial assumptions:		
	Discount rate	7.25%	7.39%
	Future salary increase	6.00%	6.00%
j.	Demographic Assumption:		
	Retirement age (years)	60 / 75	60 / 75
	Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
	Withdrawal Rate (%)		
	Ages		
	Up to 30 years	10.00	10.00
	From 31 to 44 years	5.00	5.00
	Above 44 years	1.00	1.00
k.	Sensitivity analysis for gratuity liability:**		
	Impact of the change in discount rate		
	a) Impact due to increase of 0.50%	(6.42)	(5.90)
	b) Impact due to decrease of 0.50%	6.92	6.37
	Impact of the change in salary increase		
	a) Impact due to increase of 0.50%	6.21	5.72
	b) Impact due to decrease of 0.50%	(5.85)	(5.35)
l.	Maturity profile of defined benefit obligation:		
	Within next 12 months	8.86	5.33
	Between 1-5 years	65.47	58.44
	Beyond 5 years	62.59	57.08

** The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

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B. Other long-term benefit plans represents the compensated absences provided to the employees of the Company

(₹ in million)

Particulars		**As at March 31, 2024**	As at March 31, 2023
Current liability - Actuarial		16.72	8.14
Current liability - Others		48.12	44.41
Non-current liability		67.06	58.30
Present value of obligation at the end of the year		131.90	110.85
Changes in present value of other long-term benefit plans			
(a)	Present value of obligation at the beginning of the year	66.44	68.13
(b)	Acquisition adjustment	4.38	-
(c)	Interest cost	4.91	4.94
(d)	Past service cost	-	-
(e)	Current service cost	15.08	11.85
(f)	Benefits paid	(6.96)	(10.78)
(g)	Actuarial loss / (gain)	(0.07)	(7.70)
(h)	Others	48.12	44.41
Present value of obligation at the end of the year		131.90	110.85

Expenses recognised in Statement of Profit and Loss:

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Employee benefits expense:	15.08	11.85
Interest cost	4.91	4.94
Actuarial loss / (gain)	(0.07)	(7.70)
Net actuarial (gain) / loss recognised in the year	19.92	9.09

C. Defined contribution plans

The Company’s contribution to state governed provident fund, employees' state insurance and labour welfare fund schemes are considered as defined contribution plans. The contribution for the current year is ₹23.70 million (March 31, 2023: ₹21.75 million) and under the schemes is recognised as an expense, when an employee renders the related service. There are no other obligations of the Company, other than the contribution payable to the respective funds.

43. Fair value measurements

A. Financial assets and liabilities

The carrying amounts and fair values of financial instruments by class are as follows:

As at March 31, 2024 (₹ in million)

Particulars		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets:				
(i)	Investments	0.70	-	-
(ii)	Trade receivables	-	-	110.79
(iii)	Cash and cash equivalents	-	-	50.92
(iv)	Bank balances other than cash and cash equivalents	-	-	243.43
(v)	Loans	-	-	26.43
(vi)	Others financial assets	-	-	27.22
	Total	0.70	-	458.79
Financial liabilities:				
(i)	Borrowings	-	-	1,248.67
(ii)	Trade payables	-	-	1,226.85
(iii)	Other financial liabilities	-	-	96.39
	Total	-	-	2,571.91

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

As at March 31, 2023 (₹ in million)

Particulars		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets:				
(i)	Investments	0.70	-	-
(ii)	Trade receivables	-	-	122.72
(iii)	Cash and cash equivalents	-	-	60.06
(iv)	Bank balances other than cash and cash equivalents	-	-	372.44
(v)	Loans	-	-	11.57
(vi)	Others financial assets	-	-	27.56
	Total	0.70	-	594.35
Financial Liabilities:				
(i)	Borrowings	-	-	1,024.51
(ii)	Trade payables	-	-	1,291.24
(iii)	Other financial liabilities	-	-	59.23
	Total	-	-	2,374.98

Note: Investment in subsidiaries amounting to ₹40.56 million (March 31, 2023: ₹40.56 million) are measured at cost as per Ind AS 27, 'Separate Financial Statements' and hence, not presented here.

B. Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

The different levels of fair value have been defined below:

Level 1: Quoted prices (unadjusted) in an active market for financial instruments.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements

(₹ in million)

Investments:	Level 1	Level 2	Level 3
As at March 31, 2024	-	0.70	-
As at March 31, 2023	-	0.70	-

B.2 Financial assets and liabilities are measured at amortised cost. All the financial assets and liabilities valued at amortised cost form part of Level 3 of hierarchy table. Further, the carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature. The fair value of all financial assets and financial liability, approximates the amortised cost due to their short term nature. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

44. Financial risk management

Risk management framework

The Company's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the Financial Statements.

A. Credit risk

Credit risk is the risk that a counter party fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counter parties and incorporates this information into its credit risk controls.

A.1 Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Asset category	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss or 12 month expected credit loss*
High credit risk	Trade receivables and loans	Life time expected credit loss or fully provided for

*In respect of trade receivables, the Company recognises a provision for lifetime expected credit losses.

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.

(₹ in million)

Particulars	Credit rating	**As at March 31, 2024**	As at March 31, 2023
Cash and cash equivalents	A: Low credit risk	50.92	60.06
Bank balances other than cash and cash equivalents	A: Low credit risk	243.43	372.44
Loans	A: Low credit risk	26.43	11.57
Other financial assets	A: Low credit risk	27.22	27.56
Trade receivables	B: Medium credit risk	110.79	122.72
Trade receivables	C: High credit risk	22.46	25.62
Other financial assets	C: High credit risk	116.80	1.74
Loans	C: High credit risk	1,002.86	1,004.16

Cash and cash equivalents and bank deposits: Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables: Credit risk related to trade receivables are mitigated by taking bank guarantees/letter of credit, from customers where credit risk is high. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become two year past due.

Other financial assets measured at amortised cost: Other financial assets measured at amortized cost includes, security deposits and other Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

A.2 Expected credit losses for financial assets other than trade receivables

The Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. In respect of loans, comprising of security deposits, credit risk is considered low because the Company is in possession of the underlying asset. However, in respect of loans comprising loans to related parties, credit risk is evaluated on the basis of credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. In respect of other financial assets, credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. The Company does not have any expected loss based impairment recognised (except in case of loans to related parties) on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

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

As at March 31, 2024 (₹ in million)

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	50.92	-	-	50.92
Bank balances other than cash and cash equivalents	243.43	-	-	243.43
Loans to:				
- related parties	1,001.36	100.00%	1,001.36	-
- others	27.93	5.37%	1.50	26.43
Other financial assets	144.02	81.10%	116.80	27.22

As at March 31, 2023 (₹ in million)

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	60.06	-	-	60.06
Bank balances other than cash and cash equivalents	372.44	-	-	372.44
Loans to:				
- related parties	1,003.66	99.77%	1,001.36	2.30
- others	12.07	23.20%	2.80	9.27
Other financial assets	29.30	5.94%	1.74	27.56

Reconciliation of loss allowance (₹ in million)

Particulars	Amount
Loss allowance as on April 1, 2022	1,001.36
Expected loss recognised / (reversed) during the year	2.80
Loss allowance as on March 31, 2023	1,004.16
Expected loss recognised / (reversed) during the year	(1.30)
Loss allowance as on March 31, 2024	1,002.86

A.3 Expected credit loss for trade receivables under simplified approach

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein the Company has defined percentage of provision by analysing historical trend of default relevant to each category of customer based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met). The Company has other trade receivables for ₹94.74 million (March 31, 2023: ₹3.19 million) against which it is carrying unsecured payables for corresponding amount for whose default criteria are not met and are not included in the below table.

As at March 31, 2024 (₹ in million)

Particulars	Not Due	Post Due Date						Total
		0-30 days	31-90 days	91-182 days	183-365 days	366-730 days	More than 730 days	
Gross carrying amount	12.68	0.93	1.14	0.32	1.22	1.26	20.96	38.51
Expected loss rate	1.71%	1.61%	12.48%	1.16%	34.25%	56.15%	100.00%	58.33%
Expected credit loss	0.22	0.01	0.14	0.00	0.42	0.71	20.96	22.46
Carrying amount (net of impairment)	12.46	0.92	1.00	0.32	0.80	0.55	-	16.05

As at March 31, 2023 (₹ in million)

Particulars	Not Due	Post Due Date						Total
		0-30 days	31-90 days	91-182 days	183-365 days	366-730 days	More than 730 days	
Gross carrying amount	117.44	1.05	0.06	2.37	0.01	2.34	21.88	145.15
Expected loss rate	2.13%	1.94%	2.45%	9.40%	26.29%	42.63%	100.00%	17.65%
Expected credit loss	2.50	0.02	0.00	0.22	0.00	1.00	21.88	25.62
Carrying amount (net of impairment)	114.94	1.03	0.06	2.15	0.01	1.34	-	119.53

Changes in allowance for trade receivables (₹ in million)

Particulars	Amount
As at April 1, 2022	24.62
Movement during the year	1.00
As at March 31, 2023	25.62
Movement during the year	(3.16)
As at March 31, 2024	22.46

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in day-to-day business. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

B.1 Contractual maturities of financial liabilities

The tables below analyse the Company's financial liabilities based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2024 (₹ in million)

	Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Borrowings including interest thereon	22.85	23.69	24.61	1,760.20	1,831.35
(ii)	Trade payables	1,226.85	-	-	-	1,226.85
(iii)	Other financial liabilities	0.39	-	-	-	0.39
	Total	1,250.09	23.69	24.61	1,760.20	3,058.59

As at March 31, 2023 (₹ in million)

	Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Borrowings including interest thereon	22.10	172.81	10.08	1,385.42	1,590.41
(ii)	Trade payables	1,291.24	-	-	-	1,291.24
(iii)	Other financial liabilities	5.07	-	-	-	5.07
	Total	1,318.41	172.81	10.08	1,385.42	2,886.72

C. Market risk

(I) 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 rate related primarily to the Company's non-current and current debt obligations financed with fixed interest rate. The Company always try to ensure minimum cash outlfows. The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility. Accordingly, the Company is not exposed to fluctuations in interest rate risk on borrowings.

(II) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the United State Dollar (USD), Euro, Swiss Frank (CHF), Pound Sterling (GBP) and Swedish Krona (SEK). Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. The Company does not use any derivative instruments to manage its exposure. Also, the Company does not use forward contracts and swaps for speculative purposes.

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

(a) Foreign currency denominated financial assets and liabilities, translated at the closing rate:

	Particulars	As at March 31, 2024			As at March 31, 2023		
		Amount in foreign currency	Closing rate*	Amount in reporting currency (₹ in million)	Amount in foreign currency	Closing rate*	Amount in reporting currency (₹ in million)
I.	Financial assets:						
	Balance with banks						
	USD	13,564	83.40	1.13	29,958	82.17	2.46
	Interest receivable						
	USD	13,88,077	82.81	114.95	-	-	-
	Investment in subsidiaries#						
	CHF	6,32,911	54.29	34.36	6,32,911	54.29	34.36
	Loan to subsidiaries						
	USD	1,88,32,039	53.17	1,001.36	1,88,32,039	53.17	1,001.36
	Foreign trade receivable						
	Euro	33,868	89.91	3.05	33,868	89.05	3.02
	USD	12,54,405	83.40	104.62	13,89,184	82.17	114.14
II.	Financial liabilities:						
	Foreign trade payable						
	USD	78,41,082	83.41	654.03	86,05,572	82.18	707.16
	Euro	3,46,652	90.00	31.20	3,45,715	89.14	30.82
	GBP	1,774	105.31	0.19	117	101.42	0.01
	SEK	16,820	7.80	0.13	16,820	7.92	0.13
III.	Net exposure:						
	USD	1,36,47,003		568.03	1,16,45,610		410.81
	Euro	(3,12,784)		(28.15)	(3,11,847)		(27.80)
	GBP	(1,774)		(0.19)	(117)		(0.01)
	CHF	6,32,911		34.36	6,32,911		34.36
	SEK	(16,820)		(0.13)	(16,820)		(0.13)

* Closing exchange rate has been rounded off to two decimal places.
# Measured at historical cost.

(b) Sensitivity analysis of change in rates of material foreign currencies on profit / (loss) after tax and equity (₹ in million)

Particulars	+/(-) in basis points	Impact on Profit / (loss) for the year ended	
		March 31, 2024	March 31, 2023
USD	+ 200	7.39	5.35
	- 200	(7.39)	(5.35)
Euro	+ 500	(0.92)	(0.90)
	- 500	0.92	0.90
CHF	+ 200	0.45	0.45
	- 200	(0.45)	(0.45)

45. Capital management policies

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position recognised in other comprehensive income.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. The amounts managed as capital by the Company are summarised as follows:

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-current borrowings including interest accrued on borrowings	1,348.99	1,078.12
Current borrowings	-	0.55
Less: Cash and cash equivalents	(50.92)	(60.06)
Net debt	1,298.07	1,018.61
Total equity	3,291.42	3,256.51
Net debt to equity ratio	39.44%	31.28%

46. Reconciliation of liabilities arising out of financing activities

The changes in the Company's liabilities arising from financing activities are classified as follows:

For the year ended March 31, 2024 (₹ in million)

Particulars	Long term borrowings	Short term borrowings	Total
As at April 1, 2023	1,024.51	-	1,024.51
Cash changes:			
- Proceeds	2,153.37	-	2,153.37
- Repayment	(1,939.32)	-	(1,939.32)
Other non-cash changes			
- Interest on financial liability component of compound financial instruments	10.11	-	10.11
As at March 31, 2024	1,248.67	-	1,248.67

For the year ended March 31, 2023 (₹ in million)

Particulars	Long term borrowings*	Short term borrowings	Total
As at April 1, 2022	841.55	-	841.55
Cash changes:			
- Proceeds	1,464.49	-	1,464.49
- Repayment	(1,289.93)	-	(1,289.93)
Other non-cash changes			
- Interest on financial liability component of compound financial instruments	8.40	-	8.40
As at March 31, 2023	1,024.51	-	1,024.51

47. The Board of Directors of the Company and Panacea Biotec Pharma Limited ("PBPL") in their respective meetings held on February 01, 2022, approved sale of PBPL's pharmaceutical formulations brands in India and Nepal including related trademarks, copyrights etc., including identified employees to Mankind Pharma Limited (the "Buyer") for a consideration of ₹18,720.00 million plus applicable taxes. The said transaction was approved by the shareholders of PBPL and the Company in their respective meetings held on February 23, 2022 and February 26, 2022 respectively. Subsequently, the Company and PBPL signed the definitive agreements including the asset purchase agreement with the Buyer on February 28, 2022. Out of the total consideration, PBPL has recognised revenue of ₹360.34 million (March 31, 2023: ₹1,026.61 million) which is shown as an "Exceptional Item" in the Statement of Profit and Loss of PBPL and Consolidated Statement of Profit and Loss of the Group. The remaining consideration of ₹570.99 million (March 31, 2023: ₹931.33 million) would be recognised as revenue in subsequent years and is shown as Contract Liability in the Financial Statements of PBPL and Consolidated Financial Statements of the Group.

48. For the financial year ended March 31, 2024, the Company has earned a profit (before tax and exceptional items) of ₹42.06 million (year ended March 31, 2023: loss of ₹627.52 million). The Company has already taken various measures aimed at improving the financial condition of the Company, inter-alia, sale of pharmaceutical brands, as explained in Note 47 above, which enabled the Group to repay its outstanding dues of Non-Convertible Debenture (NCDs) and retain sufficient surplus to fund its existing projects and operations and also help the Group to enter new market and expediting development of new products. The surplus funds with the Group has also strengthened the working capital position and has helped/ will help scaling up its pharmaceutical formulations business in international markets including ROW countries, USA / EU, etc. and to pursue other business opportunities. The Company has already received higher long-term awards from UNICEF and PAHO for supply of pentavalent vaccine to these institutions. Based on these measures and continuous efforts to improve the business performance, the management has prepared the financial statements on going concern basis.

49. (a) In view of the Company's decision to make the structure of overseas subsidiaries more efficient and aligned to business objectives and to save management and administrative expenses thereof, the Company has decided to wind up Panacea Biotec (International) SA ("PBS") in due course. Accordingly, the Company has created 'Provision for impairment on its investment in PBS. Owing to accumulated losses in PBS and its wholly-owned subsidiary, Panacea Biotec Germany GmbH (PBGG), the Company has continued to maintain the provision for bad and doubtful advances in respect of the loans receivable and accrued interest from PBS and PBGG also amounting to ₹123.48 million and ₹407.67 million, respectively, as on March 31, 2024 (March 31, 2023: ₹96.78 million and ₹319.42 million, respectively).

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

(b) The Company has applied with the authorized dealer to seek permission from Reserve Bank of India for writing off an amount of ₹585.16 million which was receivable from the Company's wholly owned subsidiary Rees Investments Ltd. ("Rees"), which was compulsorily liquidated and dissolved by the authorities of Guernsey on May 23, 2019. Pending such approval, the Company is continuing to maintain it the provision for bad and doubtful advances of ₹585.16 million (March 31, 2023: ₹585.16 million) in respect of the loan and accrued interest receivable from Rees.

50. Under the collaboration with the Limited Liability Company "Human Vaccine" ("HV"), an indirect wholly-owned subsidiary of Joint Stock Company "Management Company of Russian Direct Investment Fund" for manufacture of Covid-19 vaccine using the technology to be provided by HV, the Company had received from HV an advance amount of US$ 7.00 million in november 2020, out of which ~US$ 6.58 million was used to meet the expenses relating to Sputnik-V and Sputnik Light vaccine project. Due to the failure on the part of HV to demonstrate and transfer the technology and certain other reasons beyond the control of the Company, the complex process of technology transfer and manufacture of Sputnik-V vaccine could not be completed successfully and the contract stood frustrated and accordingly both the parties stood automatically discharged from their contract by operation of law. In view of the fact that the Company has already incurred huge expenses on the said project and also received the advance from Human vaccine, it has been decided to adjust the said advance against such expenses. The Company has already conveyed its decision to HV and provided relevant details / documents pertaining to the said expenses. During financial year 2023-24, there is no further update on this matter. The Company has received legal advice from its counsel and believes that it will not be liable to pay back the amount adjusted towards expenses under dispute with HV.

51. In August 2021, the Company had entered into a Licensing and Manufacture Agreement with Limited Liability Company 'Human Vaccine' ("HV"), Joint Stock Company 'Generium' ("Generium") and Dr. Reddy's Laboratories Limited ("DRL"). As per the terms of the agreement, the Company was to undertake fill-and-finish activities of Sputnik-V vaccine using the ready-to-fill drug substance supplied by Generium and supply the Sputnik-V vaccine so produced to DRL. Pursuant to the said agreement, the Company received Drug Substance from Generium and produced around ~1.96 million doses of Sputnik-V vaccine out of which DRL purchased ~0.86 million doses only and refused to purchase and pay for the remaining ~1.10 million doses. Because of breach of their respective obligations by DRL and Generium, the pending payment of ~US$ 7.41 million for the drug substance received from Generium could not be made. After several rounds of discussion among the parties to settle the dispute amicably, Generium has filed a request for arbitration with Singapore International Arbitration Centre (SIAC) for arbitration of dispute with respect to the said pending payment and interest thereon totalling ~US$ 8.90 million. Panacea Biotec has also initiated a parallel arbitration proceeding regarding its claims against DRL, Generium and HV and filed notice of arbitration with SIAC during the current financial year. At the Company's request, SIAC has clubbed both the arbitration proceedings together. The parties have appointed sole arbitrator. All the parties involved in the Arbitration have filed claims and counter claims against each other. The arbitration proceedings, including filing of pleadings, responses and counter responses is in progress. The Company has obtained legal opinion from its legal counsel who, considering the preliminary stage of the proceedings, have opined that (a) the Company has a reasonable defence against the claims brought by Generium, DRL and HV; and (b) the possibility of any such claim falling to the Company may be classified as low at this stage.

52. Additional regulatory information required by Schedule III under Companies Act 2013:

(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 does not have any transactions with stuck off companies.

(iii) The Company does not have any charges or satisfaction of charge which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned to, or invested funds in, any other person(s) or entity(ies), including foreign entity(ies) (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend to, 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 to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not received any funds from any other person(s) or entity(ies), including foreign entity(ies) (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend to, or invest in, other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party or
- provide any guarantee, security or the like to or on behalf of the Funding Party.

(vii) The Company has not entered into any transaction which is not recorded into 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 been declared as wilful defaulter by any bank or financial institution or other lender.

(ix) The Company has complied with the number of layers prescribed under Section 2(87) of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017.

(x) No scheme of arrangements has been approved by the Competent Authority in term of sections 230 to 237 of the Companies Act, 2013, during the year.

(xi) The Company does not have any borrowings from banks or financial institutions against security of its current assets.

xii) The title deeds of the immovable properties owned by the Company are held in the name of Company.

53. Analytical Ratios are as follows:

Ratio	Numerator	Denominator	2023-24	2022-23	Variance in (%)
Current Ratio[a]	Total current Assets	Total current liabilities	0.74	0.79	(7.3%)
Debt equity ratio[a]	Debt consisits of borrowings and accrued interest	Total equity	0.41	0.33	23.3%
Debt service coverage ratio[b]	Earnings for Debt service	Debt Service	3.04	(2.89)	205.2%
Return on equity ratio[c]	Net Profits after Taxes	Average Shareholders' Equity	0.01	(0.24)	104.6%
Inventory turnover ratio[a]	Cost for goods sold	Average Inventory	1.26	1.33	(4.8%)
Trade receivables turnover ratio[d]	Revenue	Average Trade Recievables	30.80	14.44	113.2%
Trade payables turnover ratio[a]	Net credit purchases	Average Trade Payables	1.09	0.98	12.2%
Net capital turnover ratio (in times)[e]	Revenue	Average working capital	(6.12)	(10.93)	(44)%
Net profit ratio (%)[f]	Profit/(Loss) for the year	Revenue	0.01	(0.34)	102.9%
Return on capital employed (%)[g]	Profit/(Loss) before tax and finance cost	Tangible Networth + Total Debt	0.05	(0.12)	144.9%
Return on Investment (%)	Income generated from invested funds	Average invested funds in treasury investments	Nil	Nil	Nil

Notes:

a) No significant change (25% or more) in FY 2023-24 in comparison to FY 2022-23.

b) Due to Improvement in net operating profit.

c) Due to Profit during the year and subsequent increase in shareholder's fund.

d) Due to decline in average trade recievables.

e) Due to negative working capital.

f) Due to Improvement in net operating profit.

g) Due to improvement in profit before tax.

54. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Management has implemented the audit trail (edit logs) at the application level in accounting software from the beginning of the financial year and the same operated throughout the year. However, the audit trail (edit logs) has not been implemented at the database level for the accounting software.

The Company is evaluating the implementation of audit trail feature for recording of edit logs at database level for the accounting software used for maintenance of books of accounts.

55. In accordance with Ind AS 108, 'Operating Segments', the Company has disclosed the segment information in the consolidated financial statements. Accordingly, the segment information is given in the audited Consolidated Financial Statements of the Group for the year ended March 31, 2024.

56. 0.00 under "₹ in million" represents amount less than ₹ 50,000 and 0.00 under units represents units less than 50,000. Further, the figures shown in the tables may not exactly add up due to rounding off. Previous year figures have been regrouped, reclassified wherever considered necessary. The impact of such reclassification / regrouping is not material to the financial statements.

