

DIRECTORS' REPORT

Dear Members,

We take pleasure in presenting the Forty Fourth Annual Report of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2023.

1. Financial Results

The Financial Performance of the Company during the Financial Year ended 31st March, 2023 is given below:-

(Rs. in Million)		
Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from operations	978.64	871.08
Other Income	33.93	42.71
Total revenue	1,019.23	913.79
Less Expenses:		
:Cost of Materials consumed	176.57	219.70
:Change in Inventories of Finished goods and WIP	2.95	(6.62)
: Employee benefit expenses	208.49	188.95
: Depreciation and amortization expenses	42.20	36.33
: Finance cost	74.76	56.21
: Other expenses	309.26	263.79
Total expenses	814.23	727.07
Profit/(Loss) Before Tax & Exceptional Items	199.53	186.73
Exceptional items: Profit / (Loss) after tax from discontinued operations	(680.93)	(194.45)
Profit/(Loss) Before Tax	(480.86)	(7.73)
Provision for - Current tax		
Deferred tax [Net] Charge (Credit)		
Other comprehensive income	2.18	(0.17)
Profit/ (Loss) after Tax	(479.22)	(7.90)

2. Business Performance Review

During the financial year 2022-23, your Company's total revenues stood at Rs. 1,012.57 Million as compared to Rs. 913.79 Million in 2021-22. During the year under review, the Company registered a net loss of Rs 479.22 Million.

Naari Pharma Private Limited

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REGISTERED/
CORPORATE OFFICE
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Tel: 080 4657 0300

MANUFACTURING FACILITY
(API)
Village - Sakhanpur
Pirumadara - 244715,
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3. Change in nature of business:

The Company is engaged in the business of manufacturing and distribution of healthcare and pharmaceutical products. There was no change in nature of the business of the Company, during the year under review.

4. Dividend

The Board of Directors of the Company has not recommended any Dividend for the financial year ended 31st March 2023.

The Company is not proposing to carry any amount to reserves.

5. Share Capital

As on 31st March 2023, the Authorized capital of the Company stood at Rs. 86,83,16,000 (Rupees Eighty-Six Crores Eighty-Three Lakhs Sixteen Thousand Only) divided into 25,00,000 (Twenty Five Lakh) equity shares of Rs. 10 each and 83,33,160 (Eighty-Three Lakh Thirty Three Thousand One Hundred and Sixty) Compulsorily Convertible Preference Shares (CCPS) of Rs. 100/- (Rupees One Hundred) each and 1,00,000 (One Lakh) Optionally Convertible Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

The Issued, Subscribed and Paid-Up equity capital of the Company as on 31st March, 2023 stood at Rs. 69,43,070/- (Rupees Sixty Nine Lakh Forty Three Thousand and Seventy Only) consisting of 6,94,307 (Six Lakh Ninety Four Thousand Three Hundred and Seven) equity shares of Rs. 10/- (Ten) each.

The Issued, Subscribed and Paid-Up Preference Share capital of the Company as on 31st March, 2023 stood at Rs.20,060,500/- (Rupees Two Crore Sixty Thousand Five Hundred Only) consisting of 1,65,395 (One Lakh Sixty Five Thousand Three Hundred and Ninety Five) Compulsorily Convertible Preference Shares (CCPS) of Rs. 100/- (Rupees One Hundred) each and 35,210 (Thirty Five Thousand Two Hundred and Ten) Optionally Convertible Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

During the year under review, to augment the financial resources for the expansion of business, the Company has done following changes in the capital structure of the Company:

- a. Allotment of 6402 (Six Thousand Four Hundred and Two) 0.0001% Optionally Convertible Redeemable Preference Shares vide Board Resolution dated 25.08.2022.

Changes in share capital post the close of financial year until the date of report:

There were no changes in the capital structure of the Company after the closure of the financial year 2022-23

6. Subsidiaries/Joint Venture/Associate Companies:

As on 31st March 2023, the Company has following Subsidiaries/Joint Ventures/Associate Companies:

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Sl.No.	Name of the Company	Subsidiary/ Associate/JV	No. of shares held	% of shares held
1.	Naari Pte. Limited, Singapore	Subsidiary	15,16,454	99.57%

During the year, no investments made into the subsidiaries of the Company

7. Material changes and commitments affecting the financial position of the Company, which have occurred between the end of financial year and the date of this report

No material changes and commitments have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report which affects the financial position of the Company.

8. Public Deposit

During the financial year under review, the Company has not accepted or renewed any public deposits in terms of Sections 73 and 74 of the Companies Act, 2013 and the rules framed thereunder.

9. Board of Directors

As on March 31, 2023 the Composition of Board is as under:

1. Mr. Prithipal Singh Kochhar - Whole-time Director (DIN: 01052194)
2. Mr. Chandrappa Seetharamaiah- Nominee Director (DIN: 07405773)
3. Mr. Hermann Josef Peter Osterwald- Nominee Director (DIN: 06710258)
4. Mr. Deepak Komaregowda - Nominee Director (DIN: 03298261)

Change in constitution of the Board between the end of financial year and the date of this report:

There were no changes in the constitution of the Board in between the end of financial year and the date of this report.

10. Meetings of Board held in Financial Year 2022-23

During the year ended 31st March 2023, 7(Seven) Board Meetings of the Company were held. These meetings were held on 28th April 2022, 29th June 2022, 22nd July 2022, 30th September 2022, 21st November 2022, 27th December 2022 and 30.03.2023

Attendance at Board Meetings held in Financial Year 2022-23 is as follows;

Name of Director	Number of Board Meetings
Mr. Prithipal Singh Kochhar	7
Mr. Chandrappa Seetharamaiah	7
Mr. Deepak Komaregowda	7
Mr. Hermann Josef Peter Osterwald	4

11. Committees of the Board

During the Financial Year 2022-23, there has been no change in the constitution of the Audit Committee and Compensation Committee:

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During the year under review 3 (Three) Audit Committee meetings were held, respectively, on 28th April 2022, 30th September 2022, and 21st November 2022.

During the year under review no Compensation Committee meetings were held.

12. Statutory Auditors

M/s. Deloitte Haskins & Sells, LLP ("Deloitte") Chartered Accountants (Firm Registration No. 117366W/W-100018), were the statutory Auditors of the Company they were appointed at the Annual General Meeting of the company held on September 28, 2018 for a period of 5 year till the ensuing Annual General Meeting of the Company.

Accordingly the Board recommends the appointment of M/s. Deloitte Haskins & Sells, LLP ("Deloitte") Chartered Accountants (Firm Registration No. 117366W/W-100018), for a term of 5 years starting from the conclusion of this Annual General Meeting of the Company till the conclusion of Forty Ninth Annual General Meeting.

Details in respect of frauds reported by auditors: There were no instances of fraud reported by the auditors.

13. Cost Auditors

M/s Rahul Jain and Associates, Cost Accountants (Firm Registration No. - 101515) Cost Auditors of the Company have audited the cost records maintained by the Company for the financial year ended 31st March 2023.

The Board of Directors of the Company recommends the appointment of M/s Rahul Jain and Associates, Cost Accountants (Firm Registration No. - 101515), having their registered office at S-511, GF Roshni Building, Ground Floor, Shakarpur Block, Main Vikas Marg, 110092, New Delhi, as Cost Auditors of the Company for the financial year 2023-2024, subject to the confirmation by the Members of the Company in the ensuing Annual General Meeting on the remuneration to be provided to the Cost Auditor, and accordingly, the same is placed for approval of the shareholders.

14. Audit Report

- (i) Statutory Audit Report: There are no qualifications, observations or adverse remarks in the Statutory Audit Report issued by the Statutory Auditors of the Company for the financial year ended 31st March, 2023.
- (ii) Cost Audit Report: The Cost Audit Report for the financial year ended 31st March 2023 has been placed before the Board of Directors for its approval at the Board meeting held on 30th September 2023, which will be filed with the Central Government in Form CRA-4.

15. Particulars of Employees

The statement containing particulars of employees shall be open for inspection at the Registered Office of the Company during working hours and any member interested in obtaining a copy of the same may write to the Company.

16. Vigil Mechanism/Whistle Blower

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A complete Vigil Mechanism Policy at Group level of Company is in place. Under this policy employees of the Company can raise concerns over unethical or improper behaviour/ practices or alleged wrongful conduct, violation of applicable laws, frauds, bribery, corruption, employee misconduct, illegality, health, safety & environmental issues or misappropriation of Company funds or assets within the Company or by the Company.

This policy helps in providing a mechanism for personnel to report to the Authority concerns about unethical behaviour, actual or suspected fraud or violation of applicable laws, frauds, bribery, corruption, employee misconduct, illegality, health, safety & environmental issues or misappropriation of Company funds or assets within the Company or by the Company.

The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

17. Particulars of Loans/ Guarantees provided or Investments made by the Company

During the year under review, the company has granted loans/provided guarantees/securities/made investments under compliance of Section 186 of the Companies Act, 2013.