57. There is no other subsequent events that occurred after reporting date.

The above notes form an integral part of the standalone financial statements.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No. 517273

Place : New Delhi
Date : May 30, 2024

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

FORM NO. AOC-1

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

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

Part A : Subsidiaries
Financial Details of Subsidiary Companies

(₹ in million)

S. No.	Name of the Company	Date of Incorporation / Acquisition	Reporting period of the subsidiary, if different from parent	Reporting currency	Exchange rate as on Balance Sheet date	As on March 31, 2024					For the year ended March 31, 2024					% of Share Holding as on March 31, 2024
						Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Details of investment (except in case of investment in subsidiary)	Turnover (including other income)	Profit/ (Loss) before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	PanEra Biotec Private Limited #	26.11.1999	31.03.2024	INR	1.00	8.40	(69.90)	35.18	96.68	25.70	0.03	(6.74)	(0.20)	(6.54)	-	50%
2	Panacea Biotec (International) SA	19.02.2009	31.03.2024	CHF	92.44	55.46	(227.05)	21.83	193.42	-	0.12	(15.63)	0.04	(15.67)	-	100%
3	Panacea Biotec Germany GmbH**	12.08.2010	31.03.2024	Euro	89.91	22.12	(172.24)	441.44	591.56	-	163.42	(39.78)	0.02	(39.81)	-	100%
4	Adveta Power Private Limited	04.07.2011	31.03.2024	INR	1.00	1.80	(30.95)	0.23	29.38	-	-	(0.19)	-	(0.19)	-	50%
5	Panacea Biotec Pharma Limited	22.03.2019	31.03.2024	INR	1.00	1.00	4,600.47	5,623.95	1,022.48	403.62	2,103.71	(34.87)	19.66	(54.53)	-	100%
6	Meyten Realtech Pvt. Ltd.	12.04.2019	31.03.2024	INR	1.00	4.88	275.28	344.31	64.15	-	5.45	1.03	0.11	0.92	-	100%

**Indirect subsidiary through Panacea Biotec (International) SA.

Considered as a subsidiary for the purpose of consolidation as per Ind AS 110.

Part B: Associates and Joint Ventures : Not applicable

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No. 517273

Place : New Delhi
Date : May 30, 2024

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Independent Auditors' Report on the Consolidated Financial Statements

To the Members of Panacea Biotec Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Panacea Biotec Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, 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.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
A. Revenue recognition Refer note 1.4 (j) and note 29 of notes to the consolidated financial statements and other explanatory information of the Group for the year ended 31 March 2024. The Group recognises revenue from the sales of products when control over goods is transferred to a customer. The actual point in time when revenue is recognised varies depending on the specific terms and conditions of the sales contracts entered with customers. The Group has a large number of customers operating in various geographies and the sales contracts/ arrangements with various customers have distinct commercial terms, including Incoterms that determine the timing of transfer of control and require judgment in determining timing of revenue recognition as per Ind AS 115, Revenue from Contracts with Customers. We have identified the recognition of revenue from sale of products as a key audit matter because revenue is a key performance indicator for the Group and there is risk of revenue being overstated due to the pressure to achieve targets or earning expectations.	Our audit procedures to address this key audit matter included, but were not limited to the following: a) Obtained an understanding of the Group's process of revenue recognition and read customer contracts on sample basis; b) Evaluated the design, tested the operating effectiveness of the Group's internal controls over recognition and measurement of revenue in accordance with underlying customer contracts and accounting policies; c) Performed substantive testing (including year-end cut off testing) by selecting samples of revenue transactions recorded during and after the year and verified the underlying documents, which included sales invoices / contracts and dispatch/shipping documents; d) Performed substantive analytical procedures during the audit period to identify any unusual trends warranting additional audit procedures; e) Obtained direct balance confirmations from customers on a sample basis as at the year-end or performed alternate audit procedures where such confirmations could not be obtained; and f) Assessed the appropriateness and adequacy of the related disclosures in the consolidated financial statements of the Group in accordance with the applicable accounting standards.

Independent Auditors' Report on the Consolidated Financial Statements

Key audit matter	How our audit addressed the key audit matter
B. Assessment of impairment of Property, plant and equipment: The Group considers its property, plant and equipment (PPE) as a single cash generating unit (CGU). As at 31 March 2024, the carrying value of Group's PPE aggregates to Rs.5,726.34 million. These balances have been subject to a test of impairment by the management in accordance with Ind AS 36 "Impairment of Assets" (Ind AS 36) in the current year as the management have identified impairment indicators as explained in note 2.1 (iv) to the accompanying financial statements. Refer note 1.4 (f) and 2.1 (iv) to the accompanying consolidated financial statements. The Group has engaged independent third-party valuer to arrive at the value in use of the CGU as per discounted cash flow method and to arrive at the fair value based on market approach method. Based on the report issued by such valuer, the recoverable value of the CGU being higher than its carrying value, the Group has concluded that no impairment provision needs to be recorded in the financial statements as at 31 March 2024. In addition to significance of the amounts, management's assessment process is complex as it involves significant judgement in determining the assumptions to be used to estimate the recoverable amounts involved in forecasting cash flows for the CGU, principally relating to budgeted revenue, operating margins, short-term and long-term growth rates and the discount rates used. Considering the materiality of the amounts involved, significant judgment and high estimation uncertainty in determining the recoverable value of such PPE and such estimates and judgements being inherently subjective, this matter is determined as a key audit matter for the current year audit.	Our audit procedures to address this key audit matter included, but were not limited to the following: a) Obtained an understanding of the management's process for identification of impairment indicators for Property, plant and equipment and process for identification of CGU and impairment testing of such assets; b) Evaluated the Group's accounting policy in respect of impairment assessment, and the methods and models used to determine the recoverable amounts of property, plant and equipment in accordance with the requirements of Ind AS 36, c) Tested the design and operating effectiveness of internal controls over such identification and impairment measurement of identified assets; d) Evaluated management's identification of CGU and obtained the impairment assessment workings prepared by the management and its experts for such CGU; e) Involved auditor's experts to assess the appropriateness of the valuation methodologies used by the management and its expert to determine the recoverable values; f) Reconciled the cash flows to the business plans approved by the Board of Directors of the Group which constitute identified CGU; g) Evaluated and challenged the reasonableness of key inputs and assumptions such as implied budgeted revenue, operating margins, growth rates and discount rates for their appropriateness based on our understanding of the business of the respective CGU, past results and external factors such as industry trends and forecasts. h) Obtained and evaluated sensitivity analysis performed by the management on the key assumptions and performed independent sensitivity analysis of the key assumptions to assess the effect of reasonably possible variations on the estimated recoverable amounts for the CGU to evaluate sufficiency of headroom between recoverable values and carrying amounts. i) Compared the carrying value of the net assets with the estimated recoverable value to calculate the impairment loss to be recognised, if any ; and j) Evaluated the adequacy of disclosures given in the consolidated financial statements with respect to Property, plant, and equipment, including disclosure of significant assumptions, judgements and sensitivity analysis performed, in accordance with applicable accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and

consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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

10. 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 Standards on Auditing 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.

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

12. 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.

13. 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.

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

Other Matter

15. We did not audit the financial statements of five subsidiaries, whose financial statements reflects total assets of ₹817.65 million as at 31 March 2024, total revenues of ₹167.61 million and net cash inflows amounting to ₹48.54 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company and one subsidiary incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to three subsidiaries incorporated in India whose financial statements have been audited under the Act, since none of such companies is a public company as defined under section 2(71) of the Act.

17. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

18. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, 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 purpose of our audit of the aforesaid consolidated financial statements;

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;

    c) The consolidated financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries, and the reports of the statutory auditors of its subsidiaries, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.

    f) The reservation relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries covered under the Act, and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**' wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 41 to the consolidated financial statements;

ii. The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries covered under the Act, during the year ended 31 March 2024;

iv. a. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief , as disclosed in note 61(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 61(vi) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Holding Company and its subsidiaries have not declared or paid any dividend during the year ended 31 March 2024.

vi. As stated in Note 62 to the consolidated financial statements and based on our examination which included test checks performed by us on the Holding Company, its subsidiaries and by the respective auditors of the subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act except for instance mentioned below, the Holding Company and its subsidiaries, in respect of financial year commencing on 1 April 2023, has 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 been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Holding Company and its subsidiaries incorporated in India and audited under the Act.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFU8349

Place : New Delhi
Date : 30 May, 2024

Independent Auditors' Report on the Consolidated Financial Statements

Annexure A

List of entities included in the consolidated financial statements for the year ended 31 March, 2024

Name of the Entity	Nature of Relationship
Panacea Biotec Limited	Holding Company
Panacea Biotec Pharma Limited	Subsidiary Company
Panacea Biotec (International) SA	Subsidiary Company
PanEra Biotec Private Limited	Subsidiary Company
Meyten Realtech Private Limited	Subsidiary Company
Adveta Power Private Limited	Subsidiary Company
Panacea Biotec Germany GmbH	Subsidiary of Panacea Biotec (International) SA

Annexure B

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

1. In conjunction with our audit of the consolidated financial statements of Panacea Biotec Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to three subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹379.72 million and net assets of ₹569.95 million as at 31 March 2024, total revenues of ₹5.45 Million and net cash outflows amounting to ₹0.08 million for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No.: 517273
UDIN: 24517273BKEXFU8349

Place: New Delhi
Date : 30 May 2024

Consolidated Balance Sheet as at March 31, 2024

(₹ in million)

Particulars	Note No.	**As at March 31, 2024**	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	2.1	5,600.40	5,883.28
b) Capital work-in-progress	2.2	747.15	280.07
c) Investment property	2.3	125.94	-
d) Other intangible assets	2.4	92.16	116.24
e) Intangible assets under development	2.5	267.82	143.17
f) Financial assets			
(i) Investments	3	0.70	0.70
(ii) Loans	4	0.86	2.97
(iii) Other financial assets	5	30.46	48.89
g) Income tax assets (net)	6	73.99	60.12
h) Other non-current assets	7	615.46	493.02
Total non-current assets		7,554.94	7,028.46
Current assets			
a) Inventories	8	1,779.35	2,020.93
b) Financial assets			
(i) Investments	9	403.62	134.16
(ii) Trade receivables	10	574.19	600.92
(iii) Cash and cash equivalents	11	471.74	398.52
(iv) Bank balances other than cash and cash equivalents	12	923.10	1,861.39
(v) Loans	13	31.82	15.80
(vi) Other financial assets	14	51.70	24.92
c) Other current assets	15	616.25	566.56
Total current assets		4,851.77	5,623.20
Assets classified as assets held for sale	2.1	-	60.00
Total assets		12,406.71	12,711.66
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	61.25	61.25
b) Other equity	17	8,359.21	8,374.78
Equity attributable to owners of Holding Company		8,420.46	8,436.03
Non-controlling interest		(38.21)	(34.89)
Total equity		8,382.25	8,401.14
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	18	209.94	201.64
(ii) Other financial liability	19	4.33	-
b) Provisions	20	277.96	265.47
c) Deferred tax liabilities (net)	21	225.45	203.71
d) Other non-current liabilities	22	218.46	321.39
Total non-current liabilities		936.14	992.21
Current liabilities			
a) Financial liabilities			
(i) Borrowings	23	-	0.55
(ii) Trade payables	24		
- Total outstanding dues of micro enterprises and small enterprises		43.42	53.14
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,493.42	1,720.09
(iii) Other financial liabilities	25	172.95	203.63
b) Other current liabilities	26	1,020.30	952.88
c) Provisions	27	356.88	361.42
d) Current tax liabilities (net)	28	1.35	5.60
Total current liabilities		3,088.32	3,297.31
Liabilities directly associated with assets held for sale	2.1	-	21.00
Total equity and liabilities		12,406.71	12,711.66

The accompanying notes form an integral part of these consolidated financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013
Sd/-
Arun Tandon
Partner
Membership No. 517273

Place : New Delhi
Date : May 30, 2024

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

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

(₹ in million)

Particulars	Note No.	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Income			
Revenue from operations	29	5,591.68	4,599.46
Other income	30	257.96	516.63
Total income		5,849.64	5,116.09
Expenses			
Cost of materials consumed	31	2,104.62	2,110.29
Purchases of traded goods	32	18.03	72.61
Changes in inventories of finished goods, traded goods and work-in-progress	33	178.61	343.70
Employee benefits expense	34	1,495.67	1,264.84
Finance costs	35	35.81	44.37
Depreciation and amortisation expense	36	367.11	391.23
Other expenses	37	1,995.36	1,787.61
Total expenses		6,195.21	6,014.65
Profit / (Loss) before exceptional items and tax		(345.57)	(898.56)
Exceptional items	38	360.34	1,026.61
Profit / (Loss) before tax		14.77	128.05
Tax expense	39		
Current tax		6.94	25.61
Deferred tax		22.88	439.89
Total tax expense		29.82	465.50
Profit / (Loss) for the year		(15.05)	(337.45)
Other comprehensive income / (loss)			
A. Items that will not be reclassified to profit or loss:			
Remeasurements of net defined benefit plans		(4.54)	(13.67)
Income tax effect on above		1.14	(1.34)
B. Items that will be reclassified to profit or loss:			
Foreign currency translation reserve		(0.48)	17.42
Fair value adjustment for investments		0.04	(0.37)
Other comprehensive income / (loss)		(3.84)	2.04
Total comprehensive income / (loss) for the year		(18.89)	(335.41)
Profit / (Loss) for the year attributable to :			
Owners of Parent		(11.73)	(332.37)
Non-controlling interest	53	(3.32)	(5.08)
Other comprehensive income / (loss) for the year attributable to :			
Owners of Parent		(3.84)	2.04
Non-controlling interest	53	-	-
Total comprehensive income / (loss) for the year attributable to :			
Owners of Parent		(15.57)	(330.33)
Non-controlling interest	53	(3.32)	(5.08)
Earning / (Loss) per equity share - basic and diluted (face value of ₹1 each) (in ₹)	40	(0.19)	(5.43)

The accompanying notes form an integral part of these consolidated financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No. 517273

Place : New Delhi
Date : May 30, 2024

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Consolidated Cash Flow Statement for the year ended March 31, 2024

(₹ in million)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flow from operating activities			
Profit / (Loss) before tax:		14.77	128.05
Adjustment for:			
Depreciation and amortisation expense	36	367.11	391.23
Unrealized foreign exchange (gain) / loss (net)		1.26	35.29
Loss / (Gain) on sale / disposal of property, plant and equipment and intangible assets (net)		45.59	(22.99)
Excess provisions and other balances written back	30	(70.64)	(274.41)
Allowance for expected credit loss and doubtful advances	37	5.66	19.59
Bad Debts and advances written off	37	5.43	4.28
Interest income	30	(83.73)	(115.61)
Dividend income	30	(0.08)	(5.01)
Finance costs	37	35.81	44.37
Income from Investments	30	(33.67)	(14.47)
Loss on termination of leases and other agreements	37	-	5.65
Exceptional items	38	(360.34)	(1,026.61)
Operating profit / (loss) before working capital changes		(72.83)	(830.64)
Changes in working capital			
Inventories		241.58	106.30
Trade receivables		29.56	68.94
Loans and other assets		(279.63)	(307.90)
Provisions and other liabilities		105.38	(3,236.45)
Cash generated from / (used in) operating activities		24.06	(4,199.75)
Income tax (paid)		(25.06)	(24.77)
Net cash generated from / (used in) operating activities (A)		(1.00)	(4,224.52)
B. Cash flow from investing activities			
Payment for property, plant and equipment and intangible assets (including Capital work in progress, intangible under development and capital advances) (net)		(777.18)	(409.46)
Advance received against / proceeds from sale of property, plant and equipment		66.83	395.05
Redemption of investments in mutual funds		2,780.87	2,051.82
Investment made in mutual funds		(3,016.61)	(2,121.88)
Dividend income		0.08	5.01
Interest received		83.73	115.61
Redemption of bank deposits having original maturity of more than three months		1,420.51	10,825.98
Investments in bank deposits having original maturity of more than three months		(455.96)	(6,558.82)
Net cash generated from / (used in) investing activities (B)		102.27	4,303.31
C. Cash flow from financing activities			
Repayment of non-current borrowings (including current maturities)		(2.36)	(147.74)
Interest paid		(25.72)	(35.99)
Net cash generated from / (used in) financing activities (C)		(28.08)	(183.73)
Net increase / (decrease) in cash and cash equivalents during the year (A+B+C)		73.19	(104.94)
Cash and cash equivalents at the beginning of the year		398.52	503.50
Effect of exchange rate changes on cash and cash equivalent held in foreign currency		0.03	(0.04)
Cash and cash equivalents at the end of the year		471.74	398.52
Cash and cash equivalents:			
Balances with banks			
- in current accounts		398.92	345.41
- in exchange earners' foreign currency accounts		7.45	16.40
Cash on hand		0.36	0.49
Deposits with original maturity upto 3 months		65.01	36.22
Total		471.74	398.52

Note: The Consolidated Cash Flow Statement has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

The accompanying notes form an integral part of these consolidated financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Arun Tandon
Partner
Membership No. 517273

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Place : New Delhi
Date : May 30, 2024

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

A. Equity share capital

(₹ in million)

Particulars	Amount
Opening Balance as at April 1, 2022	61.25
Changes during the year	-
Closing balance as at March 31, 2023	61.25
Changes during the year	-
Closing balance as at March 31, 2024	61.25

Note: Refer note 17 for share capital details

B. Other equity

(Also refer note 18)

(₹ in million)

Particulars	Equity component of compound financial instruments	Reserves and surplus					Other comprehensive income	Total Other Equity	Non controlling interests
		Securities premium reserve	Capital redemption reserve	General reserve	Capital reserve	Retained earnings	Foreign currency translation		
Balance as at April 1, 2022	216.54	919.40	1,022.34	794.99	(2,534.71)	8,246.27	40.28	8,705.11	(29.81)
Profit / (loss) for the year	-	-	-	-	-	(332.37)	-	(332.37)	(5.08)
Other comprehensive income / (loss) for the year (net of taxes)	-	-	-	-	-	(15.38)	17.42	2.04	-
Total comprehensive income / (loss) for the year	-	-	-	-	-	(347.75)	17.42	(330.33)	(5.08)
Balance as at March 31, 2023	216.54	919.40	1,022.34	794.99	(2,534.71)	7,898.52	57.70	8,374.78	(34.89)
Balance as at April 1, 2023	216.54	919.40	1,022.34	794.99	(2,534.71)	7,898.52	57.70	8,374.78	(34.89)
Profit / (loss) for the year	-	-	-	-	-	(11.73)	-	(11.73)	(3.32)
Other comprehensive income / (loss) for the year (net of taxes)	-	-	-	-	-	(3.36)	(0.48)	(3.84)	-
Total comprehensive income / (loss) for the year	-	-	-	-	-	(15.09)	(0.48)	(15.57)	(3.32)
Balance as at March 31, 2024	216.54	919.40	1,022.34	794.99	(2,534.71)	7,883.43	57.22	8,359.21	(38.21)

The accompanying notes form an integral part of these consolidated financial statements.

As per report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Arun Tandon
Partner
Membership No. 517273

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

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Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

Place : New Delhi
Date : May 30, 2024

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

Summary of Material Accounting Policies

1. Corporate information

Panacea Biotec Limited (Corporate identification number: L33117PB1984PLC022350) ("the Holding Company") is a public company incorporated and domiciled in India. The Holding Company has its registered office at Ambala-Chandigarh Highway Lalru-140501, Punjab, India. The Holding Company's shares are listed with BSE Limited and National Stock Exchange of India Limited.

Holding Company Overview

The Holding Company is one of India's leading research based biotechnology companies engaged in the business of research, development, manufacture and marketing of branded vaccines, pharmaceutical formulations, nutraceuticals and food & nutrition products in India and international markets through itself and through its subsidiaries.

The Holding Company and its subsidiaries (jointly referred to as "the Group" herein under) were considered in these consolidated financial statements.

1.1 Basis of preparation

a. Statement of compliance

The consolidated financial statements ('Consolidated Financial Statements') of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as amended from time to time.

These Consolidated Financial Statements have been prepared for the Group as a going concern on the basis of relevant Ind AS that are effective at the Group's annual reporting date, March 31, 2024. The Consolidated Financial Statements of the Group were approved by the Board of Directors on May 30, 2024.

b. Basis of measurement

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – plan assets measured at fair value.

1.2 Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Profit/ (loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of March 31, 2024. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany 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. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Profit/ (loss) and each component of OCI are attributed to the equity holders of the parent company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

1.3 Use of estimates and judgements

The preparation of the Consolidated Financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these Consolidated Financial Statements have been disclosed in note 1.5.

1.4 Material accounting policies

The material accounting policies that are used in the preparation of the Consolidated Financial Statements are summarised below. These accounting policies are consistently used throughout the periods presented in the Consolidated Financial Statements.

a) Current versus non-current classification

The Group has considered an operating cycle of 12 months for determining current and non-current classification of assets and liabilities in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b) Inventory

Inventories are valued as follows:

Raw material, components, stores and spares

Raw materials (including packing materials), components, stores and spares are valued at lower of cost or net realisable value. 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. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Stores and spares having useful life of more than twelve months are capitalised as "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

Work in progress and finished goods

Work in progress and finished goods are valued at lower of cost or net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion. Cost is determined on a weighted average basis.

Traded goods

Traded goods are valued at lower of cost or net realisable value. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable 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.

c) Property, plant and equipment

Recognition and initial measurement

All items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under non-current assets.

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life prescribed under Schedule II of the Act. The following useful life of assets has been determined by the Group:

Particulars	Useful life
Building – factory	30 years
Building – Non-factory	60 years
Plant and Equipment	15 years and 20 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computer equipment	3 years and 6 years

i) Freehold land has an unlimited useful life and therefore is not depreciated.

ii) Leasehold land is amortised over the period of lease

iii) Leasehold improvements are amortised over the initial period of lease or useful life, whichever is shorter.

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

d) Intangible assets

Recognition and initial measurement

Research and development costs

Expenditure on the research phase of projects is recognised as an expense as incurred. Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided the Group can demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- its intention to complete the intangible asset and use or sell it
- its ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- its ability to measure reliably the expenditure attributable to the intangible asset during its development

Development costs not meeting these criteria for capitalisation are expensed as incurred.

Directly attributable costs include employee costs incurred on development of prototypes along with an appropriate portion of relevant overheads and borrowing costs

Other intangibles

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding product development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets under development are not amortized as these assets are not yet available for use. These assets are evaluated for potential impairment on an annual basis or when there are indications that the carrying value is not recoverable.

Subsequent measurement (Amortisation and useful lives)

All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Intangible assets	Amortisation period
Patents, trademarks and designs	7 years
Product development	5 Years
Technical know-how	5 years
Software	5 years
Websites	2 years

The amortization expense on intangible assets with finite life is recognised in the statement of profit and loss under the head depreciation and amortization expense.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

e) Investment properties

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition, including transaction costs. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Holding Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Properties held under leases are classified as investment properties when it is held to earn rentals or for capital appreciation or for both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the lease period of the right-of-use assets.

Though, the Holding Company measures investment properties using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model acceptable internationally.

De-recognition

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.

f) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit'). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. 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. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

During the current financial year, the Group has considered it appropriate to undertake the impairment assessment based on certain indicators. With reference to the latest business plan, the decline in operating profits is considered temporary. Based on management's impairment assessment, recoverable amount is higher than the carrying amount of property, plant and equipment and hence, no impairment is recognized.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h) Foreign and presentation currency

The Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the functional and presentation currency of the Holding Company.

Foreign currencies Transactions and balances

Initial recognition

Transactions in foreign currencies are initially recorded in functional currency spot rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortised over the remaining life of the concerned monetary item.

All other exchange differences are charged to the statement of profit and loss.

Translation of a foreign operation

Functional and reporting currencies of foreign operations are different from the reporting currency of the Holding Company. For all the foreign operations of the Group, all assets and liabilities (excluding share capital and opening reserves and surplus) are translated into INR using the exchange rate prevailing at the reporting date. Share capital, opening reserves and surplus at historical rates. Revenues, costs

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

and expenses are translated using the average exchange rate during the reporting period. The resultant currency translation difference is recognized as foreign currency translation reserve under the head 'other equity'.

i) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- 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 a 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.

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 results 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, 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 the fair value measurement as a whole) at the end of each reporting period or each case.

j) Revenue recognition

Revenue is measured based on the consideration specified in the contract with a customer and excludes amount collected on behalf of third parties, if any. The Group recognises revenue when it transfers control over a product or service to a customer.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Group applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out below:

Sale of goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is neither continuing managerial involvement with the goods nor effective control over the goods sold, it is probable that economic benefits will flow to the Group, the costs incurred or to be incurred in respect of the transaction can be measured reliably and the amount of revenue can be measured reliably.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of discounts. Revenue is disclosed exclusive of goods and services tax.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Revenue from services rendered is recognised in the statement of profit and loss over the period the underlying services are performed.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

Interest income

Interest income is recorded on accrual basis using the effective interest rate ("EIR") method.