Sl. No.	Type of Transaction	Name of Entity to which Loan is given or guarantee/ security is provided or investment is made	Amount of Loan given or guarantee/ security is provided or investment made (IN RS.)
1	Corporate Guarantee	Chayadeep Properties Private Limited Purpose: Towards General corporate purposes	20,00,00,000/-

Details of Investments, Loans/ Guarantees/Securities made/provided by the Company as on Financial Year ended are mentioned as below:

Sl. No.	Type of Transaction	Name of Entity to which Loan is given or guarantee/ security is provided or investment is made	Amount of Loan given or guarantee/ security is provided or investment made (IN RS.)
1	Acquisition of Shares (Through Transfer of Shares from Orange Ventures Pte. Ltd, Singapore.)	Orange Ventures Pte. Ltd, Singapore	(USD 2,00,000)
2	Investment in Securities	Edelweiss Finance and Investments Limited	23,00,00,000/-

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3	Corporate Guarantee	Chayadeep Properties Private Limited	20,00,00,000/-
4	Investment (Subscription of Shares)	Naari Pte Ltd, Singapore Singapore (13,77,892 shares @USD 2 per share)	USD 27,55,784
5	Investment in Securities	Investment in ECAP Equities Private Limited (Mutual Funds)	6,00,00,000/-
6	Security (Through Pledge of Investments)	Pledge of Investments by the Company for loan availed by the Company.	6,00,00,000/-
7	Overseas Direct Investment (ODI)	Naari Pte Ltd, Singapore Singapore	(USD 2,50,000)
8	Investment in Fixed Deposits (FD)	FD with Yes Bank Limited	10,00,000/-

18. Loans From Directors/ Related Parties:

During the financial year under review, the Company has not borrowed any amount(s) from Directors.

19. Particulars of Contracts or Arrangements with Related Parties

All the transactions entered with related parties are in the ordinary course of business and on arm's length basis and the same are disclosed in Note 36 of the financial statements of the Company.

In the financial year 2022-23, there are no materially significant related party transactions with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

The particulars of material contracts or arrangements with related parties at arms lengths' basis referred to in Section 188(1), as prescribed in Form AOC-2 of the Rule 8(2) of Companies (Accounts) Rules, 2014 is given as an Annexure 2 to this Report.

20. Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 were not applicable to the Company for the financial year 2022-23

21. Significant and material orders passed by the Regulators or Courts or Tribunals

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

22. Secretarial Standards

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The Company Complies with all applicable secretarial standards.

23. Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

24. Director's Responsibility Statement

In accordance with Section 134(5) of the Companies Act, 2013, the Directors of your Company to the best of their knowledge and ability confirm that:

- a) in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) they have prepared the annual accounts of the Company have been prepared on a going concern basis.
- e) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. Policy on Prevention of Sexual Harassment at Work Place

The Company is committed to provide a safe and conducive work environment to its employees.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

There were no incidents reported for year ended March 31, 2023.

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Annexure 1

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014

A. Conservation of Energy: Nil

- the steps taken or impact on conservation of energy.
- the steps taken by the Company for utilizing alternate sources of energy
- the capital investment on energy conservation equipment

B. Technology absorption: Nil

- the efforts made towards technology absorption
- the benefits derived like product improvement, cost reduction, product development or import substitution
- in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - the details of technology imported
 - the year of import
 - whether the technology been fully absorbed
 - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

C. Expenditure on Research & Development:

Particulars	31 st March, 2023 (Rs. in Million)
Employee Benefits Expense	10.91
Finance Cost	0.15
Consumables	3.92
Repairs	0.16
Depreciation	0.50
Analytical Charges	2.05
Power & Fuel	4.58
Total	22.27

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26. Risk Management

The Company has a risk management framework for identifying and managing risks. Board of Directors of the Company regularly reviews the framework and amend as and when required.

27. Conservation of Energy, Technology Absorption and Foreign Exchange Earning/ Outgo and Research & Development

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as an Annexure 1 to the Directors' Report.

28. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016)

During the year under review, there have been no application made by the Company or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

29. Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

Not applicable

30. Appreciation

Your Directors would like to express their grateful appreciation for the excellent support and co-operation received from the Shareholders, Customers, Financial Institutions, Banks, Government Authorities, Reserve Bank of India, Manufacturers and Suppliers to the Company.

At this point, we would like to place on record our sincere appreciation for the total commitment, dedication, untiring efforts and hard work put in by the employee members at all levels of the Company in realisation of the corporate goals in the years ahead.

For and on behalf of the Board of Directors


Prithipal Singh Kochhar
Whole Time Director
DIN: 01052194

Place : Singapore
Date : 30.09.2023


C Seetharamaiah
Director
DIN: 07405773

Place: Bangalore
Date : 30.09.2023

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D. Foreign Exchange Earnings and outgo:

	(Rs in Million)	
	2022-23	2021-22
Foreign Earnings	1067.45	969.05
Foreign Outgo	89.03	77.44

For and on behalf of the Board of Directors


Prithipal Singh Kochhar
 Whole Time Director
 DIN: 01052194


C Seetharamaiah
 Director
 DIN: 07405773

Place : Singapore
Date : 30.09.2023

Place: Bangalore
Date : 30.09.2023

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INDEPENDENT AUDITOR'S REPORT

To The Members of NAARI PHARMA PRIVATE LIMITED Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Naari Pharma Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash flow statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's 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 during the course of our audit or otherwise appears to be materially misstated.



Deloitte Haskins & Sells LLP

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 standalone financial statements in place and the operating effectiveness of such controls.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash flow statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.



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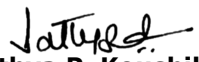
- f. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 41 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 41 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the representation given by the Management under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



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- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Sathya P. Koushik
(Partner)
(Membership No. 206920)
(UDIN: 23206920BGYMIB2782)

Place: Bengaluru
Date: September 30, 2023

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Naari Pharma Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting



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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 Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to standalone financial statements issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Sathya P. Koushik

(Partner)

(Membership No. 206920)

(UDIN: 23206920BGYMIB2782)

Place: Bengaluru

Date: September 30, 2023

Deloitte Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

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 state 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 and relevant details of right-of-use assets.

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

(b) Some of the Property, Plant and Equipment, capital work-in-progress and right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. No material discrepancies were noted on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date, except the following:

Particulars	Gross Block (Rs in Million as at 31 March 2023)	Net Block (Rs in Million as at 31 March 2023)	Remarks
Land and building thereon			
Freehold	258.89	193.98	The title deeds of land and building capitalised in the books of the Company are in the name of Indo Phyto Chemicals Private Limited, the erstwhile name of the Company.
Right of use assets	307.19	285.05	

The Company is in the process of transferring the title deeds of such properties in its name.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.



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(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns in the nature of unaudited financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

- (iii) The Company has not made investments and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii)(a), (b) (except to the extent it pertains to guarantees provided and investments made), (c), (d), (e) and (f) of the Order is not applicable.

(a) The Company has provided guarantee during the year and details of which are given below:

Particulars	Amount (Rs in mio)
A. Aggregate amount granted / provided during the year:	
- Subsidiaries	-
- Enterprises owned or Significantly influenced by individuals who have control/significant influence over the Company	200.00
B. Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	-
- Enterprises owned or Significantly influenced by individuals who have control/significant influence over the Company	200.00

(b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of making investments. The Company has not granted any loans or provided guarantees or securities during the year.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year ended March 31, 2023.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Service Tax, Duty of custom, Duty of excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

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- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved (Rs in mio)	Amount Unpaid (Rs. in mio)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax	FY 2017-18	1.97	1.97

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) 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) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) The Company has made private placement of optionally convertible redeemable preference shares (OCRPS) during the year. For such allotment of OCRPS, the Company has complied with the requirements of Section 42 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year ended March 31, 2023.