Royalty income

Royalty is recognized on an accrual basis based on actual sale of product by the licensee and in accordance with the terms of the relevant agreement.

Research and license fees income

Research and license fees income is recognized on an accrual basis based on actual sale of product by the licensee and in accordance with the term of the relevant agreement.

Export incentives

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

k) Financial instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

Subsequent measurement

Financial assets

i. Financial assets carried at amortised cost – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. Financial assets at fair value

- Investments in equity instruments other than above –Investments in equity instruments which are held for trading are generally classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).
- If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.
- Investments in mutual funds – Investments in mutual funds in scope of Ind-AS 109 are measured at fair value through profit or loss (FVTPL).

De-recognition of financial assets

A financial asset is primarily de-recognised 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.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

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

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

l) Post-employment and other employee benefits

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation other than the contribution payable to the Provided Fund. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of the gratuity plan (administered through Life Insurance Corporation of India), which is a defined benefit plan, is calculated by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined on the basis of actuarial valuation using the projected unit credit method. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Compensated absences

Compensated absences, which are expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) 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 including a bonus issue.

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 effects of all dilutive potential equity shares.

n) Taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and liability simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and presented as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

o) Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the group will comply with all the conditions.

Government grants related to the income are deferred and recognised in statement of profit and loss over the period necessary to match them with the cost that are intended to compensate and presented within other income.

Government grants related to property, plant and equipment are included in the non-current liabilities as deferred income and are credited to profit and loss on a straight line basis over the expected life of the related assets and presented within other income.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the other components. Results of the operating segments are reviewed regularly by the Board of Directors (Managing Director and Chief Financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial results of the Group as a whole. In accordance with Ind AS 108, Operating Segments, the management has disclosed the segment information in the audited consolidated financial statements.

q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

r) Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the profit or loss and in the notes forming part of the financial statements.

s) Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of past events will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Provisions are measured at the best estimate of expenditure required to settle the present obligation at the reporting date, based on the most reliable evidence, including the risks and uncertainties associated with the present obligation.

In those cases, where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the balance sheet.

Any amount that the Group can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset up to the amount of the related provisions. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets are not recognised in the financial statements.

1.5 **Critical management judgments in applying accounting policies and estimation uncertainty**

The preparation of the Consolidated Financial Statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Judgments

Research and developments costs - Management monitors progress of internal research and development projects by using a project management system. Significant judgment is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred. Management also monitors whether the recognition requirements for development costs continue to be met. This is necessary due to inherent uncertainty in the economic success of any product development.

Recognition of deferred tax assets - 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 utilised.

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

Provisions, contingent liabilities and contingent assets – The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. In view of the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

Defined benefit obligation – Management's estimate of the Defined Benefit Obligations (DBO) is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

1.6 New and amended standards

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 April 2023:

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's financial statements.

Ind AS 1 – Presentation of Financial Statements

The amendments to Ind AS 1 provide guidance on applying materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's financial statements.

Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The above amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.7 Recent accounting pronouncements (Standard issued but not yet effective):

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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

2.1 Property, plant and equipment

(₹ in million)

Particulars	Freehold land	Right of use asset-Land	Buildings	Plant and equipments	Furniture and fittings	Vehicles	Office equipments	Computer equipments	Total
Gross carrying value:									
As at April 1, 2022	2,167.38	651.31	3,487.96	5,923.52	248.65	43.96	131.54	164.33	12,818.65
Additions	31.74	-	-	47.63	-	21.26	1.06	0.45	102.14
Disposals	(40.32)	(200.12)	(155.04)	(57.97)	(0.06)	(15.12)	-	-	(468.63)
Assets classified as held for sale (refer note (ii) below)	(99.97)	-	-	-	-	-	-	-	(99.97)
As at March 31, 2023	2,058.83	451.19	3,332.92	5,913.18	248.59	50.10	132.60	164.78	12,352.19
As at April 1, 2023	2,158.80	451.19	3,332.92	5,913.18	248.59	50.10	132.60	164.78	12,452.16
Additions	-	14.75	14.03	168.00	1.05	2.56	3.40	18.91	222.70
Disposals	(99.97)	0.05	(4.35)	(184.84)	(23.85)	(11.72)	(22.76)	(18.45)	(365.89)
Transferred to investment property (refer note (v) below)	-	-	(146.41)	-	-	-	-	-	(146.41)
As at March 31, 2024	2,058.83	465.99	3,196.19	5,896.34	225.79	40.94	113.24	165.24	12,162.56
Accumulated depreciation:									
As at April 1, 2022	-	43.05	1,114.99	4,470.00	238.31	32.31	119.83	146.48	6,164.97
Charge for the year	-	2.46	93.05	282.11	0.36	2.52	3.10	4.88	388.48
Disposals	-	(17.09)	(30.61)	(23.44)	(0.06)	(13.34)	-	-	(84.54)
As at March 31, 2023	-	28.42	1,177.43	4,728.67	238.61	21.49	122.93	151.36	6,468.91
As at April 1, 2023	-	28.42	1,177.43	4,728.67	238.61	21.49	122.93	151.36	6,468.91
Charge for the year	-	2.44	91.82	230.63	0.37	4.21	2.91	8.90	341.28
Disposals	-	(0.01)	(4.32)	(150.47)	(23.43)	(11.13)	(22.70)	(17.82)	(229.88)
Transferred to investment property (refer note (v) below)	-	-	(18.15)	-	-	-	-	-	(18.15)
As at March 31, 2024	-	30.85	1,246.78	4,808.83	215.55	14.57	103.14	142.44	6,562.16
Net carrying value:									
As at March 31, 2024	2,058.83	435.14	1,949.41	1,087.51	10.24	26.37	10.10	22.80	5,600.40
As at March 31, 2023	2,058.83	422.77	2,155.49	1,184.51	9.98	28.61	9.67	13.42	5,883.28

Notes :

i) Assets mortgaged / hypothecated as security for borrowings: (₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Vehicle hypothecated against borrowing from Axis Bank Limited (refer note 18)	-	3.69

ii) Assets held for sale (₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, plant and equipment:		
Gross carrying value	-	99.97
Less: Accumulated depreciation	-	-
Less: Provision for impairment	-	39.97
Total	-	60.00

(iii) Refer note 41(B) for information on contractual commitments related to property, plant and equipment.

(iv) During the year, the Group carried out an impairment assessment of the aforesaid cash-generating units (CGUs) using a discounted cash flow model which is based on the net present value of the forecasted earnings of the CGUs with the help of an external valuation specialist. This is calculated using certain assumptions viz. discount rate of 13.10% - 17.60%, terminal year growth rate of 4% and cash flow forecasts for 5 years. The Group has also involved independent, registered valuer to assess fair value of the property, plant and equipment and Group has calculated the value in use of the CGUs by cash flow approach. These forecasts contain management's best view of the expected performance of the CGUs based on the management's knowledge of the market environment, strategic initiatives and future business plans. As per the management assessment, there is no impairment required to be recognized in the statement of profit and loss account.

(v) During the financial year 2023-24, the Group has classified its properties amounting to ₹128.26 million (Gross value ₹146.41 million and accumulated depreciation ₹18.15 million) as investment property from property plant and equipment, due to change in plan and objective towards utilisation of said properties.

(vi) The Group has adopted cost model for its property, plant and equipment.

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

2.2 Capital work-in-progress

(₹ in million)

Particulars	Amount
As at April 1, 2022	49.12
Additions	267.63
Capitalised	(6.93)
Disposal	(29.75)
As at March 31, 2023	280.07
As at April 1, 2023	280.07
Additions	622.06
Capitalised	(154.90)
Disposal	(0.08)
As at March 31, 2024	747.15

Notes:

(i) The capital work-in-progress relates to ongoing projects for construction and installation of property, plant and equipment.

(ii) Ageing for capital work-in-progress as at March 31, 2024: (₹ in million)

Capital work in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	671.61	67.78	7.59	0.17	747.15
Total	671.61	67.78	7.59	0.17	747.15

(iii) Ageing for capital work-in-progress as at March 31, 2023: (₹ in million)

Capital work in progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	265.88	14.02	0.17	-	280.07
Total	265.88	14.02	0.17	-	280.07

(iv) The Group had earlier been granted in-principle approval by Govt. of Arunachal Pradesh for allotment of two Power Projects of 80 MW and 75 MW in Arunachal Pradesh in FY 2012-13 and in this regard an agreement was executed on February 14, 2013. The Group has in the past initiated taking preliminary steps in connection with the implementation of projects. However, no major investment was made in this regard and the project was shown as temporarily suspended until FY 2021-22. Due to failure in achieving financial closure and inability to commence the implementation of the said power projects within the stipulated period, the Govt. of Arunachal Pradesh has terminated the said projects and accordingly, the said projects stands reverted back to the Govt. of Arunachal Pradesh on as is where is basis. Accordingly, the Group has written-off the entire investment of ₹29.15 million made on projects, during FY 2022-23.

(v) Projects in progress as on March 31, 2024 and as on March 31, 2023 have not exceeded the cost and timeline as compared to their respective original plans.

(vi) The capital work in progress of projects as on March 31, 2024 will be capitalised upon completion in subsequent years.

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2.3 Investment property

(₹ in million)

Particulars	Buildings	Total
Gross carrying value:		
As at April 1, 2022	-	-
Transferred from property, plant and equipment	-	-
As at March 31, 2023	-	-
Transferred from property, plant and equipment (refer note 2.1(v))	146.41	146.41
As at March 31, 2024	146.41	146.41
Accumulated depreciation:		
As at April 1, 2022	-	-
Transferred from property, plant and equipment	-	-
Charge for the year	-	-
As at March 31, 2023	-	-
Transferred from property, plant and equipment (refer note 2.1(v))	18.15	18.15
Charge for the year	2.32	2.32
As at March 31, 2024	20.47	20.47
Net carrying value:		
As at March 31, 2024	125.94	125.94
As at March 31, 2023	-	-

Information regarding income and expenditure of the investment property:

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rental income derived from investment property	15.65	-
Profit from investment property before depreciation	15.65	-
Less: Depreciation for the year	(2.32)	-
Profit arising from investment property	13.33	-

Fair value of the investment property: (₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment property	125.94	-

Estimation of fair value : The fair value of investment property was carried out and was based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair valuation is based on prices in the active market for similar properties. The main input used are quantum, area, location and demand.

The fair valuation measurement is categorised in Level 2 fair value hierarchy (refer note 47(B)).

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

2.4 Other Intangible assets

(₹ in million)

Particulars	Patents, trademarks and copyrights	Softwares	Websites	Products development	Total
Gross carrying value:					
As at April 1, 2022	91.02	229.31	9.34	521.89	851.56
Additions	-	2.31	-	102.28	104.59
As at March 31, 2023	91.02	231.62	9.34	624.17	956.15
As at April 1, 2023	91.02	231.62	9.34	624.17	956.15
Additions	-	-	-	-	-
As at March 31, 2024	91.02	231.62	9.34	624.17	956.15
Accumulated amortisation:					
As at April 1, 2022	83.46	228.03	9.34	516.01	836.84
Charge for the year	0.13	0.57	-	2.05	2.75
Disposals	0.32	-	-	-	0.32
As at March 31, 2023	83.91	228.60	9.34	518.06	839.91
As at April 1, 2023	83.91	228.60	9.34	518.06	839.91
Charge for the year	0.71	0.92	-	22.45	24.08
As at March 31, 2024	84.62	229.52	9.34	540.51	863.99
Net carrying value:					
As at March 31, 2024	6.40	2.10	-	83.66	92.16
As at March 31, 2023	7.11	3.02	-	106.11	116.24

Note: The Group has adopted cost model for its intangible assets.

2.5 Intangible assets under development

(₹ in million)

Particulars	Amount
As at April 1, 2022	123.52
Addition	124.43
Capitalised	(104.59)
Disposal / Written off	(0.19)
As at March 31, 2023	143.17
As at April 1, 2023	143.17
Addition	143.85
Disposal / written off	(19.20)
As at March 31, 2024	267.82

Notes:

(i) The cost incurred on intangible assets under development relates to products development, patents, technical know-how and softwares.

(ii) Ageing for intangible assets under development as at March 31, 2024: (₹ in million)

Capital work in progress	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	143.85	123.97	-	-	267.82
Total	143.85	123.97	-	-	267.82

(iii) Ageing for intangible assets under development as at March 31, 2023: (₹ in million)

Capital work in progress	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	124.45	-	-	18.72	143.17
Total	124.45	-	-	18.72	143.17

(iv) Approval awaited from concerned regulatory authorities for projects amounting ₹18.72 million which are outstanding for more than three years and the same will be capitalised on receipt of requisite approval from such regulatory authorities, which is expected in next 12 months.

(v) Projects in progress as on March 31, 2024 and March 31, 2023 have not exceeded the cost and timeline compared to their respective original plans.

(vi) The capital work in progress (CWIP) of projects as on March 31, 2024 will be capitalised upon completion in subsequent years.

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
3. Investments (non-current)		
Investments in equity instruments (unquoted)		
Other investments (at fair value through profit and loss)		
i) Shivalik Solid Waste Management Limited 20,250 (March 31, 2023: 20,250) equity shares of ₹10 each fully paid up	0.20	0.20
ii) Mohali Green Environment Private Limited 50,000 (March 31, 2023: 50,000) equity shares of ₹10 each fully paid up	0.50	0.50
Total	0.70	0.70
Aggregate book value of unquoted investments	0.70	0.70
Aggregate amount of impairment in value of investments	-	-

Notes:

i) Refer note 47 for disclosure on fair value measurements in respect of financial assets at cost and fair value through profit and loss.

ii) The Group does not have any quoted non-current investments during the current as well as previous year.

Particulars	**As at March 31, 2024**	As at March 31, 2023
4. Loans (non-current)		
(Unsecured, considered good, unless stated otherwise)		
Loans to employees	0.86	2.97
Total	0.86	2.97

Notes:

i) During the year, the Group has not given any loan to Promoters, Directors and KMPs.

ii) Refer note 47 and 48 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

Particulars	**As at March 31, 2024**	As at March 31, 2023
5. Other financial assets (non-current)		
(Unsecured, considered good, unless stated otherwise)		
Security deposits	20.09	12.25
Bank deposits (due for maturity after 12 months from the reporting date)	10.37	36.64
Total	30.46	48.89

Notes:

i) Bank deposits amounting to ₹9.39 million (March 31, 2023: ₹35.60 million) are deposited with banks and various government authorities for tender, bank guarantee, margin money, etc.

ii) Refer note 47 and 48 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

Particulars	**As at March 31, 2024**	As at March 31, 2023
6. Income tax assets (net)		
Advance taxes	1,788.74	1,774.87
Less: Provision for taxes	(1,714.75)	(1,714.75)
Total	73.99	60.12
7. Other non-current assets		
(Unsecured, considered good unless stated otherwise)		
Capital advances	15.76	70.03
Balances with statutory authorities	598.93	422.22
Prepaid expenses	0.77	0.77
Total (A)	615.46	493.02
(Unsecured, considered doubtful / credit impaired)		
Capital advances	178.01	176.80
Less: allowance for doubtful advances	(178.01)	(176.80)
Total (B)	-	-
Total (A+B)	615.46	493.02

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

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
8. Inventories		
(Valued at lower of cost or net realisable value)		
Raw materials including packing materials	988.28	1,009.07
Finished goods (refer note (ii) below)	427.00	562.99
Traded goods	39.33	95.32
Work-in-progress	174.78	161.41
Stores and spares	149.96	192.14
Total	1,779.35	2,020.93

Notes:

i) The Group recorded inventory write down (net) of ₹121.16 million (March 31, 2023: ₹685.75 million) on account of inventory obsolescence, expiry etc. This is included as part of cost of materials consumed and changes in inventories of finished goods, work-in- progress, stores, spares and stock-in-trade in profit or loss, as the case may be.

ii) Refer note 31, 32 and 33 for consumption of materials, purchase of traded goods and changes in inventories recorded by the Group.

iii) Includes goods in transit of ₹ Nil (March 31, 2023: ₹8.58 million)

Particulars	As at March 31, 2024	As at March 31, 2023
9. Investment (current)		
Carried at fair value through profit or loss		
Investment in mutual funds:		
Aditya Birla Sun Life Money Manager Fund - Growth-Regular Plan Nil (March 31, 2023: 104,214.961) units at NAV of ₹336.9605 (March 31, 2023: ₹313.0282) each	-	32.62
Aditya Birla Sun Life Liquid Fund - Growth-Regular Plan 402,959.606 (March 31, 2023: Nil) units at NAV of ₹385.6632 (March 31, 2023: ₹359.7966) each	155.41	-
HDFC Low Duration Fund - Regular Plan - Growth 1,372,958.786 (March 31, 2023: Nil) units at NAV of ₹52.6548 (March 31, 2023: ₹49.0814) each	72.29	-
Nippon India Ultra Short Duration Fund - Growth Option - Growth Plan 47,668.532 (March 31, 2023: Nil) units at NAV of ₹3,690.4077 (March 31, 2023: ₹3451.3011) each	175.92	-
Investment in bonds:		
HDFC Ltd. Nil (March 31, 2023: 50) Bonds of face value of ₹1,000,000 each, market value ₹ Nil (March 31, 2023: ₹49.99 million)	-	50.70
National Bank For Agriculture And Rural Development Nil (March 31, 2023: 50) Bonds of face value of ₹1,000,000 each, market value ₹ Nil (March 31, 2023: ₹49.97 million)	-	50.84
Total	403.62	134.16
Aggregate cost of quoted investments	385.63	130.00
Aggregate market value of quoted investments	403.62	134.16
10. Trade receivables		
Unsecured, considered good	574.19	600.92
Unsecured, considered doubtful, credit impaired	42.55	40.94
	616.74	641.86
Less: Allowance for expected credit loss	(42.55)	(40.94)
Total	574.19	600.92

Notes:

(i) Refer note 47 and 48 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

ii) Ageing for trade receivables as at March 31, 2024: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	351.89	175.86	33.91	11.62	0.04	0.88	574.20
Undisputed trade receivables which have significant increase in credit risk	-	-	-	-	-	0.96	0.96
Undisputed trade receivables credit impaired	1.46	1.54	2.92	2.06	8.35	21.87	38.20
Disputed trade receivables credit impaired	-	-	-	-	-	3.38	3.38
Total	353.35	177.40	36.83	13.68	8.39	27.09	616.74
Less: Allowance for doubtful trade receivables							(42.55)
Trade receivables (Net)							574.19

iii) Ageing for trade receivables as at March 31, 2023: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables considered good	345.59	213.21	21.47	6.02	3.88	5.06	595.23
Undisputed trade receivables which have significant increase in credit risk	-	-	-	1.23	0.27	2.82	4.32
Undisputed trade receivables credit impaired	3.61	2.33	4.13	3.30	3.85	19.96	37.17
Disputed trade receivables considered good	-	0.57	-	0.80	-	-	1.37
Disputed trade receivables credit impaired	-	0.03	-	-	2.48	1.26	3.77
Total	349.20	216.14	25.60	11.35	10.48	29.09	641.86
Less: Allowance for doubtful trade receivables							(40.94)
Trade receivables (Net)							600.92

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
11. Cash and cash equivalents		
Balances with banks		
- in current accounts	398.92	345.41
- in exchange earners' foreign currency accounts	7.45	16.40
Cash on hand	0.36	0.49
Deposits with original maturity upto 3 months from reporting date	65.01	36.22
Total	471.74	398.52

Notes:

(i) Fixed deposits amounting to ₹ Nil (March 31, 2023: ₹35.80 million) are pledged / provided with banks and various government authorities for tender, bank guarantee, margin money, etc.

(ii) There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting year

12. Bank balances other than cash and cash equivalents		
Bank deposits (with original maturity for more than 3 months but less than 12 months from reporting date)	923.10	1,861.39
Total	923.10	1,861.39

Note: Bank deposits amounting to ₹284.07 million (March 31, 2023: ₹283.50 million are pledged / deposited with banks and various government authorities for tender, bank guarantee, margin money, etc.

13. Loans (current)		
(Unsecured, considered good, unless stated otherwise)		
Loans to employees	31.82	15.80
Total (A)	31.82	15.80
(Unsecured, considered doubtful)		
Loans to employees	1.50	2.80
	1.50	2.80
Less : allowance for doubtful loans / credit impaired	(1.50)	(2.80)
Total (B)	-	-
Total (A+B)	31.82	15.80

Note: Refer note 47 and 48 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

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

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
14. Other financial assets (current)		
(Unsecured, considered good, unless otherwise stated)		
Security deposits	3.16	5.00
Others	48.54	19.92
Total (A)	51.70	24.92
(Unsecured, considered doubtful / credit impaired)		
Security deposits	7.10	6.52
Less : allowance for doubtful deposits	(7.10)	(6.52)
Total (B)	-	-
Total (A+B)	51.70	24.92

Note: Refer note 47 and 48 for disclosure of fair value in respect of financial assets measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

Particulars	As at March 31, 2024	As at March 31, 2023
15. Other current assets		
(Unsecured, considered good, unless otherwise stated)		
Balances with statutory authorities	497.01	467.24
Prepaid expenses	60.63	52.20
Export benefits receivable	10.57	12.02
Advance to suppliers	48.04	35.10
Total (A)	616.25	566.56
(Unsecured, considered doubtful / credit impaired)		
Advance to suppliers	40.92	58.05
Less: Allowance for doubtful advances	(40.92)	(58.05)
Total (B)	-	-
Total (A+B)	616.25	566.56
16. Share capital		
Authorised		
125,000,000 (March 31, 2023: 125,000,000) equity shares of ₹1 each	125.00	125.00
109,837,000 (March 31, 2023: 109,837,000) preference shares of ₹10 each	1,098.37	1,098.37
	1,223.37	1,223.37
Issued, subscribed and fully paid up		
61,250,746 (March 31, 2023: 61,250,746) equity shares of ₹1 each	61.25	61.25
Total	61.25	61.25

(a) Reconciliation of number of equity shares of the Holding Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in million	No. of shares	₹ in million
Equity shares at the beginning of the year	61,250,746	61.25	61,250,746	61.25
Changes during the year	-	-	-	-
Equity shares at the end of the year	61,250,746	61.25	61,250,746	61.25

(b) Terms / rights attached to equity shares of the Holding Company:

The Holding Company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors of the Holding Company has not proposed any dividend for current year and previous year.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts including preference shares. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

The Holding Company has not reserved any shares for issuance under options.

(c) Details of promoters' equity share holding in the Holding Company:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Dr. Rajesh Jain	30,217,312	49.33%	30,217,312	49.33%
Mr. Sandeep Jain	10,031,600	16.38%	10,031,600	16.38%

(d) Details of shareholders holding more than 5% of equity shares in the Holding Company:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Dr. Rajesh Jain	30,217,312	49.33%	30,217,312	49.33%
Mr. Sandeep Jain	10,031,600	16.38%	10,031,600	16.38%
Serum Institute of India Private Limited	NA	NA	4,652,118	7.60%

The above information has been furnished as per the shareholders' details available with the Holding Company at the year end.

(e) The Holding Company has neither bought back any equity shares nor issued any equity shares as bonus or for consideration other than cash, during the period of five years immediately preceding the reporting date.

(f) Terms attached to 0.5% cumulative non-convertible and non-participating redeemable preference shares in the Holding Company:

The Holding Company has only one class of preference shares having a par value of ₹10 per share. The Holding Company declares and pays dividends in Indian Rupees. The dividend, if any, proposed by the Board of Directors of the Holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors of the Holding Company has not proposed any dividend on preference shares for current year and previous year.

The preference shares were initially issued for a period of 10 years w.e.f. January 6, 2015. The terms of preference shares were amended on April 8, 2019 so as to enhance the tenure from 10 years to 15 years with an option with the Holding Company as well as preference shareholders for early redemption of preference shares, provided the secured debt obligations with respect to debentures issued by the Holding Company are fully serviced as per the agreed terms. The said debentures were assigned and novated in favour of Panacea Biotec Pharma Limited in financial year 2019-20 and were subsequently have been fully redeemed during financial year 2021-22. In the event of liquidation of the Holding Company, the holders of preference shares will be entitled to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in preference to the equity shareholders. The distribution will be in proportion to the number of preference shares held by the preference shareholders. Also refer note 18(iii).

(g) Reconciliation of 0.5% cumulative non-convertible and non-participating redeemable preference shares of the Holding Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in million	No. of shares	₹ in million
Preference shares at the beginning of the year	16,137,000	161.37	16,137,000	161.37
Changes during the year	-	-	-	-
Preference shares at the end of the year	16,137,000	161.37	16,137,000	161.37

(h) The Holding Company has neither bought back any preference shares nor issued any preference shares as bonus or for consideration other than cash, during the period of five years immediately preceding the reporting date.

(i) Details of Promoters' preference shareholding and preference shareholders holding more than 5% of 0.5% cumulative non convertible and non participating redeemable preference share capital:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Dr. Rajesh Jain	13,008,600	80.61%	13,008,600	80.61%
Mr. Sandeep Jain	3,128,400	19.39%	3,128,400	19.39%

The above information has been furnished as per the shareholders' details available with the Holding Company at the year end.

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

(₹ in million)

Particulars		As at March 31, 2024	As at March 31, 2023
17. Other equity			
A.	Reserves and Surplus:		
	Capital reserve	(2,534.71)	(2,534.71)
	Retained earnings	7,883.43	7,898.52
	General reserve	794.99	794.99
	Security premium reserve	919.40	919.40
	Capital redemption reserve	1,022.34	1,022.34
	Foreign currency translation reserve	57.22	57.70
	Total (A)	8,142.67	8,158.24
B.	Equity component of compound financial instruments (refer note 16(f) to 16(i) and 18(iii))	216.54	216.54
	Total (A+B)	8,359.21	8,374.78

Note: For changes in balances of reserves, refer to the Consolidated Statement of Changes in Equity.

Nature and purpose of other reserves

General reserve: The Holding Company has transferred a portion of the net profit before declaring dividend to general reserve in earlier years pursuant to the provisions of the erstwhile Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

Securities premium reserve: Represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earning: Profits / (losses) that the Group has earned till date, less any transfer to any reserves, dividend or other distribution paid to shareholders.

Capital redemption reserve: Created in accordance with provisions of the Act for the buy back of equity shares from the market.

Capital reserve: includes reserve created pursuant to the demerger of the real estate business.

Foreign Currency translation reserve: Assets and liabilities of foreign subsidiaries are translated into INR at the rate of exchange prevailing as at date of the balance sheet. Revenue and expenses are translated into INR at the average exchange rate prevailing during the period. The exchange difference arising at the year-end due to translation is debited or credited to currency translation reserve account.

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
18. Borrowings (non-current)		
Rupee term loan from:		
Axis Bank Limited (secured) (refer note (ii)(a) below)	-	2.36
Unsecured loans:		
Liability component of compound financial instruments		
16,137,000 (March 31, 2023: 16,137,000) 0.5% cumulative non-convertible and non-participating redeemable preference shares of ₹10 each (refer note (iii) below)	59.94	49.83
Loans from related parties (refer note (ii)(b) below)	150.00	150.00
	209.94	202.19
Less: current maturities of non-current borrowings (disclosed under note 23)	-	(0.55)
Total	209.94	201.64

Notes :

(i) Rate of interest: The Group's long term borrowings were at an effective weighted average rate of 9% (March 31, 2023: 9%) per annum.

(ii) Repayment terms and security of loans:

(a) The vehicle loan taken from Axis Bank has been repaid in full during the financial year 2023-24.

(b) Loan from related parties includes loan from promoter director and is payable after April 7, 2027. Interest rate is 9% per annum. Also refer note 44.

(iii) Liability component of compound financial instruments:

Further to note 16(f) to (i), the preference shares of Holding Company are presented in the consolidated balance sheet as follows:

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
Value of preference shares issued	161.37	161.37
Opening interest accrued	105.00	96.62
Interest expense (refer note below)	10.11	8.38
Total (A)	276.48	266.37
Equity component of preference shares (refer note below)	216.54	216.54
Total (B)	216.54	216.54
Liability component of compound financial instruments (A-B)	59.94	49.83

Note: The equity component is the difference between fair value of liability component computed at the effective interest rate of 18.85% per annum (March 31, 2023: 18.85% per annum) and the value of preference shares issued, which is presented as a separate component of equity in the Consolidated Statement of Changes in Equity.

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

(₹ in million)

	Particulars	As at March 31, 2024	As at March 31, 2023
19.	**Other financial liabilities (non-current)**		
	Security deposit	4.33	-
	Total	4.33	-
20.	**Provisions (non-current)**		
	Provision for gratuity (refer note 46)	164.51	134.25
	Provision for compensated absences (refer note 46)	113.45	99.92
	Provision for expected sales return (refer note below)	-	31.30
	Total	277.96	265.47
	Note:		
	Movement of provision for expected sales return:		
	Balance as at beginning of the year	31.30	28.72
	Provided during the year	-	31.30
	Utilised / reversed during the year	(31.30)	(28.72)
	Balance as at end of the year	-	31.30
21.	**Deferred tax Liability (net)**		
	Deferred tax liabilities arising on account of:		
	Property, plant and equipment and intangible assets	992.69	1,002.58
	Total (A)	992.69	1,002.58
	Deferred tax assets arising on account of:		
	Expenditure allowed on payment basis	93.93	89.60
	Unabsorbed business losses / provisions	504.94	450.23
	Revenue received in advance	143.73	234.40
	Provision for expected credit loss	24.64	24.64
	Total (B)	767.24	798.87
	Total (A-B)	225.45	203.71
22.	**Other non-current liabilities**		
	Income received in advance (refer note 54)	218.46	321.39
	Total	218.46	321.39
23.	**Borrowings (current)**		
	Current maturities of long-term borrowings (refer note 18)	-	0.55
	Total	-	0.55
	Note: Refer note 2.1 for information on assets mortgaged / hypothecated as security.		
24.	**Trade payables**		
	Total outstanding dues of micro enterprises and small enterprises	43.42	53.14
	Total outstanding dues of creditors other than micro enterprises and small enterprises	1,493.42	1,720.09
	Total	1,536.84	1,773.23

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

Notes:

(i) Refer note 44 for related party transaction disclosures.

(ii) Ageing for trade payables outstanding as at March 31, 2024: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments				Unbilled due	Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
Micro enterprises and small enterprises	33.96	9.12	0.33	-	-	-	43.41
Others	9.48	426.79	82.60	7.61	37.21	311.71	875.40
Disputed Dues Others	-	-	-	618.03	-	-	618.03
Total	43.44	435.91	82.93	625.64	37.21	311.71	1,536.84

(iii) Ageing for trade payables outstanding as at March 31, 2023: (₹ in million)

Particulars	Not due	Outstanding for periods from due date of payments				Unbilled due	Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
Micro enterprises and small enterprises	43.96	8.95	0.23	-	-	-	53.14
Others	373.32	336.25	3.62	6.16	42.91	348.96	1,111.21
Disputed Dues Others	-	-	608.88	-	-	-	608.88
Total	417.28	345.20	612.73	6.16	42.91	348.96	1,773.23

(iv) Details of dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]:

On the basis of confirmation obtained from suppliers who have registered themselves under the MSMED Act and based on the information available with the Group, the following are the details:

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
The amounts remaining unpaid to any supplier as at the end of each accounting year:		
- Principal	43.42	53.14
- Interest	0.23	0.22
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 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 MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.23	0.22
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 MSMED Act	-	-

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(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
25. Other financial liabilities (current)		
Grant received (refer note (ii) below)	171.03	196.62
Interest accrued but not due on borrowings	-	0.01
Others	1.92	7.00
Total	172.95	203.63

Notes:

(i) Refer note 47 and 48 for disclosure of fair value in respect of financial liabilities measured at amortised cost and disclosure for financial risk management for assessment of expected credit losses, respectively.

(ii) During the financial year 2022-23, the Holding Company has received grant of ₹236.65 million from Coalition for Epidemic Preparedness Innovations (CEPI), Norway for development of a broadly protective Betacoronavirus vaccine. The project is in progress. Pending completion of the project, the unutilised amount of grant is considered as other financial liability as on March 31, 2024.

Particulars	**As at March 31, 2024**	As at March 31, 2023
26. Other current liabilities		
Advances from customers (refer note 41(A) (viii) and 54)	775.13	766.13
Advance against sale of property, plant and equipment	-	21.00
Deferred government grant	192.53	135.69
Statutory liabilities	31.15	38.65
Others	21.49	12.41
	1,020.30	973.88
Less: Liability directly associated with assets held for sale (refer note 2.1)	-	(21.00)
Total	1,020.30	952.88
27. Provisions (current)		
Provision for compensated absences (refer note 46)	92.14	97.82
Provision for gratuity (refer note 46)	9.64	12.13
Others	255.10	251.47
Total	356.88	361.42
28. Current tax liabilities (net)		
Provision for taxation	1.35	5.60
Total	1.35	5.60

(₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
29. Revenue from operations		
Sale of products (net)		
Finished goods	5,226.83	4,464.76
Traded goods	226.55	55.73
Sale of services		
Contract manufacturing	47.47	48.70
Royalty income	18.44	-
Other operating revenue		
Export benefits	26.71	17.99
Production linked incentive	26.50	-
Scrap sale	9.84	12.28
Technology transfer fee	9.34	-
Total	5,591.68	4,599.46

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

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Disaggregated revenue from contracts with customers:		
Revenue from sale of products & service:		
Vaccine	3,550.25	2,558.79
Pharma	1,969.04	2,010.40
Other operating revenue:		
Vaccine	45.65	11.08
Pharma	26.74	19.19
Total	5,591.68	4,599.46
Revenue by geography:		
India	777.68	1,109.44
Outside India	4,814.00	3,490.02
Total	5,591.68	4,599.46
B. Reconciliation of gross revenue with the revenue from contracts with customers:		
Gross revenue#	5,687.92	4,736.20
Adjusted for:		
Discounts	(1.02)	(26.80)
Sales returns	(95.22)	(109.94)
Total	5,591.68	4,599.46
# Revenues are recorded at a point in time when the Group has no remaining performance obligations once the goods are delivered to the customer as per terms of the contract.		
C. Information about trade receivables, contract assets from contracts with customers:		
Trade receivables (refer note (i) below) (also refer note 10)	616.74	641.86
Others (refer note 14)	48.54	19.92
Contract balances		
Advances from customers (refer note (ii) below) (also refer note 26)	775.13	766.13
Total	(109.85)	(104.35)
Notes:		
(i) Trade receivables are non-interest bearing and are generally due within 30 to 180 days. There is no significant financing component in any transaction with the customers.		
(ii) The adjustments of advances during the year are not considered to be significant.		
D. Movement in contract assets and contract liabilities		
Opening balance of contract liabilities	766.13	1,717.27
Addition in balance of contract liabilities for current year	18.88	20.45
Amount of revenue recognised against opening contract liabilities	(9.88)	(971.59)
Closing balance of contract liabilities	775.13	766.13
Opening balance of contract assets	661.78	1,378.98
Addition in balance of contract assets for current year	665.28	661.78
Amount of billing recognised against opening contract assets	(661.78)	(1,378.98)
Closing balance of contract assets	665.28	661.78
Notes:		
(i) The contract liabilities are in the form of advance received from customers for which the obligation for supply of goods/service is not completed at the year end.		
(ii) The contract assets are in the form of receivables which are included in income receivable and primarily relate to the Group's rights to consideration for goods sold to the customers.		

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

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
30. Other income		
Income from investments:		
Dividend Income	0.08	5.01
Fair value gain on investment in mutual funds	33.67	14.47
Interest income from:		
Bank deposits	77.17	108.92
Others	6.56	6.69
Others:		
Excess provisions / other balances written back	70.64	274.41
Lease rent - investment property (refer note 42)	15.65	-
Lease rent - others (refer note 42)	0.24	12.27
Gain on sale of property, plant and equipment (net)	0.55	52.93
Gain on foreign exchange transactions and translations (net)	36.33	20.77
Miscellaneous	17.07	21.16
Total	257.96	516.63
Note: Refer note 44 for related party transaction disclosures.		
31. Cost of materials consumed		
Raw materials including packing materials:		
Inventories at the beginning of the year	1,009.07	840.34
Add : Purchases during the year	2,083.83	2,279.02
Less: Inventories at the end of the year	(988.28)	(1,009.07)
Total	2,104.62	2,110.29
32. Purchases of traded goods		
Purchases of traded goods	18.03	72.61
Total	18.03	72.61
33. Changes in inventories of finished goods, traded goods and work-in-progress		
Inventories at the end of the year:		
Finished goods	427.00	562.99
Traded goods	39.33	95.32
Work-in-progress	174.78	161.41
Total (A)	641.11	819.72
Inventories at the beginning of the year:		
Finished goods	562.99	767.23
Traded goods	95.32	87.25
Work-in-progress	161.41	308.94
Total (B)	819.72	1,163.42
Changes in inventories of finished goods, traded goods and work-in-progress (B-A)	178.61	343.70
34. Employee benefits expense		
Salary and wages	1,395.20	1,175.25
Contribution to provident and other funds (refer note 46)	40.07	35.88
Staff welfare expenses	60.40	53.71
Total	1,495.67	1,264.84
Note: Refer note 44 for related party transaction disclosures.		
35. Finance costs		
Interest expense	26.73	38.03
Other borrowing costs	9.08	6.34
Total	35.81	44.37
Note: Refer note 44 for related party transaction disclosures.		
36. Depreciation and amortisation expense		
Depreciation on property, plant and equipment	341.28	388.48
Depreciation on investment property	2.32	-
Amortisation of intangible assets	23.51	2.75
Total	367.11	391.23

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

(₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
37. Other expenses		
Advertising and sales promotion	113.04	218.21
Allowance for expected credit loss and doubtful advances	5.66	19.59
Analytical testing and trial	73.43	68.18
Bad debts and advances and other balances written off	5.43	4.28
Commission on sales	13.33	13.19
Consumption of stores and spares	384.17	252.53
Contract manufacturing	2.18	8.45
Directors' sitting fees	1.79	1.87
Donation to political parties	-	15.00
Donation others	0.11	4.10
Freight and forwarding	158.87	195.65
Insurance	54.71	54.10
Property, plant and equipment and intangible assets impaired / written off (refer note 2.1)	46.14	29.94
Legal and professional	220.48	86.35
License Fees	13.17	76.77
Loss on foreign exchange transactions and translations (net)	0.10	-
Loss on sale of property, plant and equipment (net)	3.19	-
Loss on termination of leases or other agreements	-	5.65
Meetings and conferences	18.79	11.38
Miscellaneous	52.34	36.90
Office expenses	4.11	8.84
Payment to auditors	9.81	8.82
Postage and communication	10.26	9.13
Power and fuel	359.52	319.49
Printing and stationery	6.61	5.68
Rates and taxes	59.44	62.60
Rent (refer note 42)	33.96	34.42
Repairs to and maintenance of:		
Buildings	50.15	9.92
Plant and machinery	60.77	56.96
Others	85.49	55.37
Royalty	1.91	-
Security charges	28.34	27.90
Staff training and recruitment	18.99	6.33
Subscription	20.89	15.50
Travelling and conveyance	53.81	43.51
Vehicle running and maintenance	24.37	21.00
Total	1,995.36	1,787.61
Note: Refer note 44 for related party transaction disclosures		
38. Exceptional items		
Deferred revenue recognised upon sale of domestic pharmaceuticals formulation brands in earlier year	360.34	1,026.61
Total	360.34	1,026.61
Note: Refer note 54		

(₹ in million)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
39.	**Tax expenses**		
	Income tax expense consists of the following:		
	Current tax	6.94	25.61
	Deferred tax	22.88	439.89
	Total tax expense	29.82	465.50
	Reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported:		
	Profit / (Loss) before income taxes	14.77	128.05
	At Holding Company's statutory income tax rate of 25.17% (March 31, 2023: 26.00%)	3.72	33.29
	Deferred tax assets reversed on account of expiry of losses and other inadmissible expenses and set off during the year.	22.88	439.89
	Others	3.22	(7.68)
	Income tax expense reported in the Statement of Profit and Loss	29.82	465.50

Tax losses:

(i) The Group recognises deferred tax assets to the extent that management is reasonably certain that the same would be available for adjustment against foreseeable tax profit. The Holding Company has unabsorbed business losses and unabsorbed depreciation as per tax laws of ₹784.03 million and ₹275.17 million, respectively as at March 31, 2024 (March 31, 2023: ₹1,322.18 million and ₹253.05 million respectively) that is available for off-setting against the future taxable profits of the Holding Company. The unabsorbed business losses can be carried forward for a period of eight years from the date of incurrence of such losses as per tax laws. These unabsorbed business losses will expire in financial year ending March 31, 2025, March 31, 2026 and March 31, 2030.

(ii) Movement in deferred tax assets / liabilities:

(a) For the year ended March 31, 2024: (₹ in million)

Particulars	As at March 31, 2023	Charged / (credited) to profit and loss	Charged / (credited) to other comprehensive income	**As at March 31, 2024**
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment and intangible assets	1,002.58	(9.89)	-	992.69
Total (A)	1,002.58	(9.89)	-	992.69
Deferred tax assets arising out of:				
Expenditure allowed on payment basis	89.60	3.19	1.14	93.93
Effect of unabsorbed losses / provisions	450.23	54.71	-	504.94
Revenue received in advance	234.40	(90.67)	-	143.73
Provision for expected credit loss	24.64	-	-	24.64
Total (B)	798.87	(32.77)	1.14	767.24
Net deferred assets / liabilities (B-A)	(203.71)	(22.88)	1.14	(225.45)

(b) For the year ended March 31, 2023: (₹ in million)

Particulars	As at March 31, 2022	Charged / (credited) to profit and loss	Charged / (credited) to other comprehensive income	As at March 31, 2023
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment and intangible assets	1,036.91	34.33	-	1,002.58
Total (A)	1,036.91	34.33	-	1,002.58
Deferred tax assets arising out of:				
Expenditure allowed on payment basis	111.33	20.40	1.33	89.60
Effect of unabsorbed losses / provisions	646.56	196.33	-	450.23
Revenue received in advance	492.77	258.37	-	234.40
Minimum alternative tax credit entitlement	-	(24.64)	-	24.64
Others	23.76	23.76	-	-
Total (B)	1,274.42	474.22	1.33	798.87
Net deferred assets / liabilities (B-A)	237.51	439.89	1.33	(203.71)

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

(₹ in million)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
40. Earning / (Loss) per share		
Profit / (Loss) attributable to shareholders	(11.73)	(332.37)
Weighted average number of equity shares	61,250,746	61,250,746
Face value per equity share (in ₹)	1.00	1.00
Earning / (Loss) per equity share - basic and diluted (in ₹)	(0.19)	(5.43)

(₹ in million)

Particulars	As at March 31, 2024	As at March 31, 2023
41. Contingent liabilities and commitments		
(A) Contingent liabilities (to the extent not provided for)		
Disputed demands / show cause notices under:		
Income tax cases (refer note (i) to (vi) below)	3,550.05	6,112.54
Sales Tax / VAT / GST / Service Tax / Excise / Custom Duty cases (refer note (vii) below)	143.80	174.57
Labour cases (refer note (xiii) below)	-	270.37

Notes:

i) Includes income tax demand of ₹162.22 million in respect to Assessment Year 2005-06 on the Holding Company. The Income Tax Department had issued alleged demand based on certain grounds related to purchases made by the Holding Company from an overseas vendor. The matter was decided in favour of the Holding Company and the demand was cancelled by Commissioner of Income Tax (Appeals) ("CIT (Appeals)"). However, the Income Tax Department has filed an appeal before Income Tax Appellate Tribunal (ITAT) against the order of CIT (Appeals) which is pending at present. The Holding Company believes that it has merit in this case, hence no provision is required.

ii) A search operation was conducted by the Income Tax Department in the premises of the Holding Company in January 2012 and hence the Holding Company had re-filed the income tax returns for the Assessment Year 2006-07 to 2012-13. During the year ended March 31, 2015, the Income Tax Department completed the assessment of the said years, disallowed certain expenses and issued demand of ₹3,294.90 million (including interest) on various grounds. The Holding Company preferred appeals before the CIT (Appeals) against the orders of the Income Tax Department. The appeals were decided in favour of the Holding Company and the demand was cancelled. However, CIT (Appeals) has made certain disallowances with respect to Assessment Year 2010-11 and 2011-12 against which the Holding Company has filed appeals before the Income Tax Appellate Tribunal (ITAT). The Income Tax Department has also filed appeals before ITAT against the orders of CIT (Appeals). The appeals before ITAT are pending at present. Based on legal advice, the Holding Company believes that it has merits in these cases, hence no provision is required.

iii) The Income Tax Department had raised a demand of ₹33.69 million in respect of Assessment Year 2016-17 on the Holding Company based on transfer pricing order passed by Dispute Resolution Panel. The alleged demand was raised on purchase of certain goods by the Holding Company from its associated enterprise wherein, according to Income Tax Department, arms' length price adjustment was warranted. The Holding Company filed appeal before Income Tax Appellate Tribunal against the order passed by the Income Tax Department. During financial year 2023-24, the said appeal has been decided in favour of the Holding Company.

iv) The Income Tax Department levied a penalty of ₹0.40 million on the Holding Company in respect of Assessment Year 2017-18 on account of additions made in assessment order passed for the said year. The Holding Company has filed an appeal before CIT (Appeals) against the order passed by the Income Tax Department. The Holding Company believes that it has merits in this case, hence no provision is required.

v) The Income Tax Department had raised a demand of ₹2,620.80 million on the Holding Company in respect of Assessment Year 2020-21. The alleged demand was raised due to wrong addition of contingent liability not provided for, set-off of business losses not allowed and increase in other income due to set-off of business losses not allowed. The Holding Company filed an appeal before CIT (Appeals) and rectification application before assessing officer against the order passed by the Income Tax Department. During the financial year 2023-24, while the said appeal was under consideration, in the meantime the assessing officer has passed rectification order in favour of the Holding Company and reduced the said tax demand to ₹91.63 million. The Holding Company believes that it has merits in this case, hence no provision is required.

vi) The Income Tax Department raised a demand of ₹0.90 million on the Holding Company in respect of Assessment Year 2018-19 on the ground of non-deduction of withholding tax on certain foreign remittances made by the company during the year. The Holding Company filed an appeal before Commissioner of Income Tax (Appeals) against the order passed by the Income Tax Department. The Holding Company believes that it has merits in this case, hence no provision is required.

vii) In respect of Sales tax / VAT demands for Chennai, Kolkata, Patna and Pune the matters have been settled in favour of the Holding Company. In respect of GST demand for Kochi, the Holding Company has filed an appeal with GST Tribunal and the matter is pending there. Service Tax / Excise / Custom Duty litigation are pending with various authorities. The Holding Company believes that it has merit in these cases and hence no provision is required.

viii) The Holding Company had manufactured and offered supply of certain vaccines which were manufactured against the confirmed order received from the Ministry of Health and Family Welfare ("MOHFW"), Govt. of India. Some quantities of vaccines were supplied during December 2011, the balance could not be supplied in view of disputes with respect to delivery dates and in the meantime the stock of such vaccines amounting to ₹74.10 million expired. Further, the Holding Company had also received an advance market commitment ("AMC") amounting to ₹100.00 million against these vaccines. The refund of the advance so received (after adjusting the amount receivable against the vaccines already supplied) was demanded back by MOHFW along with interest on account of non-supply of balance quantities of vaccines. In view of above disputes, the Holding Company obtained a stay order from the Hon'ble Delhi High Court against recovery of said amount, till the disputes are finally resolved through arbitration. The arbitration award was pronounced in favour of the Holding Company on March 14, 2019, vide which MOHFW was directed to pay the applicable amount for vaccine supplied / offered for supply along with interest. MOHFW filed an appeal before Hon'ble Delhi High Court raising certain objections against the award, which was dismissed by the Hon'ble Court. MOHFW filed an appeal against such order before the Division Bench of the Hon'ble Delhi High Court which was also rejected. MOHFW has filed a Special Leave Petition against such order before the Hon'ble Supreme Court of India. The Holding Company's application for execution of award is currently pending before the Hon'ble Delhi High Court. The Holding Company believes that it has merits in this case and the outcome of this matter will not have any material adverse impact on the financial position of the Holding Company.