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(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) (a) In our opinion and based on our examination, the Company is not required to have an internal audit system as per provisions of the Companies Act 2013 and hence reporting under clause (xiv) of the Order is not applicable our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xv) In our opinion and according to the information and explanations given to us, during the year ended March 31, 2023 the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries companies or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Sathya P. Koushik
(Partner)
(Membership No. 206920)
(UDIN: 23206920BGYMIB2782)

Place: Bengaluru
Date: September 30, 2023

Nauri Pharma Private Limited (CIN:U74899KA1978PTC142872)

Standalone Balance Sheet as at March 31, 2023

(Amounts in Rupees Million, except for share data or as otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
A. ASSETS			
I Non-current assets			
(a) Property, Plant and Equipment	3A	402.97	713.40
(b) Right-of-use assets	3B	307.71	313.24
(c) Capital work in progress	3C	29.82	27.47
(d) Other intangible assets	3D	71.52	16.57
(e) Intangible assets under development	3E	122.45	212.74
(f) Financial assets			
(i) Investments	4	273.37	273.37
(ii) Security deposits	5	5.89	7.56
(g) Income tax assets (net)	6A	3.78	2.23
(h) Other non-current assets	6B	7.23	20.16
Total non-current assets		1,224.74	1,586.64
II Current assets			
(a) Inventories	7	116.19	335.05
(b) Financial assets			
(i) Investments	4	263.46	331.53
(ii) Trade receivables	8	488.72	521.55
(iii) Cash and cash equivalents	9	2.84	1.89
(iv) Bank balances other than (iii) above	10	4.52	10.85
(v) Other financial assets	11	19.08	21.46
(c) Other current assets	6B	95.11	86.00
(d) Assets classified as held for sale		201.16	-
Total current assets		1,191.38	1,308.33
Total assets (I+II)		2,416.12	2,894.97
B. EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	12A	23.48	23.48
(b) Other equity	12B	803.17	1,282.99
Total Equity		826.65	1,306.47
II Liabilities			
1 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	276.69	125.45
(ii) Lease liabilities	15	24.78	25.22
(iii) Other financial liabilities	18	40.73	10.44
(b) Provisions	14	12.80	24.38
Total Non-current liabilities		355.00	185.49
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	676.70	781.49
(ii) Lease liabilities	15	0.44	0.21
(ii) Trade payables	17		
(A) total outstanding dues of micro enterprises and small enterprises		8.73	13.73
(B) total outstanding dues of creditors other than micro enterprises		170.41	318.86
(iii) Other financial liabilities	18	12.98	22.36
(b) Other current liabilities	19	277.68	259.76
(c) Provisions	14	5.77	6.60
(d) Liabilities directly associated with assets classified as held for sale		81.46	-
Total Current liabilities		1,234.17	1,403.01
Total Equity and liabilities (I+II)		2,416.12	2,894.97

See accompanying notes forming part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration Number: 117366W/W-100018

Sathya P Koushik

Sathya P Koushik

Partner

Membership Number: 206920

For and on behalf of Board of Directors



Reginald Singh Kochhar

Reginald Singh Kochhar

Managing Director

01052194



C. Neetharaman

Director

07405773



Place: Bengaluru

Date: September 30, 2023

Place: Singapore

Date: September 30, 2023

Place: Bengaluru

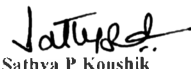
Date: September 30, 2023

Naari Pharma Private Limited (CIN:U 74899KA1978PTC142872)
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(Amounts in Rupees Million, except for shares data or as otherwise stated)

Sl No	Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
A.	Continuing Operations			
1	Revenue from operations	20	984.42	871.08
2	Other income	21	34.81	42.71
3	Total Income (1+2)		1,019.23	913.79
4	Expenses			
	(a) Cost of materials consumed	22	176.57	219.70
	(b) Changes in inventories of finished goods and work-in-progress	23	2.95	(6.62)
	(c) Employee benefits expenses	24	208.49	188.95
	(d) Finance costs	25	74.76	56.21
	(e) Depreciation and amortisation expenses	26	42.20	36.33
	(f) Other expenses	27	309.26	263.78
	Total expenses (4)		814.23	758.35
5	Profit / (Loss) before tax (3-4)		205.00	155.44
6	Tax expense	28	-	-
7	Profit / (Loss) after tax from continuing operations (5-6)		205.00	155.44
B.	Discontinued Operations			
	(i) Loss from Discontinued Operations		(99.44)	(163.16)
	(ii) Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)		(587.26)	-
	(iii) Tax expense of discontinued operations		-	-
8	Profit / (Loss) after tax from discontinued operations		(686.70)	(163.16)
9	Profit / (Loss) for the year (7+8)		(481.70)	(7.72)
10	Other comprehensive Income			
	Items that will not be reclassified subsequently to profit or loss:			
	Remeasurements of post employment benefit obligations- gain / (loss)		2.18	(0.17)
	Income tax relating to items that will not be reclassified subsequently to profit or loss		-	-
	Total other comprehensive income/(loss) for the year (10)		2.18	(0.17)
11	Total comprehensive income for the year (9+10)		(479.52)	(7.89)
	Earnings per equity share (face value of Rs. 10/- each) (for continuing operations):	31		
	- Basic (in Rs)		208.26	157.91
	- Diluted (in Rs)		208.26	157.91
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations):	31		
	- Basic (in Rs)		(697.61)	(165.75)
	- Diluted (in Rs)		(697.61)	(165.75)
	Earnings per equity share (face value of Rs. 10/- each) (for total operations):	31		
	- Basic (in Rs)		(489.35)	(7.84)
	- Diluted (in Rs)		(489.35)	(7.84)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018


Sathya P Koushik
Partner
Membership Number 206920



Place : Bengaluru
Date : September 30, 2023

For and on behalf of Board of Directors


Prithipal Singh Kochhar
Whole-time Director
DIN 07405773

Place : Singapore
Date : September 30, 2023


C. Seetharamaiah
Director
DIN 07405773

Place : Bengaluru
Date : September 30, 2023



Nnari Pharma Private Limited (CIN:U 74899KA1978PTC142872)
Standalone Cash Flow statement for the year ended March 31, 2023
(Amounts in Rupees Million, except for share data or as otherwise stated)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
A Cash flow from operating activities		
Profit / (loss) before tax for the year	205.00	155.44
Continuing Operations	(686.70)	(163.16)
Discontinued Operations	(481.70)	(7.72)
Profit / (loss) before tax for the year (including discontinued operations)		
<u>Adjustments for:</u>		
Depreciation and amortisation expense	69.25	61.82
Loss on disposal of assets/settlement of liabilities attributable to discontinued operations (net)	587.26	-
Amortisation of processing fee on Loan	7.60	-
Finance costs	14.96	11.71
Share based compensation expenses	30.29	10.44
Interest income	(0.19)	(0.54)
Income from current investment	(24.46)	(36.71)
Provisions no longer required/written back	(8.79)	(2.34)
Allowance for doubtful trade and other receivables	4.11	1.26
Loss on disposal of property, plant and equipments	0.26	0.64
Unrealised exchange (gain)/loss (net)	0.47	-
Operating profit/(loss) before working capital changes	228.76	68.59
<u>Changes in working capital:</u>		
<u>Adjustments for increase / decrease in operating assets:</u>		
Inventories	(169.30)	(48.51)
Trade receivables	19.44	(134.55)
Other assets (financial & non-financial)	(24.28)	(4.11)
<u>Adjustments for increase / decrease in operating liabilities:</u>		
Trade payables	(16.68)	(44.82)
Other liabilities (financial & non-financial)	(1.62)	(30.77)
	(192.44)	(262.76)
Net cash used for operating activities	(1.55)	(0.85)
Net income tax (paid) / refunds	34.77	(195.02)
Net cash flow from / (used in) operating activities (A)		
B Cash flow from investing activities		
Capital expenditure for property, plant and equipment and intangible assets, including capital advances	(159.68)	(119.44)
Investments in subsidiary	-	(37.23)
Investment / proceeds from sale of mutual funds (net)	92.53	-
(Increase)/decrease in balance held as margin money	6.33	(2.56)
Advance received against disposal of assets	30.00	-
Interest received	0.19	0.54
	(30.33)	(158.69)
Net cash flow from / (used in) investing activities (B)		
C Cash flow from financing activities		
Proceeds from issue of equity shares - CCPS	-	33.79
Principal payment of lease liability	5.32	4.06
Proceeds from non-current borrowings	181.74	418.32
Repayment of non-current borrowings	(129.88)	(202.10)
Proceeds from issue of OCRPS	62.00	-
Net increase / (decrease) in current borrowings	(77.90)	136.83
Interest paid on borrowings	(44.77)	(42.10)
	(3.49)	348.60
Net cash flow generated from financing activities (C)	0.95	(5.11)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1.89	7.00
Cash and cash equivalents at the beginning of the year	2.84	1.89
Cash and cash equivalents at the end of the year	2.84	1.89
Reconciliation of cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer note 15)	2.84	1.89
Cash and cash equivalents at the end of the year	2.84	1.89
* Cash and cash equivalents comprises:		
Cash on hand	0.08	0.20
Balances with banks	2.76	1.69
- in current accounts		
Total	2.84	1.89

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W-W-100018

Sathya P Koushik
Sathya P Koushik
Partner
Membership Number: 206920



For and on behalf of Board of Directors

Prithvi Singh Kochar
Prithvi Singh Kochar
Whole time Director
DIN: 01052194

C. Seetharamiah
C. Seetharamiah
Director
DIN: 07405773



Place: Bengaluru
Date: September 30, 2023

Place: Singapore
Date: September 30, 2023

Place: Bengaluru
Date: September 30, 2023

Naari Pharma Private Limited (CIN:U 74899KA1978PTC142872)
 Standalone Statement of changes in equity for the year ended March 31, 2023
 (Amounts in Rupees Million, except for shares data or as otherwise stated)

A (a) Equity Share Capital

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
23.48	-	23.48

(2) Previous reporting period

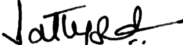
Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
23.42	0.06	23.48

B Other equity

Particulars	Reserves and Surplus		Total equity attributable to equity holders of the Company
	Securities premium account	Retained earnings	
Balance as at April 01, 2021	2,215.34	(958.19)	1,257.15
Loss for the year	-	155.44	155.44
Premium received on shares issued during the year	33.73	-	33.73
Loss on Discontinued Operations	-	(163.16)	(163.16)
Other Comprehensive Income for the year	-	(0.17)	(0.17)
Balance as at March 31, 2022	2,249.07	(966.08)	1,282.99
Profit for the year	-	205.00	205.00
Loss on Discontinued Operations	-	(686.70)	(686.70)
Other Comprehensive Income for the year	-	2.18	2.18
Balance as at March 31, 2023	2,249.07	(1,445.60)	803.47

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
 For Deloitte Haskins & Sells LLP
 Chartered Accountants
 Firm's Registration No. 117366W-W-100018


Sathya P Koushik
 Partner
 Membership Number: 206920



Place: Bengaluru
 Date: September 30, 2023

For and on behalf of Board of Directors


Prithpal Singh Kochhar
 Whole-time Director
 DIN: 01052194


C. Seetharaman
 Director
 DIN: 07405773



Place: Singapore
 Date: September 30, 2023

Place: Bengaluru
 Date: September 30, 2023

1. CORPORATE INFORMATION

Naari Pharma Private Limited (the "Company") is a Company incorporated and domiciled in India and has its registered office at Bangalore, Karnataka. The Company is an integrated pharmaceutical company operating in the domains of Human Health (APIs and finished dosage formulations) and also carries out research and development activities in such domains.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

These standalone financial statements have been prepared to comply in all material aspects with the "Indian Accounting Standards (Ind AS)" notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, as applicable to the Company, and other relevant provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for Measurement that have some similarities to fair value but are not fair value, such as "Net Realisable Value" as defined in Ind AS 2 – Inventories and value in use as defined in Ind AS 36- Impairment of Assets.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest million (up to two decimals).

2.4 Significant Accounting Policies

(i) Revenue Recognition

Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

Rendering of services

Revenue from sale of service is presented in the income statement within Revenue from operations. The Company presents revenue net of indirect taxes in its statement of profit and loss. Sale of services comprise revenue from sales of services, net of sales returns, rebates, incentives and customer discounts.

Income from research and development service is recognized when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realization exists.

In case of long-term contracts involving multiple activities, revenue is recognized as and when the individual activities are completed. In the event of any expected losses on a contract, the entire amount is provided for in the accounting period in which such losses are first anticipated.

Dividend and interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export entitlements

Export entitlements from Government authorities are recognised in income statement 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.



(ii) Leases

The Company as lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Company as lessee:

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves—

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

(c) the right to direct the use of the identified asset.

The Company has entered into lease arrangements for its factory land. The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

(iii) Foreign currency transactions and translation

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

(iv) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or erection of qualifying assets are added to the cost of those assets, until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

(v) Employee Benefits

a. Defined benefit plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's gratuity scheme is in the nature of defined benefit plans.



Naari Pharma Private Limited (CIN:U 74899KA1978PTC142872)

Notes to the standalone financial statements for the year ended March 31, 2023

For defined retirement benefit plans, the cost of providing benefit is determined using projected unit credit method, with actuarial valuation being carried out at the end of each financial year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

b. Short-term and other long-term employee benefits

A liability is recognised for short-term employee benefit in respect of wages and salaries, annual leave and sick leave, medical and leave travel in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by the employees up to the reporting date. Liability for un-availed leave considered to be long term is carried based on an actuarial valuation carried out at the end of each financial year.

c. Stock appreciation rights

The fair value of stock appreciation rights (SARs) is recognised as an employee benefit expense with a corresponding financial liability. The initial recognition of expense is at fair value of equity share on date of grant which then is fair valued as at each reporting date.

(vi) Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Minimum alternative tax ('MAT') paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and asset can be measured reliably.

b. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



(vii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment, capital work in progress are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When parts of an item of property, plant and equipment have significant cost in relation to total cost and different useful lives, they are recognized and depreciated separately.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values, using the straight-line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Nature of assets	Useful life in years
Buildings	28-30
Plant and machinery	2-20
Computers and servers	3-6
Office equipments	5-10
Furnitures and fixtures	10
Vehicles	10

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Subsequent costs

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 income statement as incurred.

Derecognition of Property, Plant & Equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The Company categorises Non-current assets as "held for sale" when there is a proposal/intention to sell an asset or group of assets in its present condition.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Discontinued operations

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

The gain or loss arising on disposal business is recognised in the statement of profit and loss.

(viii) Intangible assets

Intangible assets acquired separately

Intangible assets that are acquired by the Company, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on straight-line basis over the estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each financial year, with the effect of any changes in estimate being accounted for on a prospective basis. Cost includes any directly attributable incidental expenses necessary to make the assets ready for use.



Internally-generated intangible asset research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the 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.

and

- the ability to measure reliably the expenditure attributable to the intangible asset during its development

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Useful lives of intangible assets

Estimate useful lives of the intangible assets are as follow:

Nature of assets	Useful life in years
Product and process development	10
Acquired software	1-5

Subsequent costs

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

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, 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

(ix) Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on actual cost basis as follows:

- (i) Raw materials, packing materials and consumables: At purchase cost including other cost incurred in bringing materials/consumables to their present location and condition
 - (ii) Work in process and Intermediates: At material cost, conversion costs and appropriate share of production overheads
 - (iii) Finished goods: At material cost, conversion costs and an appropriate share of production overheads and excise duty, wherever applicable
 - (iv) Scrap: At net realizable value
- Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale

(x) Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably

Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are not recognized but are disclosed in the notes to financial statements when economic inflow is probable



(vi) Financial instruments

Financial assets and financial liabilities are recognised when a entity becomes a party to the contractual provisions of the instruments.

All financial instruments are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI and fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL, and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI").

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate ("EIR") method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

(ii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- (b) The asset's contractual cash flow represent SPPI.

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/loss in statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss.

(iii) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

(iv) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or the financial assets is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new assets obtained less any new liability assumed) shall be recognised in the statement of profit or loss except for debt and equity instruments carried through fair value through other comprehensive income which shall be recognised in other comprehensive income.



b) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the EIR method.

(ii) Financial liabilities at FVTPL

Financial liabilities at FVTPL, represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit or loss.

c) Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities. Derivatives are recognized and measured at fair value. Attributable transaction cost are recognized in statement of profit and loss.

d) Derecognition of financial Liabilities

The Company derecognises financial liabilities only when, the obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit or loss.

(xii) Impairment

Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;

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

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

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

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



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Notes to the standalone financial statements for the year ended March 31, 2023

Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(xiii) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(xiv) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted, expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

(xv) Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

(xvi) Cash and cash equivalents

Cash and cash equivalents 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.

(xvii) Segments

Segments have been identified taking into account the nature of services, the differing risks and returns, the organisational structure and the internal reporting system.

(xviii) Operating Cycle

Based on the nature of products, activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

2A Use of estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods. In particular, information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

i. Useful life of property, plant and equipment and intangible assets

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

ii. Impairment

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected discounted future cash flows from each asset or cash-generating unit.

iii. Deferred tax

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.



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Notes to the standalone financial statements for the year ended March 31, 2023

iv. Fair Value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date

v. Post-retirement benefit plans

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds.

vi. Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of financial year



Note No. 3A Property, Plant and Equipment

Particulars	Gross block				Accumulated depreciation			Net block	
	As at April 01, 2022	Additions	Disposals	Derecognised on disposal of business (refer note 3B)	As at March 31, 2023	As at April 01, 2022	Depreciation expense for the year	Eliminated on disposal of assets	Eliminated on disposal of business (refer note 3B)
Freehold Land	5.68 (5.68)	-	-	5.68	-	-	-	-	5.68 (5.68)
Buildings	241.35 (220.80)	11.86 (11.55)	-	120.76	132.45 (241.35)	55.93 (47.45)	8.98 (8.48)	-	104.51 (185.42)
Furniture and fixtures	10.95 (9.40)	1.09 (1.73)	-	3.45	8.59 (10.95)	7.03 (6.18)	1.02 (1.00)	-	2.86 (3.92)
Office equipments	13.76 (9.48)	0.34 (4.28)	-	4.98	9.12 (13.76)	7.09 (5.43)	2.01 (1.66)	-	2.05 (6.67)
Computers	28.20 (24.15)	0.97 (4.05)	0.07	8.56	20.54 (28.20)	19.92 (17.31)	2.77 (2.61)	0.03	15.51 (19.92)
Plant and machinery	795.22 (695.09)	26.95 (101.67)	0.75 (1.54)	425.82	395.60 (795.22)	292.17 (251.91)	43.53 (41.17)	0.36 (0.91)	288.53 (503.05)
Vehicles	0.94 (0.94)	-	-	0.94	-	0.56 (0.45)	0.11 (0.11)	-	0.18 (0.18)
Total	1,096.10	41.21	0.82	570.19	566.30	382.70	58.42	0.39	163.33
Previous year	(974.54)	(123.28)	(1.72)	-	(1,096.10)	(328.73)	(55.03)	(1.06)	(382.70)
									713.40 (645.81)

Notes:

- Figures in bracket relates to previous year
- The title deeds of freehold land and building including discontinued operations (as at March 31, 2023 gross block Rs. 258.89 Million and net block of Rs. 193.98 Million) (March 31, 2022: gross block Rs. 247.03 Million and net block of Rs. 191.10 Million) capitalised in the books of the Company are in the name of Indo Phyto Chemicals Private Limited, the erstwhile name of the Company.
- Refer note 13 and 16 for properties, plant and equipment pledged as security towards borrowings by the Company.