ix) In March 2024, the Holding Company received summons from Asst. Commissioner of State Tax, Mumbai, Maharashtra to enquire if the Holding Company has paid GST on sale of the leasehold land and building at Navi Mumbai to Mankind Pharma Ltd. in March 2022. The Holding Company's officials attended the proceedings and clarified that the GST in not applicable as the said transaction is covered under Schedule III to CGST / MGST Act. However, following persistent follow up from the GST authorities, the Holding Company has deposited an amount of ₹31.42 million under protest. The Holding Company is in the process of filing writ petition before the Hon'ble High Court of Judicature at Bombay against the said proceedings. The management believes that the Holding Company has merit in its case and the outcome of this matter will not have any material adverse impact on the financial position of the Holding Company. Accordingly, no provisions has been made in respect of this matter.

x) As explained in note 58, Meyten Realtech Private Limited ("Meyten") has now acquired immovable property situated at industrial plot bearing No. G-3/B-1 Extension, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi-110044 from Radhika Heights Limited ("RHL") (initially known as Maxwell Impex (India) Private Limited), the erstwhile wholly owned subsidiary of the Holding Company, which owned the said industrial plot (which was earlier allotted to Shri Ramesh Chandra Aggarwal by way of Registered Perpetual Lease deed). Shri Ramesh Chandra Aggarwal formed a company in the name of Maxwell Impex (India) Private Limited and conveyed his perpetual lease/ sub-lease hold rights in respect of the said plot to it. The entire shareholding of this company was subsequently purchased by Panacea Biotec Limited from the shareholders of this company during financial year 1999-2000. In 2003, Delhi Development Authority ('DDA') floated a scheme for conversion of leasehold rights in to freehold rights on the basis of General Power of Attorney. RHL applied for conversion of the leasehold rights to freehold rights. RHL received a demand towards unearned increase charges of ₹100.78 million from DDA vide its letter dated October 22, 2010 without disclosing the nature and the basis of demand. RHL has filed a writ petition with the Hon'ble Delhi High Court which is pending at present. Based on legal advice, the Group believes that it has merits in this case, hence no provision for this demand towards unearned increase charge is currently recorded.

xi) In October 2023, the Holding Company received notice from the International Court of Arbitration, Paris ("ICC") intimating commencement of an Arbitration proceeding pursuant to the request filed by Apotex Inc., claiming an amount of US$ 118.14 million towards outsized alleged losses plus interest thereon under the Collaboration Agreement dated May 09, 2014 entered into between Apotex Inc. and the Holding Company. The said agreement was subsequently assigned and novated in favour of the Panacea Biotec Pharma Ltd. ("PBPL"). The Holding Company submitted its response to the notice of arbitration rebutting the claims raised by Apotex citing novation of the said agreement in favour of PBPL. Apotex subsequently filed request for Joinder of PBPL in the said arbitration proceedings raising the claim against the Holding Company and PBPL aggregating to US$ 163.24 million, which has been objected by the Holding Company as well as PBPL. The management believes that the Holding Company and / or PBPL is not in breach of its obligations and the claims filed by Apotex are frivolous, unsubstantiated, premised on fundamental factual misstatements and incorrect legal assumptions regarding the Collaboration Agreement and contrary to the overwhelming facts and evidence. Currently both sides have appointed their respective arbitrators and they have nominated the third arbitrator who will act as the President of the arbitration tribunal. Based on the legal opinion obtained and assessment of aforesaid matter, the management is of the view that no material liability is expected to arise on the Group on account of aforesaid claims. PBPL has also filed a request for arbitration before ICC with respect to dispute with Apotex raising a claim of US$ 9.90 million towards PBPL's share of profit from sale of authorized generic sold by Apotex during financial year 2022-23 in USA under the terms of the said Collaboration Agreement and the settlement agreement signed among the Parties including the innovator company. The said matter is also under consideration at ICC.

xii) During financial year 2024-25, the Holding Company initiated settlement process in respect of the old labour cases in respect of manufacturing site at Lalru, Punjab and has recognised an amount of ₹42.80 million as the compensation payable in respect of these cases, out of which ₹12.69 million has been paid as on March 31, 2024 and the balance amount has been included as a liability in the financial statements. In view of large number of cases, it is impracticable to disclose each case.

xiii) The Group has received notices from various authorities seeking information mentioned in the said notices. In view of the management these notices may not have any financial liability on the Group.

(B) Capital commitments

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Property, plant and equipment	95.68	46.64
Total	95.68	46.64

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

42. Leases

Group as a lessee

The Group does not have any long-term non cancellable leases as at March 31, 2024 (March 31, 2023 : Nil). Lease payments with respect to short term leases amounts to ₹33.96 million (March 31, 2023: ₹34.42 million) which has not been included in the measurement of lease liability.

Group as a lessor

Operating Leases

The Group has leased out certain office and godown premises under short-term operating lease agreements. These leases are generally cancellable and are renewable by mutual consent on mutually agreed terms. All leases generally include a clause for upward revision of the lease rental by 5% on an annual basis according to prevailing market conditions. Lease income amounting to ₹15.89 million (March 31, 2023: ₹12.27 million) has been recorded in the Consolidated Statement of Profit and Loss.

43. Research and development expenditure

Research and development expenditure incurred by the Group during the financial year are mentioned below: (₹ in million)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Revenue expenditure		
Materials consumed	12.24	12.04
Employee benefits expense	150.65	137.99
Depreciation and amortisation expense	60.23	51.45
Other expenses	205.81	126.72
Capital expenditure	23.18	44.86
Total	452.11	373.06

44. Related party disclosures

As per Ind AS 24, the disclosure of transactions with related parties are as given below:

(A) List of related parties and relationship with whom transactions have taken place:

(a) Joint Venture:
Chiron Panacea Vaccines Private Limited (Under liquidation) ("CPV")

(b) Key Management Personnel:
Mr. Soshil Kumar Jain - Chairman and Whole-time Director (upto October 7, 2022)
Dr. Rajesh Jain - Chairman and Managing Director (with effect from November 14, 2022) (Managing Director upto November 13, 2022)
Mr. Sandeep Jain - Joint Managing Director
Mr. Ankesh Jain - Whole-time Director designated as Director Sales & Marketing
Ms. Ambika Sharma – Non-Executive Independent Director (w.e.f. February 12, 2024)
Mr. Bhupinder Singh - Non-Executive Independent Director
Mr. K. M. Lal - Non-Executive Independent Director (upto March 31, 2024)
Mrs. Manjula Upadhyay - Non-Executive Independent Director
Mr. Mukul Gupta - Non-Executive Independent Director
Mr. N. N. Khamitkar - Non-Executive Independent Director (upto March 31, 2024)
Mr. Narotam Kumar Juneja – Non-Executive Non Independent Director (w.e.f. April 01, 2022) (Whole-time Director of PBPL, w.e.f. April 01, 2022)
Mr. R. L. Narasimhan - Non-Executive Independent Director (upto March 31, 2024)
Mr. Vinod Goel - Group CFO and Head Legal & Company Secretary
Mr. Devender Gupta - Chief Financial Officer & Head Information Technology

(c) Enterprises over which Person(s) (having control or significant influence over the Company / Key management personnel(s), along with their relatives) are able to exercise significant influence:

- First Lucre Partnership Co. (holding shares in the Company)
- MR Lex Corp LLP ("MR Lex")
- Neophar Alipro Limited ("Neophar")
- Lakshmi & Manager Holdings Limited*
- Trinidhi Finance Private Limited ("Trinidhi")*
- Best General Insurance Company Limited*
- OKI Estate Private Limited*
- Panacea Life Sciences Limited*
- Ravinder Heights Limited*
- Cabana Construction Private Limited*
- Cabana Structures Limited*
- Nirmala Buildwell Private Limited*
- Nirmala Organic Farms & Resorts Private Limited*
- Radicura Infra Limited*
- Sunanda Infra Limited*

*(ceased to be related party w.e.f. October 07, 2022)

(d) Relatives of key management personnel having transactions with the Holding Company:

Mr. Ashwani Jain, son-in-law of Mr. Soshil Kumar Jain (ceased to be a relative post demise of Mr. Soshil Kumar Jain on October 07, 2022)

Mr. Harshet Jain, son of Dr. Rajesh Jain and brother of Mr. Ankesh Jain

Mr. Tanish Jain, son of Mr. Sandeep Jain (employed with effect from May 19, 2022)

B. Transactions with related parties: (₹ in million)

S. No.		Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
I)		Transactions made during the year:		
	a)	Rent income		
		Neophar	0.18	0.18
	b)	Interest expense		
		Mr. Soshil Kumar Jain	-	13.71
		Dr. Rajesh Jain	13.57	14.36
	c)	Legal and professional expense		
		MR Lex Corp LLP	0.14	1.82
	d)	Short-term employee benefits		
		Mr. Soshil Kumar Jain	-	36.35
		Dr. Rajesh Jain	9.01	8.24
		Mr. Sandeep Jain	8.37	7.56
		Mr. Ankesh Jain	3.03	2.93
		Mr. Narotam Kumar Juneja	1.60	1.60
		Mr. Vinod Goel	8.43	6.78
		Mr. Devender Gupta	6.43	5.59
		Mr. Ashwani Jain	NA	2.96
		Mr. Harshet Jain	1.20	0.92
		Mr. Tanish Jain	0.60	0.52
	e)	Directors' sitting fees		
		Mr. Bhupinder Singh	0.05	0.20
		Mr. K. M. Lal	0.30	0.28
		Mrs. Manjula Upadhyay	0.49	0.47
		Mr. Mukul Gupta	0.20	0.20
		Mr. N. N. Khamitkar	0.26	0.25
		Mr. Narotam Kumar Juneja	0.22	0.20
		Mr. R. L. Narasimhan	0.27	0.27
	f)	Repayment of loans received		
		Mr. Soshil Kumar Jain	-	125.21
		Dr. Rajesh Jain	-	22.02
II)		Year end balances:		
	a)	Borrowings		
		Dr. Rajesh Jain	150.00	150.00
	b)	Trade payables		
		MR Lex Corp LLP	1.14	1.25
	c)	Advance against salary		
		Mr. Vinod Goel	-	1.06
	d)	Post-employment benefits		
		Dr. Rajesh Jain	19.65	18.67
		Mr. Sandeep Jain	19.29	18.29
		Mr. Ankesh Jain	0.93	0.79
		Mr. Narotam Kumar Juneja	0.08	0.04
		Mr. Vinod Goel	1.88	1.72
		Mr. Devender Gupta	1.16	1.05
		Mr. Ashwani Jain	NA	2.00
		Mr. Harshet Jain	0.12	0.09
		Mr. Tanish Jain	0.02	0.00

Note: All related party transactions are at arms' length price and in the ordinary course of business.

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

45 Segment information

The Group has determined following reportable segments based on the information reviewed by the Holding Company's management:

a. Vaccines

b. Formulations

(A) Information about reportable segments (₹ in million)

Particulars	Vaccines		Formulations		Total	
	For the year ended		For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023	**March 31, 2024**	March 31, 2023
a) Segment revenue	3,595.90	2,569.87	1,995.78	2,029.59	5,591.68	4,599.46
b) Segment results	120.51	(648.76)	(105.74)	776.81	14.77	128.05
c) Other Information:						
Segment assets	7,755.64	7,398.02	4,651.07	5,253.64	12,406.71	12,651.66
Reclassified as assets held for sale (refer note 2.1)	-	60.00	-	-	-	60.00
Total assets	7,755.64	7,458.02	4,651.07	5,253.64	12,406.71	12,711.66
Segment liabilities	3,031.03	2,985.28	993.43	1,304.24	4,024.46	4,289.52
Reclassified as liabilities associated with assets held for sale (refer note 2.1)	-	21.00	-	-	-	21.00
Total liabilities	3,031.03	3,006.28	993.43	1,304.24	4,024.46	4,310.52
d) Capital expenditure:						
Tangible assets	642.13	244.54	47.73	103.54	689.86	348.08
Intangible assets	143.69	114.22	0.16	10.23	143.85	124.45
Depreciation expense	212.09	246.11	155.02	145.12	367.11	391.23
Total	997.91	604.87	202.91	258.89	1,200.82	863.76

(B) Additional information by geographies

a) Revenue as per geographical markets: (₹ in million)

Segment	Domestic		Overseas	
	For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Vaccines	437.69	467.62	3,158.21	2,102.25
Formulations	339.99	641.82	1,655.79	1,387.77
Total Revenue	777.68	1,109.44	4,814.00	3,490.02

b) Assets (net) as per geographical markets:

Segment	Domestic		Overseas	
	As at		As at	
	March 31, 2024	March 31, 2023	**March 31, 2024**	March 31, 2023
Vaccines	7,755.64	7,458.02	-	-
Formulations	4,239.00	4,791.64	412.07	462.00
Total	11,994.64	12,249.66	412.07	462.00
Assets classified as held for sale (refer note 2.1)	-	60.00	-	-
Total	11,994.64	12,189.66	412.07	462.00

c) Revenue from top one customer contributing more than 10% of segmental revenue:

Segment	For the year ended	
	March 31, 2024	March 31, 2023
Vaccines - Percentage of total revenues	42.70%	33.56%
Formulations - Percentage of total revenues	-	-

d) All other assets are located in India therefore separate disclosure for other assets is not presented.

46. Employee benefits obligations

A. Defined benefit plan

Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the Group is exposed to various risks as follows:

Salary increases risk	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 risk	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability risk	Death and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Gratuity (funded)

The Group provides for gratuity for employees in India as per the Payments of Gratuity Act, 1972 to Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan, the Group makes contributions to recognised funds in India. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The Group ensures that the investment positions are managed within an asset-liability matching framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods.

The weighted average duration of the defined benefit obligation as at March 31, 2024 is 12.58 years (March 31, 2023: 13.27 years).

The Group expects to contribute ₹35.68 million (March 31, 2023: ₹30.59 million) towards gratuity during next year.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ in million)

	Particulars	**As at March 31, 2024**	As at March 31, 2023
a.	Reconciliation of present value of defined benefit obligation and the fair value of plan assets:		
	Present value of defined benefit obligation as at the end of the year	233.42	205.90
	Fair value of plan assets as at the end of the year	59.26	59.51
	Net liability position recognised in balance sheet*	174.16	146.39
b.	Changes in defined benefit obligation:		
	Present value of defined benefit obligation as at the start of the year	205.90	206.56
	Adjustments for:		
	Interest cost	15.22	14.99
	Current service cost	19.31	16.54
	Benefits paid for eligible employees	(11.69)	(46.25)
	Actuarial (gain) / loss on defined benefit obligations	4.68	14.06
	Present value of defined benefit obligation as at the end of the year	233.42	205.90
c.	Net interest cost:		
	Interest cost on defined benefit obligation	15.22	14.99
	Interest income on plan assets	4.39	3.69
	Net interest cost	10.83	11.30
d.	Amount recognised in the statement of profit and loss:		
	Current service cost	19.31	16.54
	Net interest cost	10.83	11.30
	Amount recognised in the statement of profit and loss	30.14	27.84

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

(₹ in million)

	Particulars	As at March 31, 2024	As at March 31, 2023
e.	Change in plan assets:		
	Fair value of the plan assets at the beginning of the year	59.51	50.79
	Actual return on plan assets	4.59	4.26
	Adjustment in opening funds	-	-
	Employer contribution	5.99	24.14
	Fund management charges	(0.06)	(0.18)
	Benefits paid for eligible employees	(10.77)	(19.50)
	Fair value of the plan assets at the end of the year	59.26	59.51
f.	Key categories of plan assets as a percentage of the fair value of total plan assets for gratuity:		
	Investment with insurer	100%	100%
g.	Other comprehensive income:		
	Actuarial loss on arising from change in demographic assumption	-	-
	Actuarial (gain) / loss on arising from change in financial assumption	0.87	(2.40)
	Actuarial loss on arising from experience adjustment	(3.84)	16.46
	Actuarial loss on arising on plan assets	0.13	0.39
	Total actuarial loss for the year	(2.84)	14.45
h.	Net liability recognised in the Balance Sheet:		
	Non-current	164.51	134.25
	Current	9.64	12.13
i.	Actuarial assumptions:		
	Discount rate	7.25%	7.39%
	Future salary increase	6.00%	6.00%
j.	Demographic Assumption:		
	Retirement age (years)	60/75	60/75
	Mortality rates inclusive of provision for disability	100%	100%
	Withdrawal Rate (%)		
	Ages		
	Up to 30 years	10.00%	10.00%
	From 31 to 44 years	5.00%	5.00%
	Above 44 years	1.00%	1.00%
k.	Sensitivity analysis for gratuity liability**:		
	Impact of the change in discount rate:		
	a) Impact due to increase of 0.50%	(9.80)	(8.93)
	b) Impact due to decrease of 0.50%	10.54	9.61
	Impact of the change in salary increase:		
	a) Impact due to increase of 0.50%	9.49	8.58
	b) Impact due to decrease of 0.50%	(8.95)	(8.04)
l	Maturity profile of defined benefit obligation:		
	Within next 12 months	11.63	9.55
	Between 1-5 years	82.38	74.21
	Beyond 5 years	119.27	107.71

* The cash flows disclosed are discounted.
**The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant and may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of another as some of the assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the balance sheet date, which is the same method as applied in calculating the defined benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

B. Other long-term benefit plans represents the compensated absences provided to the employees of the Group

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Current liability - Actuarial	27.84	19.25
Current liability - Others	64.30	78.57
Non-current liability	113.46	99.92
Present value of obligation at the end of the year	205.60	197.74
Changes in present value of other long-term benefit plans		
(a) Present value of obligation at the beginning of the year	119.17	137.75
(b) Interest cost	8.81	9.99
(c) Past service cost	-	-
(d) Current service cost	25.14	19.87
(e) Benefits paid	(14.25)	(19.15)
(f) Actuarial loss / (gain)	2.43	(29.29)
(g) Others	64.30	78.57
Present value of obligation at the end of the year	205.60	197.74

Expenses recognised in Statement of Profit and Loss:

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Employee benefits expense	25.14	19.87
Interest cost	8.81	9.99
Actuarial loss / (gain)	2.43	(29.29)
Net actuarial (gain) / loss recognised in the Profit & Loss	36.38	0.57

C. Defined contribution plans

The Group's contribution to state governed provident fund scheme are considered as defined contribution plans. The contribution for the current year is ₹40.08 million (March 31, 2023: ₹35.88 million) and under the schemes is recognised as an expense, when an employee renders the related service. There are no other obligations of the Group, other than the contribution payable to the respective funds.

47. Fair value measurements

A. Financial assets and liabilities

The carrying amounts and fair values of financial instruments by class are as follows:

As at March 31, 2024 (₹ in million)

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial Assets:			
(i) Investments	404.32	-	-
(ii) Trade receivables	-	-	574.19
(iii) Cash and cash equivalents	-	-	471.74
(iv) Bank balances other than cash and cash equivalents	-	-	923.10
(v) Loans	-	-	32.68
(vi) Others financial assets	-	-	82.16
Total	404.32	-	2,083.87
Financial Liabilities:			
(i) Borrowings	-	-	209.94
(ii) Trade payables	-	-	1,536.84
(iii) Other financial liabilities	-	-	172.95
Total	-	-	1,919.73

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

As at March 31, 2023 (₹ in million)

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial Assets:			
(i) Investments	134.86	-	-
(ii) Trade receivables	-	-	600.92
(iii) Cash and cash equivalents	-	-	398.52
(iv) Bank balances other than cash and cash equivalents	-	-	1,861.39
(v) Loans	-	-	18.77
(vi) Others financial assets	-	-	73.81
Total	134.86	-	2,953.41
Financial Liabilities:			
(i) Borrowings	-	-	202.19
(ii) Trade payables	-	-	1,773.23
(iii) Other financial liabilities	-	-	203.63
Total	-	-	2,179.05

B. Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the balance sheet are categorised into three levels of fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement.

The different levels of fair value have been defined below:

Level 1: Quoted prices (unadjusted) in an active market for financial instruments.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly.
Level 3: Unobservable inputs for the asset or liability.

B.1 Financial assets and liabilities measured at fair value - recurring fair value measurements (₹ in million)

Investments:	Level 1	Level 2	Level 3
As at March 31, 2024	404.32	0.70	-
As at March 31, 2023	134.86	0.70	-

B.2 Financial assets and liabilities are measured at amortised cost. All the financial assets and liabilities valued at amortised cost form part of Level 3 of hierarchy table. Further, the carrying amounts of trade receivables, cash and cash equivalents, consignment debtors, interest accrued, other receivables, other bank balances, trade payables, employee payables and other current payables are considered to be the same as fair values, due to their short term nature. The fair value of all financial assets and financial liability, approximates the amortised cost due to their short term nature. They are classified as level 3 fair value in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk. The fair value of loans to employees and security deposits approximates the carrying amount.

48. Financial risk management

Risk management framework

The Group's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the Group manages the risk and the related impact in the Consolidated Financial Statements.

A. Credit risk

Credit risk is the risk that a counter party fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counter parties and incorporates this information into its credit risk controls.

A.1 Credit risk management

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets:

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The Group provides for expected credit loss based on the following:

Asset Company	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, Bank balances other than cash and cash equivalents, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables	Life time expected credit loss or 12 month expected credit loss*
High credit risk	Trade receivables and loans	Life time expected credit loss or fully provided for

*In respect of trade receivables, the Group recognises a provision for lifetime expected credit losses.

Based on business environment in which the Group 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 Group. The Group 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.

(₹ in million)

Particulars	Credit rating	**As at March 31, 2024**	As at March 31, 2023
Cash and cash equivalents	A: Low credit risk	471.74	398.52
Bank balances other than cash and cash equivalents	A: Low credit risk	923.10	1,861.39
Loans	A: Low credit risk	32.68	18.77
Other financial assets	A: Low credit risk	82.16	73.81
Trade receivables	B: Medium credit risk	574.19	600.92
Loans	C: High credit risk	1.50	2.80
Trade receivables	C: High credit risk	42.55	40.94
Other financial assets	C: High credit risk	7.10	6.52

Cash and cash equivalents and bank deposits: Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables: Credit risk related to trade receivables are mitigated by taking bank guarantees/letter of credit, from customers where credit risk is high. The Group closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts. The Group assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become two year past due.

Other financial assets measured at amortised cost: Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

A.2 Expected credit losses for financial assets other than trade receivables

The Group provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. In respect of loans, comprising of security deposits, credit risk is considered low because the Group is in possession of the underlying asset. However, in respect of loans comprising loans to related parties, credit risk is evaluated on the basis of credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. In respect of other financial assets, credit risk is evaluated based on Group's knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. In respect of other financial assets, credit risk is evaluated based on Group's knowledge of the credit worthiness of those parties and loss allowance is measured as lifetime expected credit losses. The Group does not have any expected loss based impairment recognised (except in case of loans to related parties) on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

As at March 31, 2024 (₹ in million)

Particulars	Estimated gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	471.74	-	-	471.74
Bank balances other than cash and cash equivalents	923.10	-	-	923.10
Loans	34.18	4.39%	1.50	32.68
Other financial assets	89.26	7.95%	7.10	82.16

As at March 31, 2023 (₹ in million)

Particulars	Estimated gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	398.52	-	-	398.52
Bank balances other than cash and cash equivalents	1,861.39	-	-	1,861.39
Loans	21.57	12.98%	2.80	18.77
Other financial assets	80.33	8.12%	6.52	73.81

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

Reconciliation of loss allowance (₹ in million)

Particulars	Amount
Loss allowance as on April 01, 2022	1.25
Expected loss recognised / (reversed) during the year	8.07
Loss allowance as on March 31, 2023	9.32
Expected loss recognised / (reversed) during the year	(0.72)
Loss allowance as on March 31, 2024	8.60

A.3 Expected credit loss for trade receivables under simplified approach

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein the Group has defined percentage of provision by analysing historical trend of default relevant to each category of customer based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met). Further, the Group has other trade receivables for ₹81.75 million (March 31, 2023: ₹546.75 million) from one party and ₹373.98 million (March 31, 2023: ₹205.99 million) against which it is carrying unsecured payables for corresponding amount for those default criteria are not met are not included in the below table.