Note No. 3B Right of Use Assets

Particulars	Gross block			Accumulated depreciation		Net block	
	As at April 01, 2022	Additions	Disposals	As at March 31, 2023	As at April 01, 2022	As at March 31, 2023	As at April 01, 2022
Leasehold Land	307.19 (307.19)	-	-	307.19 (307.19)	18.73 (15.32)	22.14 (18.73)	285.05 (288.46)
Buildings	25.49	-	-	25.49 (25.49)	0.71	2.83 (0.71)	22.66 (24.78)
Total	332.68	(25.49)	-	332.68	19.44	24.97	307.71
Previous year	(307.19)	(25.49)	-	(332.68)	(15.32)	(19.44)	(313.24)
							(291.87)

Note:

- Figures in bracket relates to previous year
- The title deeds of right-of-use assets (as at March 31, 2023 gross block Rs. 307.19 Million and net block of Rs. 285.05 Million) (March 31, 2022: gross block Rs. 307.19 Million and net block of Rs. 288.46 Million) capitalised in the books of the Company are in the name of Indo Phyto Chemicals Private Limited, the erstwhile name of the Company.



Note No. 3C Capital Work in Progress (CWIP)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	27.47	85.68
Add: Additions during the year	108.18	74.98
Less: Capitalised during the year	(104.27)	(133.19)
Less: Derecognised on disposal of business (refer note 38)	(1.56)	-
Closing Balance	29.82	27.47

(i) CWIP ageing schedule as at March 31, 2023

Capital Work in Progress	Amount in CWIP for a period of				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	23.76	1.28	4.78	-	29.82
Projects temporarily suspended	-	-	-	-	-
	23.76	1.28	4.78	-	29.82

(ii) CWIP ageing schedule as at March 31, 2022

Capital Work in Progress	Amount in CWIP for a period of				As at March 31, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	13.78	10.27	2.77	0.65	27.47
Projects temporarily suspended	-	-	-	-	-
	13.78	10.27	2.77	0.65	27.47

Note:-

(i) None of the above are overdue in terms of budget or timelines

Note No. 3D Other Intangible Assets

Particulars	Gross block				Accumulated amortisation				Net block		
	As at April 01, 2022	Additions	Disposals	Derecognised on disposal of business (refer note 38)	As at March 31, 2023	As at April 01, 2022	Depreciation expense for the year	Eliminated on disposal of assets	Eliminated on disposal of business (refer note 38)	As at March 31, 2023	As at March 31, 2022
Technical Knowhow	13.18 (4.02)	61.20 (9.16)	-	-	74.38 (13.18)	3.42 (3.20)	2.21 (0.22)	-	-	5.63 (3.42)	9.76 (0.82)
Software	24.53 (23.79)	1.86 (0.74)	-	3.58	22.80 (24.53)	17.72 (13.65)	4.08 (4.07)	-	1.76	20.03 (17.72)	6.81 (10.14)
Total	37.71 (27.81)	63.06 (9.90)	-	3.58	97.18 (37.71)	21.14 (16.85)	6.29 (4.29)	-	1.76	25.66 (21.14)	16.57 (10.96)
Previous year			-	-				-	-		

Notes:-

(i) Figures in bracket relates to previous year



Note No. 3E Intangible assets under development (IUD)

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible assets under development	145.00	212.74
Less: Detrecognised on disposal of business (refer note 38)	(22.55)	-
Total	122.45	212.74

(i) IUD ageing schedule as at March 31, 2023

Intangible assets under development	Amount in Intangible assets under development for a period				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	28.83	13.28	17.23	63.11	122.45
Projects temporarily suspended	-	-	-	-	-
	28.83	13.28	17.23	63.11	122.45

(ii) IUD ageing schedule as at March 31, 2022

Intangible assets under development	Amount in Intangible assets under development for a period				As at March 31, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	31.99	-	67.67	113.08	212.74
Projects temporarily suspended	-	-	-	-	-
	31.99	-	67.67	113.08	212.74

Note:-

(i) None of the above are overdue in terms of budget or timelines

The Management of the Company have performed annual impairment assessment of the carrying value of the assets of the Cash Generating Unit (CGU) (which included the property, plant and equipment, capital work-in progress, right-of use asset, intangible asset and intangible assets under development) as at March 31, 2023 and concluded that there is no impairment.



Note

No.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Qty	Amount		Qty	Amount	
		Current	Non Current		Current	Non Current
Investments in subsidiaries (carried at cost): Equity shares, unquoted (Face value of USD 1/- each) Naari Pte Ltd, Singapore	15,16,454	-	273.37	15,16,454	-	273.37
Investments in Mutual Funds, quoted (carried at Fair Value): Investments in units of structured debt	1,011	263.46	-	2,274	331.53	-
Total	15,17,465	263.46	273.37	15,18,728	331.53	273.37
Aggregate amount of quoted investments carried at Fair value	1,011	263.46	-	2,274	331.53	-
Aggregate amount of unquoted investments carried at Cost	15,16,454	-	273.37	15,16,454	-	273.37

Note:

- (i) As consolidated financial statements is being prepared by the parent company, Tenshi Pharmaceuticals Private Limited, the Company, by way of exemption available as per para 4 of Ind AS 110 Consolidated Financial Statements has opted not to prepare consolidated financial statements.
- (ii) The market value of quoted investments is equal to the carrying value and are highly liquid investments

5 Security deposits

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
Security deposits	-	6.62	-	7.56
Less: Derecognised on disposal of business (refer note 38)	-	(0.73)	-	-
Total	-	5.89	-	7.56

6A Income tax assets (net)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good:				
- TDS receivable	-	3.78	-	2.23
Total	-	3.78	-	2.23

6B Other assets

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
Unsecured, considered good:				
- Capital advances	-	7.44	-	20.01
Balances with government authorities				
- GST credit & other receivable	57.48	-	53.57	-
Advances to vendors	39.39	-	29.06	-
Advances to employees	0.40	-	2.02	-
Prepaid expenses	1.03	-	1.35	0.05
Unsecured, considered doubtful:				
- Capital advances	-	2.29	-	-
Less: Allowance for doubtful advances	-	(2.29)	-	-
Balances with government authorities - Considered doubtful				
- GST credit & other receivable	3.58	-	-	-
Less: Allowance for time barred cases	(3.58)	-	-	-
Less: Derecognised on disposal of business (refer note 38)	(3.19)	(0.21)	-	-
Total	95.11	7.23	86.00	20.06

7 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
(At lower of cost and net realisable value)		
Raw materials and packing materials	98.98	101.00
Work-in-progress	60.39	103.28
Finished goods	55.83	130.77
	195.20	335.05
Less: Derecognised on disposal of business (refer note 38)	(79.01)	-
Total	116.19	335.05



Note

No. 8 Trade receivables

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
Trade receivables considered good - unsecured	507.68	-	521.55	-
Trade receivables - credit impaired	1.25	-	1.26	-
	508.93	-	522.81	-
Less: Derecognised on disposal of business (refer note 38)	(18.96)	-	-	-
	489.97	-	522.81	-
Less: Allowance for credit loss	(1.25)	-	(1.26)	-
Total	488.72	-	521.55	-

Notes:

(i) Particulars	Outstanding for following periods from due date of payment						As at March 31, 2023
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	290.72	153.99	32.29	11.28	0.44	-	488.72
(ii) Undisputed trade receivables - credit impaired	-	-	-	-	0.67	0.58	1.25
	290.72	153.99	32.29	11.28	1.11	0.58	489.97

(ii) Particulars	Outstanding for following periods from due date of payment						As at March 31, 2022
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	386.97	120.23	8.25	6.10	-	-	521.55
(ii) Undisputed trade receivables - credit impaired	-	-	-	0.67	0.42	0.17	1.26
	386.97	120.23	8.25	6.77	0.42	0.17	522.81

(iii) The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

(iv) Movement in Expected credit loss allowance:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1.26	6.08
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(0.01)	(4.82)
Closing balance	1.25	1.26

(v) The Company has trade receivable from one customer aggregating to Rs. 487.57 million which is individually more than 10 percent of the Company's total trade receivable as on balance sheet date. Trade receivable from such customer was Rs. 448.24 million which is individually more than 10 percent of the Company's total trade receivable as at March 31, 2022.