As at March 31, 2024 (₹ in million)

Particulars	Not Due	Post due days						Total
		0-30 days	31-90 days	91-182 days	183-365 days	366-730 days	More than 730 days	
Gross carrying amount	80.81	15.16	15.72	3.05	8.53	3.18	34.56	161.01
Expected loss rate	1.81%	1.61%	7.45%	4.94%	34.25%	64.11%	100.00%	26.43%
Expected credit loss	1.46	0.24	1.17	0.15	2.92	2.04	34.56	42.55
Carrying amount (net of impairment)	79.35	14.92	14.55	2.90	5.61	1.14	-	118.46

As at March 31, 2023 (₹ in million)

Particulars	Not Due	Post due days						Total
		0-30 days	31-90 days	91-182 days	183-365 days	366-730 days	More than 730 days	
Gross carrying amount	256.95	42.81	19.39	20.70	10.01	11.71	27.55	389.12
Expected loss rate	1.41%	1.57%	3.41%	4.93%	41.26%	28.15%	100.00%	10.52%
Expected credit loss	3.61	0.67	0.66	1.02	4.13	3.30	27.55	40.94
Carrying amount (net of impairment)	253.34	42.14	18.73	19.68	5.88	8.41	-	348.18

Changes in allowance for trade receivables (₹ in million)

Particulars	Amount
As at March 31, 2022	39.03
Movement during the year	1.91
As at March 31, 2023	40.94
Movement during the year	1.61
As at March 31, 2024	42.55

B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in day-to-day business. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

B.1 Contractual Maturities of financial liabilities

The tables below analyse the Group’s financial liabilities based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2024 (₹ in million)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Borrowings including interest thereon	13.50	13.50	13.50	324.60	365.10
(ii) Trade payables	1,536.84	-	-	-	1,536.84
(iii) Other financial liabilities	1.92	-	-	-	1.92
Total	1,552.26	13.50	13.50	324.60	1,903.86

As at March 31, 2023 (₹ in million)

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Borrowings including interest thereon	14.21	164.21	0.71	174.05	353.18
(ii) Trade payables	1,773.23	-	-	-	1,773.23
(iii) Other financial liabilities	7.00	-	-	-	7.00
Total	1,794.44	164.21	0.71	174.05	2,133.41

C. Market risk

(i) 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's non-current and current debt obligations financed with fixed interest rates. The Group always try to ensure minimum cash outflows. The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility (the loans are repaid in the current year). Accordingly, the Group is not exposed to fluctuation in interest rate risk on borrowings.

(ii) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the United States Dollar (USD), Euro, Swiss Franc (CHF), Pound Sterling (GBP), Russian Rouble (RUB), and Swedish Krona (SEK). Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. The Group does not use any derivative instruments to manage its exposure. Also, the Group does not use forward contracts and swaps for speculative purposes.

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

(a) Foreign currency denominated financial assets and liabilities, translated at the closing rate:

Particulars in Foreign currency		As at March 31, 2024			As at March 31, 2023		
		Amount in foreign currency	Closing rate*	Amount in reporting currency (₹ in million)	Amount in foreign currency	Closing rate*	Amount in reporting currency (₹ in million)
I.	Financial assets:						
	Balance with banks						
	USD	87,324	83.40	7.28	1,10,265	82.17	9.06
	Euro	38,93,932	89.91	350.11	34,80,475	89.05	309.95
	CHF	1,953	54.29	0.11	7,825	89.78	0.70
	RUB	1,85,829	0.90	0.17	1,44,955	1.05	0.15
	Accrued receivable						
	USD	5,79,850	83.40	48.36	1,79,396	82.17	14.74
	Trade receivable						
	Euro	21,76,421	89.91	195.69	27,10,131	89.05	241.35
	USD	31,76,739	83.40	264.94	30,46,758	82.17	250.34
II.	Financial liabilities:						
	Foreign trade payable						
	USD	79,80,881	83.41	665.70	89,97,681	82.18	739.38
	Euro	1,46,200	90.00	13.16	9,92,950	89.14	88.51
	GBP	1,774	105.31	0.19	117	101.42	0.01
	CHF	61,888	54.29	3.36	70,909	89.87	6.37
	SEK	16,820	7.80	0.13	16,820	7.92	0.13
III	Net exposure						
	USD	(41,36,968)		(345.11)	(56,61,261)		(465.25)
	Euro	59,24,153		532.64	51,97,656		462.78
	GBP	(1,774)		(0.19)	(117)		(0.01)
	CHF	(59,935)		(3.25)	(63,084)		(5.67)
	RUB	1,85,829		0.17	1,44,955		0.15
	SEK	(16,820)		(0.13)	(16,820)		(0.13)

* Closing exchange rate has been rounded off to two decimal places.

(b) Sensitivity analysis of change in rates of material foreign currencies on profit / (loss) after tax and equity

(₹ in million)

Particulars	+/(-) in basis points	Impact on Profit / (loss) for the year ended	
		March 31, 2024	March 31, 2023
USD	+200	(5.16)	(6.89)
	-200	5.16	6.89
Euro	+500	19.93	17.12
	-500	(19.93)	(17.12)
CHF	+200	(0.05)	(0.08)
	-200	0.05	0.08

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49. Group information

Information about subsidiary / entity consolidated

Name of entity	Country of Incorporation	Proportion (%) of equity interest	
		As at March 31, 2024	As at March 31, 2023
Subsidiaries of Panacea Biotec Limited #			
Meyten Realtech Private Limited	India	100.00%	100.00%
Panacea Biotec Pharma Limited	India	100.00%	100.00%
Panacea Biotec (International) SA	Switzerland	100.00%	100.00%
PanEra Biotec Private Limited*	India	50.00%	50.00%
Adveta Power Private Limited*	India	75.00%	75.00%

excluding names for step down subsidiaries, since consolidated financial information of these entities is used for preparing these Consolidated Financial Statements.

* Considered as subsidiary for the purpose of consolidation as per Ind AS 110.

50. Additional information of the enterprises consolidated as subsidiaries / entities consolidated, as required under Schedule III of the Companies Act, 2013:

March 31, 2024 (₹ in million)

S. No.	Name of entity	Net assets (assets minus liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Parent								
	Panacea Biotec Limited	53.30%	4,467.89	-791.50%	119.12	-142.19%	5.46	-659.50%	124.58
	Subsidiary#								
1	Meyten Realtech Pvt. Ltd.	3.30%	276.79	29.30%	(4.41)	0.00%	-	23.35%	(4.41)
2	Panacea Biotec Pharma Limited	39.38%	3,300.82	878.80%	(132.26)	72.14%	(2.77)	714.82%	(135.03)
3	Panacea Biotec (International) SA	4.26%	356.82	-21.13%	3.18	170.05%	(6.53)	17.73%	(3.35)
4	PanEra Biotec Private Limited*	-0.21%	(17.72)	4.25%	(0.64)	0.00%	-	3.39%	(0.64)
5	Adveta Power Private Limited*	-0.03%	(2.35)	0.27%	(0.04)	0.00%	-	0.21%	(0.04)
	Total	100.00%	8,382.25	100.00%	(15.05)	100.00%	(3.84)	100.00%	(18.89)

excluding names for step down subsidiaries, since consolidated financial information of these entities is used for preparing these Consolidated Financial Statements.

* Considered as subsidiary for the purpose of consolidation as per Ind AS 110.

March 31, 2023 (₹ in million)

S. No.	Name of entity	Net assets (assets minus liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Parent								
	Panacea Biotec Limited	50.23%	4,219.79	258.61%	(872.69)	668.63%	13.64	256.12%	(859.05)
	Subsidiary#								
1	Meyten Realtech Pvt. Ltd.	3.09%	260.01	0.88%	(2.97)	0.00%	-	0.89%	(2.97)
2	Panacea Biotec Pharma Limited	42.73%	3,589.52	-150.47%	507.76	213.24%	4.35	-152.68%	512.11
3	Panacea Biotec (International) SA	4.28%	359.88	-15.97%	53.88	-781.86%	(15.95)	-11.31%	37.93
4	PanEra Biotec Private Limited*	-0.30%	(25.44)	-1.76%	5.95	0.00%	-	-1.77%	5.95
5	Adveta Power Private Limited*	-0.03%	(2.62)	8.71%	(29.38)	0.00%	-	8.76%	(29.38)
	Total	100.00%	8,401.14	100.00%	(337.45)	100.00%	2.04	100.00%	(335.41)

excluding names for step down subsidiaries, since consolidated financial information of these entities is used for preparing these Consolidated Financial Statements.

* Considered as subsidiary for the purpose of consolidation as per Ind AS 110.

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

51. Capital management policies

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position recognised in other comprehensive income.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. The amounts managed as capital by the Group are summarised as follows:

(₹ in million)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Non-current borrowings including interest accrued on borrowings	380.97	398.27
Current borrowings (current maturities on long term borrowings)	-	0.55
Less: Cash and cash equivalents	(471.74)	(398.52)
Net debt	(90.77)	0.30
Total equity	8,382.25	8,401.14
Net debt to equity ratio	-1.08%	0.00%

52. Reconciliation of liabilities arising out of financing activities

The changes in the Group's liabilities arising from financing activities are classified as follows:

(₹ in million)

Particulars	Long term borrowings*	Short term borrowings	Total
As at April 1, 2023	202.19	-	202.19
Cash changes:			
- Repayments	(2.36)	-	(2.36)
Other non-cash changes			
- Interest on financial liability component of compound financial instruments	10.11	-	10.11
As at March 31, 2024	209.94	-	209.94

*including current maturities of long term borrowings

(₹ in million)

Particulars	Long term borrowings*	Short term borrowings	Total
As at April 1, 2022	341.55	-	341.55
Cash changes:			
- Repayment	(147.74)	-	(147.74)
Other non-cash changes			
- Interest on financial liability component of compound financial instruments	8.38	-	8.38
As at March 31, 2023	202.19	-	202.19

*including current maturities of long term borrowings

53 Interests in other entities

(a) Subsidiaries

The Group's subsidiaries at year end are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity[#]	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interest		Principal activities
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
		%	%	%	%	
Meyten Realtech Private Limited	India	100	100	-	-	Real estate
Panacea Biotec Pharma Limited	India	100	100	-	-	Pharmaceuticals
Panacea Biotec (International) SA	Switzerland	100	100	-	-	Pharmaceuticals
Panacea Biotec Germany GmbH	Germany	100	100	-	-	Pharmaceuticals
PanEra Biotec Private Limited*	India	50	50	50	50	NA
Adveta Power Private Limited*	India	75	75	25	25	NA

* Considered as subsidiary for the purpose of consolidation as per Ind AS 110.

(b) Non-controlling interests (NCI)

Set out below is summarised financial information (before inter-company eliminations) for each subsidiary that has non-controlling interests that are material to the Group.

(₹ in million)

Summarised balance sheet	PanEra Biotec Private Limited		Adveta Power Private Limited	
	As at March 31, 2024	As at March 31, 2023	**As at March 31, 2024**	As at March 31, 2023
Current assets	33.03	33.13	0.23	0.18
Current liabilities	26.52	35.47	28.83	28.93
Net current assets (A)	6.51	(2.34)	(28.60)	(28.75)
Non-current assets	2.15	3.47	-	-
Non-current liabilities	70.16	56.10	0.55	0.21
Net non-current assets (B)	(68.01)	(52.63)	(0.55)	(0.21)
Net assets (A+B)	(61.50)	(54.97)	(29.15)	(28.96)
Accumulated Non-controlling interests	(30.75)	(27.49)	(7.29)	(7.24)

(₹ in million)

Summarised statement of profit and loss	PanEra Biotec Private Limited		Adveta Power Private Limited	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue	-	-	-	-
Profit / (Loss) of the year	(6.54)	4.57	(0.19)	(29.47)
Other comprehensive income	-	-	-	-
Total comprehensive income / (losses)	(6.54)	4.57	(0.19)	(29.47)
Profit / (Loss) allocated to Non-controlling interests	(3.27)	2.29	(0.05)	(7.37)
Dividend paid to Non-controlling interests	-	-	-	-

(₹ in million)

Summarised cash flows	PanEra Biotec Private Limited		Adveta Power Private Limited	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities	(13.73)	(55.47)	(0.29)	(0.13)
Cash flows from investing activities	-	-	-	-
Cash flows from financing activities	14.06	56.10	0.34	0.21
Net increase / (decrease) in cash and cash equivalents	0.33	0.63	0.05	0.08

(c) There are no transactions with non-controlling interests.

54. The Board of Directors of the Holding Company and Panacea Biotec Pharma Limited ("PBPL") have, in their respective meetings held on February 01, 2022, approved sale of PBPL's pharmaceutical formulations brands in India and Nepal including related trademarks, copyrights etc., including identified employees to Mankind Pharma Limited (the "Buyer") for a consideration of ₹18,720.00 million plus applicable taxes. The said transaction was approved by the shareholders of PBPL and the Holding Company in their respective meetings held on February 23, 2022 and February 26, 2022 respectively. Subsequently, the Holding Company and PBPL signed the definitive agreements including the asset purchase agreement with the Buyer on February 28, 2022. Out of the total consideration, PBPL has recognised revenue of ₹360.34 million (March 31, 2023: ₹1,026.61 million) which is shown as an "Exceptional Item" in the Statement of Profit and Loss of PBPL and Consolidated Statement of Profit and Loss of the Group. The remaining consideration of ₹570.99 million (March 31, 2023: ₹931.33 million) would be recognised as revenue in subsequent years and is shown as Contract Liability in the Financial Statements of PBPL and Consolidated Financial Statements of the Group.

55. For the financial year ended March 31, 2024, the Group has earned a profit before tax of ₹14.77 million (year ended March 31, 2023: ₹128.05 million). The Group has already taken various measures aimed at improving the financial condition of the Group, inter-alia, sale of pharmaceutical formulations brands, as explained in note 54 above, which enabled the Group to repay its outstanding dues of Non-Convertible Debenture (NCDs) and retain sufficient surplus to fund its existing projects and operations and also help the Group to enter new market and expediting development of new products. The surplus funds with the Group has also strengthened the working capital position and scaling up its pharmaceutical formulations business in international markets including ROW countries, USA / EU, etc. and to pursue other business opportunities. The Holding Company has already received higher long-term awards from UNICEF and PAHO for supply of pentavalent vaccine to these institutions. Based on these measures and continuous efforts to improve the business performance, the management has prepared the consolidated financial statements of the Group on going concern basis.

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

56. (a) In view of the Holding Company's decision to make the structure of overseas subsidiaries more efficient and aligned to business objectives and to save management and administrative expenses thereof, the Holding Company has decided to wind-up Panacea Biotec (International) SA ("PBS") in due course. Accordingly, the Holding Company has created provision for impairment on its investment in PBS in its standalone financial statements. Owing to accumulated losses in PBS and its wholly-owned subsidiary, Panacea Biotec Germany GmbH (PBGG), the Company has continued to maintain the provision for bad and doubtful advances in respect of the loans receivable and accrued interest from PBS and PBGG also amounting to ₹123.48 million and ₹407.67 million, respectively, as on March 31, 2024 (March 31, 2023: ₹96.78 million and ₹319.42 million, respectively).

(b) The Holding Company has applied with the authorized dealer to seek permission from Reserve Bank of India for writing off an amount of ₹585.16 million which was receivable from the Holding Company's wholly owned subsidiary Rees Investments Limited ("Rees"), which was compulsorily liquidated and dissolved by the authorities of Guernsey on May 23, 2019. Pending such approval, the Holding Company is continuing to maintain the provision for bad and doubtful advances of ₹585.16 million (March 31, 2023: ₹585.16 million) in respect of the loan and accrued interest receivable from Rees in its standalone financial statements.

57. The Board of Directors of the Holding Company and PBPL, Associate (PanEra Biotec Pvt. Ltd ("PanEra")) and Joint Venture (Adveta Power Pvt. Ltd. ("Adveta")) approved the merger of PanEra and Adveta with the PBPL in their meeting held on May 18, 2022 in case of Holding Company and PBPL and May 16, 2022 in case of PanEra and Adveta. The approval of Shareholders, NCLT and other requisite concerned authorities of respective Companies is yet to be taken.

58. The Board of Directors of Meyten Realtech Private Limited ("Meyten"), Radhika Heights Limited ("RHL") the erstwhile wholly-owned subsidiary of Panacea Biotec Limited ("PBL") and Cabana Structures Limited, a wholly owned subsidiary of RHL, in their respective meetings held on August 29, 2020, approved a Scheme of Arrangement ("Scheme") for inter-alia, demerger of the Demerged Undertaking comprising of Specified Leasing Business including its immovable property belonging to RHL with and into Meyten w.e.f. the Appointed Date i.e. April 01, 2020 ("Appointed Date"), which was filed with the Hon'ble National Company Law Tribunal, Chandigarh ("NCLT") on December 15, 2020. The Scheme was approved by Hon'ble NCLT vide its order dated January 18, 2023 and necessary forms were filed with Registrar of Companies, Punjab & Chandigarh ("RoC") on March 18, 2023. The ROC issued Certificate dated March 24, 2023 on registration of the Order and making the Scheme effective, with March 24, 2023 as the Effective Date. Upon the Scheme coming into effect, Group recorded all the assets, liabilities and reserves of the Demerged Undertaking at book value as appearing in the books of RHL as on the date from the Appointed Date.

59. Under the collaboration with Limited Liability Company "Human Vaccine" ("HV"), an indirect wholly-owned subsidiary of Joint Stock Company "Management Company of Russian Direct Investment Fund" for manufacture of Covid-19 vaccine using the technology to be provided by HV, the Holding Company had received advance amount of US$ 7.00 million in November 2020, out of which ~US$ 6.58 million was used to meet the expenses relating to Sputnik-V and Sputnik Light vaccine project. Due to the failure on the part of HV to demonstrate and transfer the technology and certain other reasons beyond the control of the Holding Company, the complex process of technology transfer and manufacture of Sputnik-V vaccine could not be completed successfully and the contract stood frustrated and accordingly both the parties stood automatically discharged from their contract by operation of law. In view of the fact that the Holding Company has incurred huge expenses on the said project and also received the advance from HV, it had been decided that the said advance would be adjusted against such expenses. The Holding Company has already conveyed its decision to HV and provided relevant details / documents pertaining to the said expenses. During the financial year 2023-24, there is no further update on this matter. The Holding Company has received legal advice from its counsel and believes that it will not be liable to pay back the amount adjusted towards expenses under dispute with HV.

60. In August 2021, the Holding Company had entered into a Licensing and Manufacture Agreement with Limited Liability Company 'Human Vaccine' ("HV"), Joint Stock Company 'Generium' ("Generium") and Dr. Reddy's Laboratories Limited ("DRL"). As per the terms of the agreement, the Holding Company was to undertake fill-and-finish activities of Sputnik-V vaccine using the ready-to-fill drug substance supplied by Generium and supply the Sputnik-V vaccine so produced to DRL. Pursuant to the said agreement, the Holding Company received drug substance from Generium and produced around ~1.96 million doses of Sputnik-V vaccine out of which DRL purchased ~0.86 million doses only and refused to purchase and pay for the remaining ~1.10 million doses. Because of DRL's breach of its obligations, the pending payment of ~US$ 7.41 million for the Drug Substance received from Generium could not be made. After several rounds of discussion among the parties to settle the dispute amicably, Generium has filed notice of arbitration with Singapore International Arbitration Centre (SIAC) for arbitration of dispute with respect to the said pending payment and interest thereon totalling ~US$ 8.90 million. Panacea Biotec has also initiated a parallel arbitration proceeding regarding its claims against DRL, Generium and HV and filed request for arbitration with SIAC during the current financial year. At the Holding Company's request, SIAC has clubbed both the arbitration proceedings together. The parties have appointed sole arbitrator. All the parties involved in the Arbitration have filed claims and counter claims against each other. The arbitration proceedings, including filing of pleadings, responses and counter responses is in progress. The Holding Company has obtained legal opinion from its legal counsel who, considering the preliminary stage of the proceedings, have opined that (a) the Holding Company has a reasonable defence against the claim brought by Generium, DRL and HV; and (b) the possibility of any such claim falling to the Holding Company may be classified as low at this stage.

61. Additional regulatory information required by Schedule III under Companies Act 2013:

(i) The Group entities do not have any Benami Property, where any proceeding has been initiated or pending against them for holding any Benami property.

(ii) The Group entities do not have any transactions with struck off companies.

(iii) The Group entities do not have any charges or satisfaction of charge which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Group entities have not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Group entities have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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 to or on behalf of the Ultimate Beneficiaries.

(vi) The Group entities have not received any fund from any other person(s) or entity(ies), including foreign entity(ies) (Funding Party) with the understanding (whether recorded in writing or otherwise) that they shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party; or
- provide any guarantee, security or the like to or on behalf of the Funding Party.

(vii) The Group entities have not entered into any transaction which is not recorded into 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 Group entities have not been declared as wilful defaulter by any bank or financial institution or other lender.

(ix) The Group entities have complied with the number of layers prescribed under Section 2 (87) of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017.

(x) No scheme of arrangements has been approved by the Competent Authority in term of sections 230 to 237 of the Companies Act, 2013, during the year.

(xi) The Group entities do not have any borrowings from banks or financial institutions against security of their current assets.

(xii) The title deeds of the immovable properties owned by the Group entities are held in the name of respective Group entity.

62. The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Management of each Company in the Group has implemented the audit trail (edit logs) at the application level in accounting software from the beginning of the financial year and the same operated throughout the year. However, the audit trail (edit logs) has not been implemented at the database level for the accounting software. The Group is evaluating the implementation of audit trail feature for recording of edit logs at database level for the accounting software used for maintenance of books of accounts.

63. 0.00 under ₹ in million" represents amount less than ₹50,000 and 0.00 under units represents units less than 50,000. Further, the figures shown in the tables may not exactly add up due to rounding off. Previous year figures have been regrouped, reclassified wherever considered necessary. The impact of such reclassification/regrouping is not material to the financial statements.

64. There are no other subsequent events that occurred after reporting date.

The above notes form an integral part of the consolidated financial statements.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sd/-
Arun Tandon
Partner
Membership No. 517273

Place : New Delhi
Date : May 30, 2024

For and on behalf of Board of Directors of Panacea Biotec Limited

Sd/-
Dr. Rajesh Jain
Chairman and Managing Director
(DIN 00013053)

Sd/-
Sandeep Jain
Joint Managing Director
(DIN 00012973)

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary

Sd/-
Devender Gupta
Chief Financial Officer &
Head Information Technology

NOTES

Panacea Biotec in News

ICMR and Panacea Biotec begin Phase 3 trial of India's first indigenous dengue vaccine, DengiAll

ICMR and Panacea Biotec have launched the Phase 3 clinical trial of DengiAll, India's first indigenous dengue vaccine. Union Health Minister JP Nadda praised the initiative, calling it a key step in combating dengue and advancing India's self-reliance in healthcare under the Atmanirbhar Bharat vision.

By CNBCTV18

2 Min Read

The Indian Council of Medical Research (ICMR) and Panacea Biotec have commenced the Phase 3 clinical trial of DengiAll, India's first indigenous dengue vaccine.

Union Health Minister JP Nadda hailed the initiative, stating, "The initiation of this Phase 3 clinical trial for India's first indigenous dengue vaccine marks a critical advancement in our fight against dengue."

He further emphasised the importance of this collaboration between ICMR and Panacea Biotec, noting, "Through this partnership, we are not only taking a step towards ensuring the health and well-being of our people but also reinforcing our vision of Atmanirbhar Bharat in the healthcare sector."

Currently, India has no antiviral treatment or licensed vaccine for dengue, making the development of an effective vaccine a complex and urgent need. The challenge lies in achieving high efficacy across all four serotypes of the dengue virus, which are known to circulate or co-circulate in many regions of the country.

The tetravalent dengue vaccine strain (TV003/TV005), initially developed by the National Institutes of Health (NIH), USA, has shown promising results in preclinical and clinical trials globally. Panacea Biotec, one of three Indian companies to receive this strain, has made the most progress in developing a complete vaccine formulation.

The company has also secured a process patent for its work on these strains. Phase 1 and 2 clinical trials of the Indian vaccine formulation were completed in 2018-19, showing encouraging outcomes.

The Phase 3 clinical trial, conducted in collaboration with ICMR, will take place across 19 sites in 18 States and Union Territories, involving over 10,335 healthy adult participants.

Panacea Biotec launches a generic version of this cancer treatement drug in the Canadian market

"Paclitaxel Protein-Bound Particles for Injectable Suspension is indicated for the treatment of metastatic breast cancer, non-small cell lung cancer and adenocarcinoma of the pancreas," Panacea Biotec said in a statement. The Paclitaxel protein-bound particles of injectable suspension is the first generic version of Abraxene in Canada.

Panacea Biotec on Saturday, October 28, launched the generic version of Abraxane — Paclitaxel protein-bound particles of injectable suspension -- in the Canadian market via its wholly-owned subsidiary Pacaea Biotec Pharma Ltd.

Apotex Inc, Canada is the company's strategic partner for the same.

"Paclitaxel Protein-Bound Particles for Injectable Suspension is indicated for the treatment of metastatic breast cancer, non-small cell lung cancer and adenocarcinoma of the pancreas," the company said in a statement.

This is the first generic launch of Abraxene in Canada, and it provides high quality medication to patients at an affordable price, the company said. At present, Abraxane's market size in Canada is ₹26.4 million, it added.

Panacea Biotech and Apotex Inc had an existing collaboration for development, research, licence and sale and supplky of the mentioned product in the US, Australia, Canada and New Zealand. As per the agreement, Panacea Biotec had conducted the research, development and manufacturing of the product at its pharma formulations facility in Himachal Pradesh's Baddi. Meanwhile, Apotex Inc will be responsible for the marketing, sales and distribution of the product in the Canadian market, the stock exchange filing stated.

Major milestone for India's dengue shot as Phase 3 trials begin

By Rhythma Kaul

Aug 14, 2024 10:54 PM IST

India reported 289,235 dengue cases and 485 deaths in 2023, according to data the National Centre for Vector Borne Diseases Control Programme

The global incidence of dengue has been steadily increasing over the past two decades, with at least 129 countries reporting dengue viral disease by the end of 2023, according to the World Health Organization. (HT Photo)

The Indian Council of Medical Research (ICMR) and Panacea Biotec announced on Wednesday that they have started the first-ever Phase 3 clinical trial for its anti-dengue vaccine candidate in India; the country currently does not have an approved vaccine for the illness.

Dengue is a major public health concern in India and many parts of the world because of the large number of cases detected each year. India reported 289,235 dengue cases and 485 deaths in 2023, according to data shared by the National Centre for Vector Borne Diseases Control Programme.

ET Pharma.com

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ICMR, Panacea Biotec begin Phase 3 clinical trial of indigenous dengue vaccine

The tetravalent dengue vaccine strain (TV003/TV005), initially developed by the National Institutes of Health (NIH) in the USA, has demonstrated promising results in global preclinical and clinical trials. In India, Phase 1 and 2 trials of the vaccine formulation were completed in 2018-19 with positive outcomes, according to Union Health Ministry.

Online Bureau · ET Pharma

Updated On Aug 14, 2024 at 02:15 PM IST

New Delhi: The Indian Council of Medical Research (ICMR) and Panacea Biotec have initiated the Phase 3 clinical trial for DengiAll, an indigenous tetravalent dengue vaccine developed in India. This trial marks a significant milestone in the nation's efforts to combat dengue, a disease for which no antiviral treatment or licensed vaccine currently exists in the country.

The Phase 3 trial will be conducted at 19 sites across 18 States and Union Territories, involving more than 10,335 healthy adult participants. The participants will be followed for two years, with the first vaccination administered at the Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Sciences (PGIMS) in Rohtak.

The challenge in developing an effective dengue vaccine lies in achieving good efficacy against all four serotypes of the virus, which are known to circulate or co-circulate in many regions. The successful development of this vaccine could have a profound impact on public health in India.

Speaking about the indigenous dengue vaccine, Union Minister of Health & Family Welfare, J.P. Nadda, said, "The initiation of this Phase 3 clinical trial for India's first indigenous dengue vaccine marks a critical advancement in our fight against dengue. Through this collaboration between ICMR and Panacea Biotec, we are not only taking a step towards ensuring the health and well-being of our people but also reinforcing our vision of Atmanirbhar Bharat in the healthcare sector."

News mantra

Corporate Press Release

ICMR and Panacea Biotec Launch India's First Phase 3 Clinical Trial for Indigenous Dengue Vaccine, DengiAll

icmr भारतीय आयुर्विज्ञान अनुसंधान परिषद
INDIAN COUNCIL OF MEDICAL RESEARCH

New Delhi, August 14, 2024: In a landmark development for India's healthcare sector, the Indian Council of Medical Research (ICMR) and Panacea Biotec have initiated the first-ever Phase 3 clinical trial for a dengue vaccine in the country. This pivotal trial aims to assess the efficacy of India's indigenous tetravalent dengue vaccine, DengiAll, developed by Panacea Biotec. The first participant was vaccinated today at Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Sciences (PGIMS), Rohtak.

Currently, India lacks an antiviral treatment or a licensed vaccine against dengue, making the development of an effective vaccine a complex yet urgent need. The challenge lies in achieving robust efficacy across all four serotypes of the dengue virus, which are known to circulate or co-circulate in various regions across India.

Panacea Biotec
Innovation in support of life

The tetravalent dengue vaccine strain (TV003/TV005), originally developed by the National Institutes of Health (NIH), USA, has demonstrated promising results in global preclinical and clinical trials. Panacea Biotec, one of three Indian companies to receive this strain, is leading the charge in vaccine development. The company has extensively worked on these strains to create a comprehensive vaccine formulation and holds a process patent for this innovative work. The Phase 1 and 2 clinical trials of the Indian formulation were successfully completed in 2018-19, showing encouraging results.

In partnership with ICMR, Panacea Biotec will conduct the Phase 3 clinical trial at 19 sites across 18 States and Union Territories, involving over 10,335 healthy adult participants. The trial, which will track participants for two years, is primarily funded by ICMR, with additional support from Panacea Biotec. This initiative represents a monumental step towards developing an indigenous vaccine to address one of India's most pressing public health challenges and is a testament to the nation's commitment to achieving self-reliance (Atmanirbhar Bharat) in the healthcare sector.

Background on Dengue in India

Dengue continues to be a major public health concern in India, with the country ranking among the top 30 nations with the highest incidence of the disease. According to the World Health Organization (WHO), the global incidence of dengue has surged over the past two decades, with more than 129 countries reporting cases by the end of 2023. In India, approximately 75-80% of dengue infections are asymptomatic, yet these individuals can still transmit the virus through Aedes mosquitoes. Among the 20-25% of cases where symptoms are clinically apparent, children are at a significantly higher risk of hospitalization and mortality. In adults, the disease can progress into severe conditions such as dengue hemorrhagic fever and dengue shock syndrome. The dengue virus has four serotypes (1-4), and due to low cross-protection among them, individuals can experience multiple infections over their lifetime.

The initiation of this Phase 3 clinical trial marks a critical step forward in India's efforts to combat dengue and underscores the country's growing capabilities in vaccine research and development.

Panacea Biotec unveils EasyFourPol vaccine in a big leap for child immunisation

EasyFourPol is the world's first fully liquid wP-IPV pentavalent vaccine which offers protection against five life-threatening diseases — diphtheria, tetanus, pertussis, polio, and invasive infections caused by haemophilus influenza type B. Shares of Panacea Biotec Ltd ended at ₹162.85, down by ₹3.85, or 2.31%, on the BSE.

Biotechnology firm Panacea Biotec Ltd on Thursday (December 14) said it has unveiled EasyFourPol, the world's first fully liquid wP-IPV pentavalent vaccine.

This innovative vaccine offers protection against five life-threatening diseases — diphtheria, tetanus, pertussis, polio, and invasive infections caused by haemophilus influenza type B, representing a significant leap in comprehensive child immunisation.

This innovative vaccine offers protection against five life-threatening diseases — diphtheria, tetanus, pertussis, polio, and invasive infections caused by haemophilus influenza type B, representing a significant leap in comprehensive child immunisation.

EasyFourPol is designed to streamline the vaccination process, eliminating the need for preparation by healthcare workers at clinics, Panacea Biotec said in a regulatory filing.

The ready-to-use combination vaccine not only provides an equivalent level of protection as single-antigen vaccines but also presents a host of advantages for all stakeholders in the vaccination ecosystem.

Panacea Biotec

Innovation in support of life

Panacea Biotec Limited

CIN: L33117PB1984PLC022350

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Panacea Biotec
Innovation in support of life

Panacea Biotec Limited

(CIN: L33117PB1984PLC022350)
Regd. Office: Ambala - Chandigarh Highway, Lalru - 140501, Punjab
Corp. Office: B-1 Extn./G-3, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044
Website: www.panaceabiotec.com, E-mail: companysec@panaceabiotec.com, Tel: +91 11 41679000

NOTICE

NOTICE is hereby given that the **40th Annual General Meeting ("AGM")** of the Members of Panacea Biotec Limited ("the Company") will be held on **Friday, September 27, 2024** at **11:30 A.M.** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 including Auditors' Report thereon and in this regard, if thought fit, to pass the following resolutions as an **Ordinary Resolutions**:

   a) "RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and the Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

   b) "RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 together with the Auditors' Report thereon, as circulated to the members, be and are hereby considered and adopted."

2. To appoint a director in place of Mr. Narotam Kumar Juneja who retires by rotation and being eligible, offers himself for re-appointment and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Narotam Kumar Juneja (DIN: 01204817) who retires by rotation at this meeting and being eligible, offered himself for re-appointment, be and is hereby appointed as director, liable to retire by rotation for a period upto March 31, 2025."

3. To consider appointment of M/s Suresh Surana & Associates LLP, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration, and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014 including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, from time to time, the approval of the Members of the Company, be and is hereby accorded for the appointment of M/s Suresh Surana & Associates LLP, Chartered Accountants (ICAI Firm Registration No. 121750W/W100010) as Statutory Auditors of the Company to hold office for a period of 5 (five) consecutive years i.e. from the conclusion of 40th Annual General Meeting ("AGM") till the conclusion of the 45th AGM of the Company, at such remuneration and out of pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors, on the basis of the recommendation of the Audit Committee of the Board of Directors of the Company.

   RESOLVED FURTHER THAT the Board, including the Audit Committee of the Board or any other person(s) authorised by the Board or Audit Committee in this regard, be and are hereby severally authorised on behalf of the Company, to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary or desirable for such purpose and with the power to the Board including the Audit Committee of the Board of Directors to settle all questions, difficulties or doubts that may arise in regard to the implementation of the aforesaid Resolution, including but not limited to determination of roles and responsibilities / scope of work of the Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing the terms of appointment, including any contract or document in this regard, without being required to seek any further consent or approval of the Members of the Company."

SPECIAL BUSINESS: .

4. To consider and approve the requests received for re-classification from "Promoters and Promoters' Group" category to "Public" category and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations") and such other applicable rules, regulations, guidelines, notifications issued by any of the regulatory / statutory authorities, under any applicable laws, including any statutory modification(s) or re-enactment(s) thereof from time to time, based on the recommendation by the Board of the Directors and subject to necessary approvals from the stock exchanges where the securities of the Company are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (collectively known as "Stock Exchanges") and such other approvals, as may be necessary, the consent of the members of the Company be and is hereby accorded to reclassify the following persons ("Outgoing Promoters' Group Members") from "Promoters and Promoters' Group" Category to "Public" Category:

S. No.	Name of Promoters & Promoters' Group to be reclassified	Number of shares held	Details of Direct/ Indirect control or special rights	Designation in the Company as a KMP or in any other capacity
1.	Mrs. Sunanda Jain	NIL	NIL	None
2.	Mr. Sumit Jain	NIL	NIL	None
3.	Ms. Radhika Jain	NIL	NIL	None

RESOLVED FURTHER THAT post the above reclassification, the Promoters & Promoters' Group of the Company shall be as under:

Particulars	Outgoing Promoters' Group Members	Promoters and Promoters' Group post reclassification
Promoters and Promoters' Group	1. Mrs. Sunanda Jain 2. Mr. Sumit Jain 3. Ms. Radhika Jain	PROMOTERS 1. Dr. Rajesh Jain 2. Mr. Sandeep Jain PROMOTERS' GROUP 3. Mrs. Nirmala Jain 4. Mrs. Meena Jain 5. Mrs. Pamilla Jain 6. Mr. Ankesh Jain 7. Mr. Harshet Jain 8. Mrs. Priyanka Jain 9. Mr. Abhey Kumar Jain 10. Mr. Ashish Jain 11. Rajesh Jain (HUF) (Karta: Rajesh Jain) 12. Sandeep Jain (HUF) (Karta: Sandeep Jain) 13. First Lucre Partnership Co. (through Dr. Rajesh Jain) 14. Second Lucre Partnership Co. (through Mrs. Rashmi Jain)

RESOLVED FURTHER THAT upon receipt of requisite approvals as may be necessary in this regard, the Company shall affect such reclassification in the Statement of Shareholding Pattern from immediate succeeding quarter under Regulation 31 of SEBI LODR Regulations and ensure compliances under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions, if any.

RESOLVED FURTHER THAT pursuant to Regulation 31A(3)(b) of the SEBI LODR Regulations, it is hereby confirmed that the Outgoing Promoters' Group Members and persons related to them:

a) do not hold more than ten percent of the total voting rights in the Company;

b) do not exercise control over the affairs of the Company directly or indirectly;

c) do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;

d) shall not been represented on the Board of Directors (including not having a nominee director) of the Company;

e) shall not act as key managerial personnel in the Company;

f) are not "willful defaulter" as per the Reserve Bank of India guidelines; and

g) are not fugitive economic offender.

RESOLVED FURTHER THAT the Board of Directors of the Company (which term shall be deemed to mean and include any Committee, duly constituted / to be constituted by the Board, or its Director(s) / Key Managerial Personnel(s) / officer(s) / representative(s), as may be authorized by the Board / Committee, from time to time, to exercise its powers including powers conferred by this resolution) be and are hereby authorised to do all such acts, deeds, matters and things as they may, in their absolute discretion, deem necessary, proper or desirable to give effect to this resolution including but not limited to filing of necessary application(s) / intimation(s) etc. with the Stock exchange(s) or other appropriate statutory authorities and to represent before such authorities, as may be required for seeking their approval, and to execute all such documents, deeds, undertakings, agreements, certificates, declarations, applications, notices, papers and writings, as may be required in this regard, and to settle all such questions, difficulties or doubts whatsoever which may arise and amend such details and to take all such other steps and decisions in this regard as may be required to give full effect to the aforesaid resolution."

5. To consider and ratify the remuneration of Cost Auditors and in this regard, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the explanatory statement annexed to the Notice, to be paid to M/s Jain Sharma & Associates, Cost Accountants (Firm Registration Number: 000270), appointed as Cost Auditors of the Company, to conduct the audit of cost records of the Company for the financial year 2024-25, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel(s) of the Company be and are hereby severally authorised to do all such acts, matters, deeds and things and to sign all such documents, papers and writings as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board
For Panacea Biotec Limited

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary
Membership No. : F3232

Place: New Delhi
Date : August 14, 2024

NOTES:

1. The Ministry of Corporate Affairs ("MCA"), Government of India, inter-alia vide its General Circular Nos. 14/2020, 17/2020, and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively, followed by subsequent circulars in this regard, the latest being Circular No. 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars"), **has permitted conducting of Annual General Meeting through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") facility on or before September 30, 2024** and dispensed personal presence of the members at the AGM. In line with the aforesaid MCA Circulars, applicable provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), **the 40th Annual General Meeting ("AGM" / "Meeting") of the Members of the Company will be held through VC / OAVM, without the physical presence of the members at a common venue**. Hence, the Members can attend and participate in the AGM through VC / OVAM only. The deemed venue for the AGM shall be the Registered Office of the Company viz. Ambala-Chandigarh Highway, Lalru - 140501, Punjab.
2. In line with the said MCA Circulars, the Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI /HO/CFD/CFD-POD-2/P/CIR/ 2023/167 dated October 07, 2023 has also extended the relaxations from printing and dispatching physical copies of Annual Reports to the shareholders, for the AGM conducted till September 30, 2024. Accordingly, the Company will send the Annual Report and the AGM Notice in electronic form only. However, in terms of Regulation 36(1)(c) of SEBI LODR Regulations, the Company will send hard copy of full Annual Report to those shareholders who request for the same.
3. Generally, a member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members under Section 105 of the Act will not be available for the AGM. Hence, the Proxy Form and Attendance Slip and Route Map are not annexed to this Notice.
4. Corporate / Institutional Members are encouraged to attend and vote at the meeting through VC/OVAM. Corporate / Institutional Members intending to authorise their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution / Authority Letter etc., authorizing their representative to attend the AGM through VC / OAVM and vote through remote e-Voting on their behalf, to the Scrutinizer at email scrutinizer@panaceabiotec.com with a copy marked to compliances@skylinerta.com and companysec@panaceabiotec.com pursuant to Section 113 of the Act.
5. The Explanatory Statement as required pursuant to Section 102 of the Act setting out material facts concerning Special Business (being considered unavoidable by the Board of Directors) set out in the Notice is annexed hereto.
6. The relevant details of director retiring by rotation and seeking re-appointment in the ensuing AGM as required pursuant to Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard on General Meetings ("SS - 2"), as applicable, are provided in the **Annexure - I** to the Notice.
7. **Electronic dispatch of Notice of AGM and Annual Report**:
   i) Pursuant to the aforesaid MCA Circulars and SEBI Circular dated October 07, 2023, the Notice of AGM and the Annual Report for the financial year 2023-24 are being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Therefore, Members, whose email address is not registered with the Company or with their respective Depository Participant(s) ("DP"), and who wish to receive the soft copy of Notice of the AGM and the Annual Report for the financial year 2023-24 and all other communications sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
      a) Members holding shares in physical form: please send a duly filled and signed Form ISR-1 along with self-attested copy of the PAN Card and any document (e.g. Driving License, Voter Identity Card, Passport, Bank Statement, AADHAR) in support of the address of the Member, by email to Company's Registrar & Transfer Agent, viz. Skyline Financial Services Pvt. Ltd. ("RTA") at compliances@skylinerta.com or at Company's email address: companysec@panaceabiotec.com. The said Form is available at https://www.panaceabiotec.com/en/section/information-repository/other-important-information.
      b) Members holding shares in demat form: please register / update your email address with your respective DPs.
   ii) The Notice of the 40th AGM and the Annual Report for the financial year 2023-24 will also be available on the Company's website viz. www.panaceabiotec.com and on the website of the Stock Exchanges where the equity shares of the Company are listed viz. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") at https://www.nseindia.com and https://www.bseindia.com, respectively. The Notice will also be available on the website of the National Securities Depository Limited ("NSDL") at www.evoting.nsdl.com
   iii) Physical copy of the Annual Report for the FY 2023-24 (including the Notice of the 40th AGM) shall be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the FY 2023-24, may write to the Company at companysec@panaceabiotec.com, requesting for the same by providing their holding details.
   iv) The Notice of AGM will be sent to those Members / beneficial owners electronically, whose name will appear in the Register of Members / list of beneficiaries received from the depositories as on the Record Date i.e. Friday, August 30, 2024.
   v) Any person who has acquired shares and become member of the Company after the dispatch of this Notice but holding shares as on the cut-off date i.e. Friday, September 20, 2024, may obtain electronic copy of Notice of AGM and the Annual Report by sending a request to the Company or the RTA.
8. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, September 20, 2024 to Friday, September 27, 2024 (both days inclusive) for the purpose of AGM. The cut-off date to determine the eligibility for the purpose of voting through electronic means in the AGM is Friday, September 20, 2024.
9. **Procedure for Voting through Electronic Means (Remote e-Voting)**:
   i) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI LODR Regulations and Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the Company is pleased to provide to its Members, the facility to exercise their right to vote on resolutions proposed to be considered at the 40th AGM by electronic means and has availed the services of NSDL to facilitate voting through electronic means from a place other than venue of the AGM ('remote e-Voting') as well as e-Voting at the AGM through VC / OAVM ('e-voting at the AGM').
   ii) The remote e-Voting period will commence on Tuesday, September 24, 2024 (from 09:00 a.m. IST) and end on Thursday, September 26, 2024 (upto 05:00 p.m. IST). During this period, members of the Company holding shares either in physical form or in dematerialised form,

as on the cut-off date i.e. Friday, September 20, 2024 may cast their votes electronically.

Cut-off date for remote e-Voting	September 20, 2024
Remote e-Voting start date	September 24, 2024
Remote e-Voting end date	September 26, 2024

The remote e-Voting module shall forthwith be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. However, the facility for voting through electronic voting system will also be made available at the Meeting and members attending the Meeting who have not cast their vote(s) by remote e-Voting will be able to vote at the Meeting.

iii) Any person who has acquired shares and become member of the Company after electronic dispatch of Notice of the AGM but holding shares as on the cut-off date i.e. Friday, September 20, 2024 may obtain user ID and password for e-Voting by sending a request to the Company's RTA or NSDL.

iv) A person who is not a member as on the cut-off date i.e. Friday, September 20, 2024, should treat this Notice for information purposes only.

v) The voting at the AGM will begin on September 27, 2024 at 11:30 A.M. and will end upon completion of 30 minutes from the time of the conclusion of the AGM. Within this period, Members attending the meeting through VC / OAVM Facility, who have not yet exercised their vote through remote e-Voting, can exercise their vote electronically.

vi) The members who have cast their vote by remote e-Voting prior to the meeting may also attend the meeting through VC / OAVM facility but shall not be entitled to cast their vote again.

vii) The process / manner for availing remote e-Voting facility and the instructions for members voting electronically are as under:

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 09, 2020 on "e-Voting facility provided by Listed Companies", Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service providers (ESPs) thereby not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and email Id with their DPs to access e-Voting facility.

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

Type of shareholders	**Login Method**
Individual Shareholders holding securities in demat mode with NSDL.	i) Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	ii) If user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.
	iii) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	iv) Shareholders / Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	i) Existing users who have opted for CDSL Easi / Easiest facility, can login through their User id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password.

Type of shareholders	Login Method
	ii) After successful login of Easi / Easiest, the user will also be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. NSDL for casting vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	iii) If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	iv) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at +91-22-48867000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at +91-1800225533.

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

a) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

b) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member / Creditor' section.

c) A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

d) Your User ID details are given below:

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

e) Details of password for shareholders other than Individual shareholders are given below:

i) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

ii) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

iii) How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

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

f) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

i) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

ii) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.

iv) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

g) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

h) Click on "Login" button.

i) After you click on the "Login" button, Home page of e-Voting will open.

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

a) After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

b) Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

c) Now you are ready for e-Voting as the Voting page opens.

d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

e) Upon confirmation, the message "Vote cast successfully" will be displayed.

f) You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

viii) General Guidelines for shareholders

a) Corporate / Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) who are intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC / OVAM and vote through electronic means, are requested to send a certified scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer@panaceabiotec.com or scrutinizer108@gmail.com with a copy marked to evoting@nsdl.co.in and companysec@panaceabiotec.com **not later than 48 hours before the scheduled time of commencement of the Meeting**.

b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at +91-022-48867000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in, who will also address the grievances connected with voting by electronic means. Members may also contact RTA of the Company at +91-11-40450193-97, +91-11-26812682 and +91-11-26812683 or email at compliances@skylinerta.com.

10. **Process for shareholders who have not registered their email addresses:**

A. In accordance with the abovesaid MCA and SEBI Circulars and as part of the Company's green initiative, the Company will send the Notice of AGM in electronic form only. Accordingly, the communication of the assent or dissent of the members would take place through the remote e-Voting system or through e-Voting at the Meeting. To facilitate such shareholders to receive this notice electronically and cast their vote electronically, the Company has made a special arrangement with the RTA, for registration of email addresses in terms of the MCA Circulars.