9 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.08	0.20
Balances with banks		
- in current accounts	2.76	1.69
Total	2.84	1.89

10 Other balances with banks

Particulars	As at March 31, 2023	As at March 31, 2022
Balance held as margin money		
- against borrowings and working capital facilities with banks	4.52	10.85
Total	4.52	10.85

11 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good - unsecured:		
Mark to market gain on derivative instrument	-	0.14
Other receivables from subsidiaries	19.08	21.32
Total	19.08	21.46

13 Non-current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured borrowings:		
- Term loans from banks	276.69	125.45
Total	276.69	125.45



Note
 No.

Note 1
Details of security and terms of repayment of non-current borrowings

Terms of repayment and security: Loan 1	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	-	47.95
Current maturities of non-current borrowings	-	-
Security: The said loan is secured by First Pari Passu charge on movable and immovable assets of the Company located at Kashipur and Rudrapur and Second charge on entire current assets of the company (Both present & future) and Unconditional & Irrevocable corporate guarantee of Tenshi Pharmaceuticals Private Limited. Repayment terms: 39 equal monthly instalments of Rs. 3.51 Million commencing from Jan-20.		
Rate of Interest: 11.50% p.a. i.e. ROI equal to 1.TLR less 7.75%.		
Terms of repayment and security: Loan 2	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	23.50	32.50
Current maturities of non-current borrowings	10.00	7.50
Security: The said loan is secured by Second Pari Passu charge on movable and immovable assets of the company located at Kashipur and Rudrapur and Residual charge on current assets of the company.		
Repayment terms: 48 equal monthly instalments of Rs. 0.83 Million commencing from July-22.		
Rate of Interest: 11.50% p.a. i.e. ROI equal to 1.TLR less 7.75%.		
Terms of repayment and security: Loan 3	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	20.00	-
Current maturities of non-current borrowings	-	-
Security: The said loan is secured by Second Pari Passu charge on movable and immovable assets of the company located at Kashipur and Rudrapur and Residual charge on current assets of the company.		
Repayment terms: 48 equal monthly instalments of Rs. 0.42 Million commencing from June-24.		
Rate of Interest: 11.50% p.a. i.e. ROI equal to 1.TLR less 7.75%.		
Terms of repayment and security: Loan 4	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	-	63.85
Current maturities of non-current borrowings	-	-
Security: The said loan is secured by First pari-passu charge on the entire movable fixed assets and immovable assets of the Company situated at Rudrapur and Second pari-passu charge over the current assets of the company, both present & future and Unconditional & Irrevocable Guarantee of Tenshi Pharmaceuticals Private Limited, Mr. Arun Kumar and Mr. Prithpal Singh Kochhar.		
Repayment terms: 7 quarterly instalments of USD 0.36 Million commencing from Mar-20 till Sep-21 and 4 quarterly instalments of USD 0.44 Million commencing from Dec-21.		
Rate of Interest: USD 3 Month LIBOR and spread per annum.		
For the above mentioned loan, Company has taken interest rate swap with the same party from whom the loan is availed, and thereby converting the interest rate on the loan to a specified fixed interest rate of 7.49% p.a.		
Terms of repayment and security: Loan 5	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	89.19	92.95
Current maturities of non-current borrowings	19.66	5.89
Security: The said loan is secured by hypothecation of stocks, bills, book debts, receivable & current assets, Fixed assets. The First Pari Passu charge along with ICICI Bank and TCFSL, WB- both factory located at Kashipur (Owned) and Rudrapur (Lease hold).		
Repayment terms: 72 equal monthly instalments of Rs. 1.65 Million commencing from Nov-22.		
Rate of Interest: ROI equal to 6 Months L+3.00%		
Terms of repayment and security: Loan 6	As at March 31, 2023	As at March 31, 2022
Non-current borrowings	145.00	-
Current maturities of non-current borrowings	-	-
This facility is covered by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Ltd (Ministry of Finance, Government of India).		
Repayment terms: 36 equal monthly instalments of Rs. 4.56 Million commencing from Oct-24.		
Rate of Interest: ROI Equals to 8.25% p.a Interest to be serviced on monthly basis.		
Particulars	As at March 31, 2023	As at March 31, 2022
Disclosed under non-current borrowings	276.69	125.45
Disclosed under current borrowings	29.65	125.18
Current maturities of non-current borrowings	-	-



Note

No.

14 Provisions

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
- Gratuity	4.24	11.31	2.70	13.56
- Compensated absences	4.31	7.64	3.90	10.82
	8.55	18.98	6.60	24.38
Less: Liabilities directly associated with assets classified as held for sale	(2.78)	(6.18)	-	-
Total	5.77	12.80	6.60	24.38

15 Lease liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
- Lease liabilities	0.44	24.78	0.21	25.22
Total	0.44	24.78	0.21	25.22

16 Borrowings

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non- Current	Current	Non- Current
Unsecured:				
- Optionally Convertible Redeemable preference shares	340.98	-	278.98	-
- Current maturities of non-current borrowings	29.65	-	125.18	-
- Working capital loans from banks and financial institutions	306.07	-	377.33	-
Total	676.70	-	781.49	-

Optionally Convertible Redeemable preference shares of Rs.100/- each

The Company has only one class of Optionally Convertible Redeemable Preference shares (OCRPS) having a par value of Rs.100/- per share. The OCRPS do not have any right any voting rights. Each OCRPS is entitled to Preferential dividend at the rate of 0.0001% per annum on the face value of Rs.100/-. The said preference shares shall rank for dividend on priority to Equity Shares. Each OCRPS shall be converted into Equity shares, at any time post September 30 2022 till 20 years from the date of allotment or on occurrence of certain events at the option of the Company or holder of the OCRPS.

(i) Details of Optionally Convertible Redeemable preference shares held by each shareholder holding more than 5% of shares:

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Rajpal Singh Kocchar	2,065	5.86%	2,065	7.17%
J & P Investments Partnership	8,260	23.46%	-	-
Jagsonpal Pharmaceuticals Private Limited	-	-	8,260	28.67%
Tenshi Pharmaceuticals Pvt Ltd	16,728	47.51%	10,326	35.84%
Ascent Private Equity Trust	7,228	20.53%	7,228	25.09%

Details of security and terms of repayment for current borrowings:

- (i) Working capital loans from banks are secured by first pari-passu charge over current assets of the Company, both present and future and second pari-passu charge on the entire movable fixed assets and immovable assets of the Company situated at Rudrapur and Unconditional & Irrevocable Guarantee of Tenshi Pharmaceuticals Private Limited, Mr. Arun Kumar and Mr. Prithpal Singh Kocchar.
Rate of Interest: 1-MCLR 6M + 2.00%

17 Trade payables

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non Current	Current	Non Current
- Total outstanding dues of micro enterprises and small enterprises	9.75	-	13.73	-
- Total outstanding dues of creditors other than micro and small enterprises	232.90	-	318.86	-
	242.65	-	332.59	-
Less: Liabilities directly associated with assets classified as held for sale	(63.51)	-	-	-
Total	179.14	-	332.59	-

Particulars	Outstanding for following periods from due date of payment					As at March 31, 2023
	Not due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	2.69	6.02	0.02	-	-	8.73
(ii) Others	83.56	78.50	6.13	0.62	1.60	170.41
	86.25	84.52	6.15	0.62	1.60	179.14

Particulars	Outstanding for following periods from due date of payment					As at March 31, 2022
	Not due	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) MSME	7.92	5.81	-	-	-	13.73
(ii) Others	160.28	119.04	37.31	0.94	1.20	318.86
	168.20	124.85	37.31	0.94	1.20	332.59



Note
No.

Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006*

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any suppliers as at the end of the accounting year	9.75	13.73
(ii) Interest due thereon remaining unpaid to any suppliers as at the end of the accounting year	2.22	3.37
(iii) The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed	-	-
(iv) The amount of interest due and payable for the year of delay in making payment (which have been paid but	5.82	3.60
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, 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	-	-

*Amount disclosed in MSME includes both continuing and discontinued operations

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

18 Other financial liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-Current	Current	Non-Current
Interest accrued but not due on borrowings	1.63	-	1.44	-
Interest accrued on MSME	5.82	-	3.60	-
Mark to market loss on derivative instrument	0.82	-	-	-
Payable to related parties	-	-	0.97	-
Provision for other employee benefits	-	40.73	-	10.44
	8.27	40.73	6.01	10.44
Creditors for capital supplies/services	12.26	-	16.35	-
Less: Liabilities directly associated with assets classified as held for sale	(7.55)	-	-	-
	4.71	-	16.35	-
Total	12.98	40.73	22.36	10.44

19 Other liabilities

Particulars	As at March 31, 2023		As at March 31, 2022	
	Current	Non-Current	Current	Non-Current
Advance from customers	244.10	-	253.16	-
Advance from Aresco Life sciences (Refer Note No.38)	30.00	-	-	-
Statutory dues	5.02	-	6.60	-
	279.12	-	259.76	-
Less: Liabilities directly associated with assets classified as held for sale	(1.44)	-	-	-
Total	277.68	-	259.76	-



Note

No.