Therefore, those shareholders who have not yet registered their email address are requested to get their email address registered by following the procedure given below:

For Members who have electronic folios:

a) Visit the link https://www.skylinerta.com/EmailReg.php

b) Select the company name, viz. Panacea Biotec Limited.

c) Select the Mode of Shareholding, viz. Electronic.

d) Enter Demat Account No. (DPID-CLID).

e) Enter the name of shareholder (in case of Joint Shareholders, name of First Shareholder to be entered).

f) Enter the Email id, Mobile No. and PAN of the sole / first shareholder.

g) RTA shall check the authenticity of the demat account number and PAN and send the OTP to Email id to validate the same.

h) Shareholder to enter the OTP received by email to complete the validation process (OTP will be valid for 5 minutes only).

i) RTA shall confirm the registration of Email address given by the shareholder, for the limited purpose of serviced AGM Notice, by sending confirmation mail to respective shareholder and the Company.

For Members who have physical folios:

a) Visit the link https://www.skylinerta.com/EmailReg.php

b) Select the company name, viz. Panacea Biotec Limited.

c) Select the Mode of Shareholding, viz. Physical.

d) Enter Folio No. of shareholder.

e) Enter the name of shareholder (in case of Joint Shareholders, name of First Shareholder to be entered).

f) Enter the Email id, Mobile No. and PAN No. of the sole / first shareholder (If PAN is not available in the records, shareholder will have to enter one of the Share Certificate No.).

g) RTA shall check the authenticity of the Folio No. and PAN / Share Certificate No. and send the OTP to Email id to validate the same.

h) Shareholder to enter the OTP received by Email to complete the validation process (OTP will be valid for 5 minutes only).

i) If PAN is not available in records, shareholder to send a duly signed copy of PAN to RTA by email to compliances@skylinerta.com.

j) RTA shall confirm the registration of Email address given by the shareholder, for the limited purpose of serviced AGM Notice, by sending confirmation mail to respective shareholder and the Company.

B. Post successful registration of the email as aforesaid, the RTA shall promptly (but not later than within 48 hours of receipt of the e-mail id from the eligible shareholder) share a copy of the AGM Notice and the procedure for e-Voting along with the User ID and the Password to the email id given by the shareholder to enable e-Voting for this AGM. In case of any queries, the shareholder may write to compliances@skylinerta.com.

C. It is clarified that for permanent registration of email address, the shareholder is required to register his / her / its email address, in respect of electronic holdings with the Depository through the concerned DP and in respect of physical holdings with the RTA, by following due procedure.

D. The shareholders who have already registered their email address are requested to keep their email addresses validated with their DPs / the RTA, to enable servicing of notices / documents / Annual Reports etc. electronically to their email address in future.

11. Members may follow the same procedure for e-Voting at the AGM as mentioned for remote e-Voting. Only those Members who will be attending the AGM through VC / OAVM and have not cast their vote by remote e-Voting, may exercise their voting rights at the AGM. Members who have already cast their vote by remote e-Voting prior to the AGM may attend the AGM and their presence shall be counted for the purpose of quorum but shall not be entitled to cast their vote again at the AGM. A Member can vote either by remote e-Voting or by e-Voting at the AGM.

12. The voting rights of the equity as well as preference shareholders, for remote e-Voting and e-Voting at the AGM shall be in proportion to the paid-up value of their respective shares in the total paid-up share capital of the Company carrying voting rights, as on the cut-off date, being September 20, 2024.

13. The Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 170 and Section 189, respectively of the Act and relevant documents referred to in this Notice and the Explanatory Statement will be available electronically for inspection by the members during the AGM.

    All relevant documents referred to in the Notice of AGM and Explanatory Statement will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to companysec@panaceabiotec.com.

14. Members desirous of seeking any information relating to the Audited Financial Statements of the Company for the financial year ended March 31, 2024 or having any question or query pertaining to the business to be transacted at the AGM, are requested to write to the Company Secretary on the Company's email address: companysec@panaceabiotec.com at least 7 (seven) days prior to the date of AGM i.e. by September 20, 2024 by 11:30 a.m. IST from their registered email address, mentioning their name, DP ID and Client ID / folio number and mobile number. This would enable the Company to compile the information and provide the suitable replies at the Meeting. Please note that Members questions or queries will be answered only if they continue to hold shares as on the Cut-off Date i.e. September 20, 2024.

15. **Instructions for Members for accessing and participating in the AGM through VC / OAVM:**

    i) In compliance to the aforesaid Circulars, the Company is providing VC / OAVM facility to its Members for attending & participating at the AGM and for which the Company has availed services of its RTA viz. Skyline Financial Services Pvt. Ltd. for providing facility of participation in the AGM through VC / OAVM Facility and e-Voting at the AGM.

    ii) **Members will be able to attend the 40th AGM of the Company through VC / OAVM Facility through the NSDL e-Voting system at https://www.evoting.nsdl.com under shareholders / members login by using the remote e-Voting credentials and selecting the EVEN for the Company's AGM. The Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the process of voting through electronic means mentioned in Note No. 9 above to avoid last minute rush. Further, Members can also use OTP based login for logging into NSDL's e-Voting system.**

    iii) Members may note that the facility for joining AGM through VC / OAVM will be available for upto 1,000 Members on a first-come-first-served basis. However, the above restriction shall not be applicable to the large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, Scrutiniser etc.

iv) Members may follow the same procedure for e-Voting at the Meeting as mentioned above in Note no. 9 for remote e-Voting.

v) Only those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system at the Meeting.

vi) The Members who have cast their vote by remote e-Voting prior to the AGM may also participate in the AGM through VC / OAVM Facility but shall not be entitled to cast their vote again.

vii) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of name will be entitled to vote at the AGM.

viii) Members are encouraged to join the Meeting through desktop / laptops for better experience and smooth participation. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting. The Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot, may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

ix) Members who would like to express their views / ask questions during the Meeting, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio number and mobile number, to reach the Company at its email address: companysec@panaceabiotec.com at least 48 hours in advance before the start of the AGM i.e. by September 25, 2024 by 11:30 A.M. IST.

x) **Only those Members who have registered themselves as speaker will be allowed to express their views / ask questions during the Meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time or as appropriate for smooth conduct of the AGM.**

xi) Attendance of the Members participating in the AGM through VC / OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

xii) The Helpline details of the persons who may be contacted by the Members needing assistance, before or during the AGM shall be the same as mentioned for remote e-Voting at Note No. 9 above.

16. Pursuant to the provisions of Section 124 of the Act read with Rules made thereunder, as amended from time to time, the amount of dividend remaining unpaid or unclaimed for a period of 7 (seven) consecutive years or more from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. In pursuance of this, the Company has transferred the unpaid or unclaimed dividends declared upto the financial years 2010-11, to the IEPF during earlier years. The details of dividends so far transferred to the IEPF Authority are available on the Company's website at web-link: https://www.panaceabiotec.com.

17. Attention of the Members is also drawn to the provisions of Section 124(6) of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ("IEPF Rules") which require a company to transfer all the shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more, into the Suspense Account of IEPF Authority. Accordingly, the Company had, during earlier years, transferred total 1,15,293 equity shares of ₹1 each into the demat account of IEPF Authority, in respect of which dividend amount was not claimed by the members for seven consecutive years or more i.e. from financial year 2010-11. The details of shares so transferred are available on the Company's website at web-link: https://www.panaceabiotec.com.

    Members may note that the shares as well as the unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority in accordance with such procedure and on submission of such documents as prescribed in the IEPF Rules and/or by the IEPF Authority. As on the date of this Notice, 10,310 shares have been claimed back by the shareholders by following the said procedure.

18. The Members holding shares in physical form are advised to intimate changes pertaining to their bank account details, address, e-mail address, contact numbers etc., if any, to the Company's RTA. Members holding shares in dematerialised form should intimate any such change to their DP.

19. Non-Resident Indian members are requested to inform the Company's RTA immediately:

    a) the particulars of their Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with pin code number, if not furnished earlier.

    b) any change in their residential status on return to India for permanent settlement.

20. **The Members who are holding shares in physical form and have not yet got exchanged their old Share Certificate(s) for Equity Shares of ₹10/- each, into new Share Certificate(s) in respect of sub-divided Equity Shares of ₹1/- each, are requested to send the request along with the related original Share Certificate(s) immediately.**

21. **Transfer of Shares permitted in Demat Form only:** As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), securities of the listed companies can be transferred only in dematerialised form with effect from April 01, 2019, except in case of transmission or transposition of securities. Further, SEBI vide its Master Circular dated May 07, 2024, has mandated that securities shall be issued only in dematerialised mode while processing duplicate / unclaimed suspense / renewal / exchange / endorsement / sub division / consolidation / transmission / transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to contact any of the DPs in their vicinity for getting their shares dematerialised. In case any clarification is needed in that regard, the undersigned may be contacted in person or by communication addressed to the Corporate Office / RTA of the Company.

22. Submission of PAN, KYC Details: SEBI has mandated the submission of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details, etc.) and nomination by holders of physical securities and linking PAN with Aadhaar vide its circulars dated March 16, 2023 and November 17, 2023. Any service requests or complaints received from the member, will not be processed by RTA until the aforementioned details / documents are provided to RTA.

    Accordingly, Members holding shares in physical form are requested to submit their PAN, KYC and nomination details to the Company's RTA at compliances@skylinerta.com and follow the process detailed below for availing services from RTA:

<table>
<tr><th>Type of Holder</th><th colspan="2">Process to be followed</th></tr>
<tr><td rowspan="8">Physical</td><td colspan="2">For availing the following investor services, send a written request in the prescribed forms to the Company' RTA, Skyline Financial Services Private Limited, either by email to compliances@skylinerta.com or by post at D-153 A, 1st Floor, Okhla Indl. Area, Phase-I, New Delhi - 110020, India</td></tr>
<tr><td>Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode</td><td>Form ISR - 1</td></tr>
<tr><td>Update of signature of securities holder</td><td>Form ISR - 2</td></tr>
<tr><td>For nomination as provided in Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014</td><td>Form SH - 13</td></tr>
<tr><td>Declaration for opting out of Nomination</td><td>Form ISR - 3</td></tr>
<tr><td>Cancellation or variation of nomination by the holder(s) (to be submitted along with ISR-3)</td><td>Form SH - 14</td></tr>
<tr><td>Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical form</td><td>Form ISR - 4</td></tr>
<tr><td colspan="2">The aforesaid forms are available at https://www.panaceabiotec.com/en/section/information-repository/other-important-information</td></tr>
</table>

The Members holding shares in electronic form are requested to contact their DPs for updation of Bank, PAN, Nomination and other details.

23. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

24. **In all correspondence(s) with the Company / RTA, members are requested to quote their folio number and in case their shares are held in the dematerialised form, they must quote their DP ID and Client ID for easy reference and speedy disposal thereof.**

25. Nomination: Pursuant to Section 72 of the Act and applicable SEBI Circular, the members are entitled to make a nomination in respect of shares held by them. Members holding shares in physical form and desirous of making a nomination are requested to send their requests in Form No. SH-13, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 (which can be obtained from the Company's RTA or can be downloaded from the Company's website through the link: https://www.panaceabiotec.com/nomination-faqs) to the RTA of the Company. Members holding shares in demat form may contact their respective DPs for recording of nomination.

26. Members who are holding shares in physical form in multiple folios in identical names or joint holding in the same order of names, are requested to send the share certificates to the Company's RTA for consolidation into a single folio.

27. Mr. Debabrata Deb Nath, Practicing Company Secretary (Membership No. F-7775), Partner of M/s R&D Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-Voting and e-Voting at the AGM in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and votes cast at the AGM, count the votes and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, and shall, within the stipulated timelines from the conclusion of the AGM, submit the report to the Chairman of the AGM or a person authorized by him in writing, who shall countersign the same. After receipt of the consolidated scrutinizer's report either by Chairman of the AGM or by any person authorized by him in writing, the results of the voting shall be declared not later than two working days from conclusion of the Meeting and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the respective resolutions. The results so declared and the scrutinizer's report(s) shall be simultaneously placed on the Company's website (https://www.panaceabiotec.com) and on the website of NSDL and shall also be communicated to BSE and NSE. Further, the results of the voting shall also be displayed on the notice board of the Company at its Registered Office as well as Corporate Office.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

The current Statutory Auditors of the Company, viz. M/s Walker Chandiok & Co. LLP, Chartered Accountants (Firm Regn. No. 001076N/N500013), were initially appointed as Statutory Auditors in the 30th Annual General Meeting ("AGM") held on September 25, 2014, for a period of 5 years to hold office from the conclusion of the 30th AGM till the conclusion of the 35th AGM. They were then re-appointed as such in the 35th AGM held on September 30, 2019, for the 2nd term of 5 years to hold office till the conclusion of the ensuing 40th AGM. Accordingly, their term as Statutory Auditors of the Company is set to expire upon conclusion of this AGM and they shall not be eligible for re-appointment as per the provisions of the Companies Act, 2013 ("the Act") and rules made thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors has, in its meeting held on August 14, 2024, proposed the appointment of M/s Suresh Surana & Associates LLP, Chartered Accountants (Firm Regn. No.:121750W/W100010) as the Statutory Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the 45th AGM of the Company to be held in the year 2029.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI LODR Regulations are as under:

A. Proposed fees payable to the Statutory Auditors: The remuneration proposed to be paid to the Statutory Auditors shall be commensurate with the services to be rendered by them during the said Tenure. Presently, the annual audit fee is proposed at ₹39,00,000 (Rupees Thirty Nine Lakhs Only) plus applicable Goods and Service Tax and reimbursement of travelling and out of pocket expenses. However, the Board of Directors in consultation with the Audit Committee may revise the terms and conditions of the appointment, including remuneration, in such manner and to such extent as may be mutually agreed between the Statutory Auditors and the Board of Directors of the Company.

B. Term of Appointment: Appointment as Statutory Auditors of the Company for 5 years from the conclusion of the 40th AGM till the conclusion of 45th AGM of the Company.

C. In case of a new auditor, any material changes in the fees payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: There is no material change in the annual audit fee proposed to be paid to the new auditors for the audit of the Company as compared to the annual audit fee being paid to the outgoing Statutory Auditors for the audit of the Company.

D. Basis of recommendation for appointment: The Audit Committee and the Board considered various parameters like market standing of the firm, clientele served, technical knowledge, industry experience, team structure, experience of the lead partner and team members, governance & competitiveness, capability to serve complex business landscape as that of the Company, etc. and found M/s Suresh Surana & Associates LLP to be best suited.

E. Credentials of the Statutory Auditors proposed to be appointed: M/s Suresh Surana & Associates LLP, Chartered Accountants (Firm Registration No.: 121750W/W100010) ("Firm") is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 1984 as a partnership firm and later the constitution changed to Limited Liability Partnership w.e.f. September 06, 2013. The Firm is the Indian member of RSM International since 1996. It is a firm of multi-disciplinary personnel under various fields who are equipped with the requisite business and technical skills, experience and knowledge base.

   RSM Group has a strength of ~3000 personnel and PAN India presence with offices in 12 key cities. Their core services include Audits & Risk Advisory, Corporate Advisory, Tax & GST, IT Systems Assurance & Solutions and Transfer Pricing. The Firm has varied sectoral experiences and conducts statutory audits that inter-alia includes NBFCs, Government companies, Corporates including pharmaceutical companies. The Firm is process driven and audits various companies listed on stock exchanges in India. The Firm is ISO 9001 and ISO 27001 certified for key locations, subjected to Global inspections and ICAI peer reviews on regular basis and is also empanelled with Comptroller and Auditor General of India and other regulators.

As required under section 139 of the Act, the Firm has given its consent to act as the Statutory Auditors of the Company and have also confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company or their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of this Notice.

The Board of Directors of the Company recommends the resolution as set out in the Item No. 3 of this Notice for the approval of the members of the Company as an Ordinary Resolution.

Item No. 4

The Board of Directors had, in its meeting held on August 12, 2023, accepted and approved the requests for reclassification received from Mrs. Sunanda Jain, Mr. Sumit Jain, Ms. Radhika Jain and Mr. Abhey Kumar Jain from "Promoters and Promoters' Group" Category" to "Public" Category and filed an application with the Stock Exchanges where the shares of Panacea Biotec Limited ("the Company"/ "PBL") are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (collectively known as "Stock Exchanges") in this regard. The said application was not approved by the Stock Exchanges due to the fact that the abovementioned persons are directly or indirectly related to the members of Promoters and Promoters' Group Member who are holding more than 1% of total voting rights in the Company and accordingly the shareholders' approval is required in this regard. Accordingly, the Company had filed withdrawal of the said application on May 23, 2024 and decided to get shareholders' approval in compliance with Regulation 31A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations").

The Company has again received request letters dated August 07, 2024 from Mrs. Sunanda Jain, Mr. Sumit Jain and Ms. Radhika Jain (hereinafter referred to as "Outgoing Promoters' Group Member") seeking re-classification of their shareholding from persons belonging to the "Promoters and Promoters' Group" Category to "Public" Category under Regulation 31A of the SEBI LODR Regulations. Intimation in regard to the said requests was submitted to the Stock Exchanges on August 07, 2024.

As per the request letters received from Outgoing Promoters' Group Members, the rational for the said reclassification is as follows:

1. On August 27, 2017, a Memorandum of Acknowledgement of Oral Family Settlement Agreement ("MOFS") was entered into inter-alia among Late Mr. Soshil Kumar Jain (now deceased), Late Mr. Ravinder Jain (now deceased) and Dr. Rajesh Jain, pursuant to which it was decided that the real estate business should be managed by Mr. Ravinder Jain and the remaining business viz. pharmaceutical formulations and vaccines business will continue to be managed by Mr. Soshil Kumar Jain, Dr. Rajesh Jain and Mr. Sandeep Jain. It was also proposed that the Promoters' shareholding will also be aligned in line with the said understanding through inter-se transfer among promoters and promoters' group. However, Mr. Ravinder Jain passed away on February 21, 2018.
2. Subsequently, in the year 2019, a Scheme of Arrangement was entered into between the Company and M/s Ravinder Heights Limited ("RVHL") pursuant to which the real estate business of PBL was demerged from PBL and merged with and into RVHL. The said Scheme was approved by the Hon'ble National Company Law Tribunal, Chandigarh Bench vide its order dated September 09, 2020.
3. As a result of which, RVHL became a separate listed entity and Mrs. Sunanda Jain (wife of Late Mr. Ravinder Jain) became the Promoter of RVHL, Mr. Sumit Jain & Ms. Radhika Jain (children of Late Mr. Ravinder Jain) became the Promoters' Group Member of RVHL and Late Mr. Soshil Kumar Jain (now deceased), Dr. Rajesh Jain and Mr. Sandeep Jain along with their respective family members remained the Promoters / Members of Promoters' Group of PBL.

It may further be noted that, the reclassification of Dr. Rajesh Jain and Mr. Sandeep Jain along with their respective family members has already been approved by the Stock Exchanges vide their letter dated May 07, 2024.

On the basis of request received by the Company and pursuant to Regulation 31A(3)(b) of the SEBI LODR Regulations, the aforesaid Outgoing Promoters' Group Member seeking reclassification have confirmed that they-

i. together, do not hold more than ten percent of the total voting rights in the Company;
ii. do not exercise any control over the affairs of the Company directly or indirectly;
iii. do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
iv. do not represent on the Board of Directors (including not having a nominee director) of the Company;
v. do not act as a Key Managerial Personnel in the Company;
vi. they are not a 'willful defaulter' as per the Reserve Bank of India guidelines; and
vii. are not fugitive economic offender.

The aforesaid Outgoing Promoters' Group Members have also confirmed to abide by the conditions listed in Regulation 31A(4) of SEBI LODR Regulations, post such reclassification of name from "Promoters & Promoters' Group" Category to "Public" Category and failing which they shall automatically be classified as 'Promoters & Promoters' Group'.

The Shareholders are further informed that the Company is in compliance with Regulation 31A(3)(c) of the SEBI LODR Regulations i.e.:

i) the Company shall be compliant with the requirement for minimum public shareholding as required under Regulation 38 of SEBI LODR Regulations;

ii) the trading in Company's shares have not been suspended by the Stock Exchanges; and

iii) the Company does not have any outstanding dues to the SEBI, the Stock Exchanges or the depositories.

Further, the Outgoing Promoters' Group Members have also confirmed that post reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of SEBI LODR Regulations. The said requests for reclassification were considered, analysed and approved by the Board of Directors at its meeting held on August 14, 2024, which require members' approval by way of an Ordinary Resolution, and Stock Exchanges' approval subsequently.

Except the Promoters and Promoters' Group Members, none of the Directors and Key Managerial Personnels of the Company or their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

The Board of Directors of the Company recommends the resolution as set out at Item No. 4 of this Notice for the approval of the members of the Company as an Ordinary Resolution.

Item No. 5

The Board of Directors has, based on the recommendation of the Audit Committee and in order to enhance the audit quality, in its meeting held on May 30, 2024, approved the appointment of M/s Jain Sharma & Associates, Cost Accountants, as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2024-25 at a remuneration of ₹1,00,000 (Rupees One Lakh Only) (including out of pocket expenses as may be incurred in connection with the audit but excluding out of pocket expenses as may be incurred in connection with the outstation travels as per actuals) and GST or other Govt. levies as may be applicable.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors shall be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee and the same shall be subsequently ratified by the members of the Company at a general meeting. Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2024-25.

None of the Directors and Key Managerial Personnels of the Company or / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors recommends the resolution as set out at Item No. 5 of this notice for approval by the members of the Company by way of an Ordinary Resolution.

By order of the Board
For Panacea Biotec Limited

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary
Membership No. : F3232

Place: New Delhi
Date : August 14, 2024

Annexure I to the Notice

Details of Director seeking re-appointment at the 40th AGM in respect of Item No. 2 to Notice

[Pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2), as applicable]

Particulars	**Mr. Narotam Kumar Juneja**
Director Identification Number (DIN)	01204817
Date of Birth and Age	November 19, 1955 (~69 years)
Qualification	M. Pharm and PG Diploma in Personnel Management & Industrial Relations
Brief Resume	Mr. Narotam Kumar Juneja has rich experience of over 44 years in pharmaceutical operations and has executed multiple internationally approved projects worth US$ 150M+ for reputed companies. He has earlier been associated with the Company as Vice President Operations & Projects during 2003-2006 and again as Chief Operating Officer during 2010-2014. Since April 2022, Mr. Narotam Kumar Juneja is associated with the Company as the Non-Executive Non-Independent Director and also with its wholly owned subsidiary company, Panacea Biotec Pharma Ltd. as Whole-time Director. He also worked as Chief Operating Officer with Dawa Group Ltd., Kenya during 2014-2018. Earlier he has held various other senior positions from time to time in several companies including Unichem Laboratories, Baddi; Ranbaxy Laboratories, Paonta Sahib; Systopic India, New Delhi; Dabur India, New Delhi.
Nature of expertise in specific functional areas	• Science & Innovation, Research & Development • Corporate Governance & Compliance • Industry Knowledge • Risk Management • General Management
Terms and conditions of re-appointment	Mr. Narotam Kumar Juneja is retiring by rotation at this AGM and is being re-appointed as a Director until March 31, 2025.
Remuneration last drawn (including sitting fees, if any)	Sitting fee of ₹0.22 million was paid for FY 2023-24.
Remuneration proposed to be paid	He is entitled to receive sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as approved by the Nomination and Remuneration Committee and the Board of Directors of the Company, from time to time within the overall limits as per the Companies Act, 2013 and/ or as approved by the shareholders from time to time.
Date of first appointment on the Board	April 01, 2022 (retiring by rotation at this AGM)
Shareholding in the Company including as a beneficial owner as on date	Nil
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel of the Company.
Number of Board Meetings attended during FY 2023-24	4 (Four)
Directorships held in other Companies as on date	He does not hold any directorship in any other listed entity. He is a whole-time director of Panacea Biotec Pharma Limited designated as Director Technical and Compliance.
Membership / Chairmanship of Committees of the Board in other listed entities	He is not a member of any committee of the Board in any other listed entity. He is a member of the Stakeholders' Relationship Committee and Risk Management Committee of the Company. He is also a member of the Audit Committee and Committee of Directors of Panacea Biotec Pharma Limited.
Listed entities from which he has resigned in the past 3 years	None

By order of the Board

For Panacea Biotec Limited

Sd/-
Vinod Goel
Group CFO and Head Legal
& Company Secretary
Membership No. : F3232

Place: New Delhi
Date : August 14, 2024