12A (a) Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Authorised				
Equity shares of Rs 10/- each	25,00,000	25.00	25,00,000	25.00
Compulsorily convertible preference shares of Rs. 100/- each	83,33,160	833.32	83,33,160	833.32
		858.32		858.32
Issued				
Equity shares of Rs 10/- each	6,94,307	6.94	6,94,307	6.94
Compulsorily convertible preference shares of Rs. 100/- each	1,65,395	16.54	1,65,395	16.54
Subscribed and fully paid up				
Equity shares of Rs 10/- each	6,94,307	6.94	6,94,307	6.94
Compulsorily convertible preference shares of Rs. 100/- each	1,65,395	16.54	1,65,395	16.54
Total		23.48		23.48

(i) Reconciliation of the number of shares and amount outstanding

Particulars	Opening Balance	Issue of shares during the year	Closing Balance
Equity shares of Rs 10/- each Year Ended March 31, 2023			
No. of Shares	6,86,952	-	6,86,952
Amount Rs in Million	6.87	-	6.87
Compulsorily convertible preference shares of Rs. 100/- each Year Ended March 31, 2023			
No. of Shares	1,65,395	-	1,65,395
Amount Rs in Million	16.54	-	16.54
Equity shares of Rs 10/- each Year Ended March 31, 2022			
No. of Shares	6,86,952	-	6,86,952
Amount Rs in Million	6.87	-	6.87
Compulsorily convertible preference shares of Rs. 100/- each Year Ended March 31, 2022			
No. of Shares	1,65,395	-	1,65,395
Amount Rs in Million	16.54	-	16.54

(ii) Detail of the rights, preferences and restrictions attaching to each class of shares:

Equity shares of Rs. 10/- each

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. Each equity shareholder is entitled to dividend in the Company. The dividend proposed by the board of directors is subject to approval by the shareholders at the ensuing annual general meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

Compulsorily convertible preference shares of Rs. 100/- each

The Company has only one class of Compulsorily Convertible Preference shares (CCPS) having a par value of Rs.100/- per share. The holder of CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders (Including the holders of Equity Shares). Each CCPS shall entitle the holder to the number of votes equal to the number of whole or fractional Equity Shares into which such CCPS could then be converted. Each CCPS is entitled to Preferential dividend at the rate of 0.0001% per annum. The said preference shares shall rank for dividend on priority to Equity Shares. Each CCPS shall be converted into Equity shares, at any time post September 30 2020 till 20 years from the date of allotment or on occurrence of certain events at the option of the holder of the CCPS.

Pursuant to the terms and conditions agreed upon between the shareholders and the Company, Tenshi Pharmaceuticals Private Limited has assured a minimum rate of return (IRR) of 15% per annum, to the holder of CCPS.



Naari Pharma Private Limited (CIN:U74899KA1978PTC142872)

Notes to the standalone financial statements for the year ended March 31, 2023

(Amounts in Rupees Million, except for shares data or as otherwise stated)

(ii) Shares held by promoters at the end of the year:

Name of shareholder	No. of shares at the beginning of the year	Change during the year	As at March 31, 2023				% Change during the Year
			Fully paid Equity Shares	Partly paid equity shares	Number of shares	%	
Rajpal Singh Kocchar	1,00,000	-	1,00,000	-	1,00,000	14.40%	0.00%
Tenshi Pharmaceuticals Pvt Ltd	4,16,593	-	4,16,593	-	4,16,593	60.00%	0.00%

Name of shareholder	No. of shares at the beginning of the year	Change during the year	As at March 31, 2022				% Change during the Year
			Fully paid Equity Shares	Partly paid equity shares	Number of shares	%	
Rajpal Singh Kocchar	2,50,000	(1,50,000)	1,00,000	-	1,00,000	14.40%	-60.00%
Tenshi Pharmaceuticals Pvt Ltd	4,16,593	-	4,16,593	-	4,16,593	60.00%	0.00%

(iii) Details of equity shares held by each shareholder holding more than 5% of shares:

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Rajpal Singh Kocchar	1,00,000	14.40%	1,00,000	14.40%
Prithipal Singh Kocchar	75,000	10.80%	75,000	10.80%
Indrapal Singh Kocchar	75,000	10.80%	75,000	10.80%
Tenshi Pharmaceuticals Pvt Ltd	4,16,593	60.00%	4,16,593	60.00%

Compulsorily convertible preference shares of Rs. 100/- each

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Ascent Private Equity Trust	1,65,395	100.00%	1,65,395	100.00%



Note

No.

12B Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium account	2,249.07	2,249.07
Retained earnings	(1,445.60)	(966.08)
Total	803.47	1,282.99

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Reserves and surplus		
(i) Security premium account		
Amounts received on issue of shares in excess of the par value has been classified as securities premium	2,249.07	2,215.34
Opening balance	-	33.73
Add: Premium on shares issued during the year		
Closing balance	2,249.07	2,249.07
(ii) Retained earnings		
Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.		
Opening balance	(966.08)	(958.19)
Add: Profit/(Loss) for the year	205.00	155.44
Add: Loss on Discontinued Operations	(686.70)	(163.16)
Add: Remeasurements of post-employment benefit obligation (net of tax)	2.18	(0.17)
Closing balance	(1,445.60)	(966.08)
Total reserves and surplus	803.47	1,282.99



Note

No.

20 Revenue from operations

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Sale of products	749.49	735.95
Sale of services	234.70	135.13
Other operating revenues		
- Duty drawback and other export incentives	0.23	-
Total	984.42	871.08

(i) Sale of products comprises		
Manufactured goods - bulk drugs	749.49	735.95
Total	749.49	735.95

(ii) Revenue from major customers

Revenue from one customer of the Company during the year ended March 31, 2023 was 948.56 million which is individually more than 10 percent of the Company's total revenue for the year. Revenue from such customer was Rs. 807.91 million which is individually more than 10 percent of the Company's total revenue for the year ended March 31, 2022.

21 Other income

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Income on investment in Mutual funds	24.46	36.71
Interest income	0.49	0.54
Interest income on Electricity Deposit	0.19	0.12
Exchange fluctuation gain (net)	0.88	-
Insurance Claim Received	-	3.00
Provisions no longer required written back	8.79	2.34
Total	34.81	42.71

22 Cost of materials consumed

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Opening stock	101.00	108.81
Less: Opening stock pursuant to disposal of business	(34.52)	(48.87)
	66.48	59.94
Add: Purchases	203.36	226.24
Closing stock	97.11	101.00
Less: Closing stock pursuant to disposal of business	(3.84)	(34.52)
	93.27	66.48
Cost of materials consumed	176.57	219.70

23 Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Inventories at the beginning of the year:		
Finished goods	103.28	58.29
Work-in-progress and intermediates	130.77	119.44
	234.05	177.73
Less: Inventories at the beginning of the year pursuant to disposal of business		
Finished goods	(98.61)	(56.67)
Work-in-progress and intermediates	(72.64)	(64.88)
	(171.25)	-121.55
Inventories at the beginning of the year:	62.80	56.18
Inventories at the end of the year:		
Finished goods	29.01	103.28
Work-in-progress and intermediates	43.13	130.77
	72.14	234.05
Less: Inventories at the end of the year pursuant to disposal of business		
Finished goods	(21.15)	(98.61)
Work-in-progress and intermediates	(28.06)	(72.64)
	(49.21)	(171.25)
Inventories at the end of the year:	22.93	62.80
Add: Inventories capitalised	36.92	-
Net (increase) / decrease	2.95	(6.62)



Note
No.

24 Employee benefits expenses

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Salaries and wages	171.41	165.52
Less: Amounts transferred to intangibles under development	(10.91)	(4.69)
	160.50	160.83
Contribution to provident and other funds	9.25	9.45
Gratuity expense	3.07	2.06
Share based payment expense	30.29	10.44
Other employee benefits	5.38	6.17
Total	208.49	188.95

25 Finance costs

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Interest costs:		
- Interest on loans	44.96	41.74
- Interest on MSME	2.22	3.37
- Interest on Lease Liability	2.77	0.92
	(0.15)	(0.43)
Less: Amounts transferred to intangibles under development	49.80	45.60
	6.74	(1.29)
Exchange difference regarded as an adjustment to borrowing costs	18.22	11.90
Other finance costs		
Total	74.76	56.21

26 Depreciation and Amortisation expenses

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Depreciation of Property, plant and equipment (Refer Note No. 3A)*	58.42	55.03
Less: Depreciation expense on disposal of business (refer note 38)	(26.42)	(25.18)
Less: Depreciation cross charged to Naari Pte	(0.49)	-
	31.50	29.85
Depreciation of Right-of-use assets (Refer Note No. 3B)	5.53	4.12
Amortisation of Intangible assets (Refer Note No. 3D)*	6.29	4.29
Less: Amortisation expense on disposal of business (refer note 38)	(0.63)	(0.31)
Less: Depreciation and Amortisation capitalised as Intangibles under development	(0.50)	(1.62)
Total	42.20	36.33

27 Other expenses

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Power and fuel	40.80	55.77
Consumption of consumables	15.59	11.77
Contract labour charges	31.53	27.85
Repairs and maintenance:		
- Buildings	3.15	2.63
- Machinery	5.29	2.41
- Others	9.36	7.33
Rates and taxes	12.77	5.17
Legal and professional fees	73.76	32.77
Communication	3.01	0.17
Travelling and conveyance	14.75	4.92
Insurance	5.73	3.39
Rent including lease rentals	1.15	0.97
Freight and forwarding	86.11	73.15
Business promotion	0.28	0.88
Loss on disposal of property plant and equipments	0.26	0.64
Loss on sale of Duty drawback credits	-	2.44
Allowance for doubtful trade and other receivables	4.11	1.26
Exchange fluctuation loss (net)	-	0.57
Payments to statutory auditors (Refer note (i) below)	2.20	1.85
Analytical charges	4.99	29.64
Miscellaneous expenses	5.13	7.13
Total	319.97	272.70
Less: Amounts transferred to intangibles under development (Refer Note 3E)	(10.71)	(8.92)
Total	309.26	263.78

(i) Payment to the statutory auditors comprises (net of taxes) for:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Audit of financial statements	2.10	1.80
Other services	0.04	-
Reimbursement of expenses	0.06	0.05
Total	2.20	1.85

Note
No.

28 Tax expense

Current tax: During the year and in the previous year, the Company does not have taxable income as per regular computation and as per minimum alternate tax under Sec 115BB of the Income Tax Act 1961.

Deferred tax: For the year ended March 31, 2023, deferred tax comprises of the timing differences relating to depreciation on property, plant & equipments, provision for doubtful trades receivables, provision for employee benefits, fair valuation of security deposits, carry forward losses and others. The Company has significant brought forward tax loss and unabsorbed depreciation, and has recognised the arising deferred tax asset on such losses to the extent of the corresponding deferred tax liability arising on the difference between the book balance of fixed assets and the written down value of such fixed assets under Income Tax.

As at March 31, 2022, the unrecognised tax credits in respect of brought forward losses and unabsorbed depreciation as per tax returns amounts to Rs. 984.51 Million.

29 Commitments (To the extent not provided for)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
-Property, Plant and equipment	30.01	48.30
Total	30.01	48.30

30 Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Corporate guarantee	200.00	201.62
Contingent liabilities - Pending litigations (to the extent not provided for)	1.97	1.97

Transfer pricing: In respect of transfer pricing regulations under section 92 to 92F of the Indian Income tax Act, 1961, the Company is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for tax.

31 Earnings per share

Particulars	As at March 31, 2023	As at March 31, 2022
Basic earnings per share :		
- From continuing operations	208.26	157.91
- From discontinued operations	(697.61)	(165.75)
Total basic earnings per share :	(489.35)	(7.84)
Diluted earnings per share :		
- From continuing operations	208.26	157.91
- From discontinued operations	(697.61)	(165.75)
Total diluted earnings per share :	(489.35)	(7.84)
Profit / (loss) attributable to the equity holders of the Company		
- From continuing operations	205.00	155.44
- From discontinued operations	(686.70)	(163.16)
Total operations	(481.70)	(7.72)
Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as denominator in calculating basic earnings per share	9,84,357	9,84,357
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of equity shares used as denominator in calculating diluted earnings per share	9,84,357	9,84,357

32 Leases

Company as a lessee: The Company has entered into lease arrangements for its factory land and buildings (office premise). Refer note 2.4 (ii) for the accounting policies adopted by Company in respect of Ind AS 116.

Movement in right-of-use assets and lease liabilities during the year:

Right-of-use assets:			
Particulars	Lease hold land	Buildings	Total
Opening balance as on April 01, 2021	291.87	-	291.87
Additions	-	25.49	25.49
Depreciation	(3.41)	(0.71)	(4.12)
Deletions	-	-	-
Closing balance as on March 31, 2022	288.46	24.78	313.24
Additions	-	-	-
Depreciation	(3.41)	(2.12)	(5.53)
Deletions	-	-	-
Closing balance as on March 31, 2023	285.05	22.66	307.71

Lease liabilities		
Particulars	March 31, 2023	March 31, 2022
Opening balance	25.43	-
Additions	-	25.49
Interest	2.77	0.92
Lease payments	(2.98)	(0.98)
Closing balance	25.22	25.43
Current	0.44	0.21
Non-current	24.78	25.22



Note

No.

The below table provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	March 31, 2023	March 31, 2022
	Buildings	Buildings
Less than one year	3.17	2.99
One to five years	14.68	13.85
More than five years	27.59	31.59
Total	45.44	48.43

Lease rent expense on short-term and low value lease recognised in Statement of Profit and Loss

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Short-term and low value lease rentals (Refer note (ii) below)	1.15	0.97

Note

- (i) The entity has entered into a lease arrangement with State Industrial Development Corporation of Uttarakhand Limited for a period of 90 years commencing from October 05, 2016 at Rudrapur and the entire amount being paid in advance, there is no lease liability.
- (ii) The Company applies the short-term lease recognition exemption to its short-term leases of certain premises taken on lease (i.e. those lease that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

34 Employee Benefits Plans

(a) Defined contribution plan

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Amount recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Employer contribution to		
Provident fund	9.25	9.45
Employee state insurance scheme	0.19	0.22

* the above amounts are excluding costs debited to discontinued operations

(b) Compensated absences

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for compensated absence		
Non-current	7.64	10.82
Current	4.31	3.90
Expense charged to statement of profit and loss account	1.77	4.77

* the above amounts are including costs debited to discontinued operations

(c) Defined benefit plan

The Company and its Indian subsidiaries offers gratuity benefits, a defined employee benefit scheme to its employees. The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk.

Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	6.33%
Expected rate of salary increase	7.50%	7.50%
Attrition rate	28.00%	20.00%
Retirement age (in years)	58 Years	58 Years
Mortality rate	[ALM(2012-14) Ultimate]	



Note

No.

Amounts recognised in statement of profit and loss and in other comprehensive income in respect of these defined benefit plan are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Service cost		
Current service cost	3.45	2.98
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.94	0.74
Components of defined benefit costs recognised in statement of profit and loss	4.39	3.72
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amounts included in net interest expense) (excess) / Short return	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	(0.75)	-
Actuarial (gains) / losses arising from changes in financial assumptions	(0.46)	(0.33)
Actuarial (gains) / losses arising from experience adjustments	(0.97)	0.50
Components of defined benefit costs recognised in other comprehensive income	(2.18)	0.17
Total	2.21	3.89

* the above amounts are including costs debited to discontinued operations

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amounts included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	15.58	16.26
Fair value of plan assets	-	-
Funded status liabilities / (asset)	15.58	16.26
Net liability / (asset) arising from defined benefit obligation	15.58	16.26
Current	5.62	2.70
Non-current	15.03	13.56
	20.65	16.26
Less : Liabilities directly associated with assets classified as held for sale	5.07	-
	15.58	16.26

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	16.26	13.60
Expenses recognised in the statement of profit and loss		
Current service cost	3.45	2.98
Interest cost	0.94	0.74
Remeasurement (gains)/losses recognised in other comprehensive income:		
Actuarial gains and losses arising from changes in demographic assumptions	(0.75)	-
Actuarial gains and losses arising from changes in financial assumptions	(0.46)	(0.33)
Actuarial gains and losses arising from experience adjustments	(0.97)	0.50
Benefits paid	(2.89)	(1.23)
Closing defined benefit obligation	15.58	16.26

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate		
1% increase	(15.13)	(15.56)
1% decrease	16.06	17.03
Expected salary growth		
1% increase	15.98	16.93
1% decrease	(15.20)	(15.64)

The sensitivity analysis presented above 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 one another as some of the assumptions 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 end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

There has been no change in the process used by the Company to manage its risks from prior periods.

Expected future cash outflows towards the plan are as follows:-

Particulars	As at March 31, 2023	As at March 31, 2022
Year 1	4.24	2.70
Year 2	3.18	2.49
Year 3	2.69	2.29
Year 4	2.25	2.21
Year 5	1.97	1.97
Years 6 to 10	4.23	6.49
Above 10 Years	1.43	4.49



35 Related party information:

A List of related parties:

Relationship	Name of the related parties
Controlling parties	Tenshi Pharmaceuticals Private Limited (Refer Note (i) Below) Arun Kumar Pillai
Subsidiaries and fellow subsidiary companies	Naari Pte Limited Tenshi Kaizen Private Limited Naari Esta Pte Ltd, Singapore Naari USA Inc, USA Naari B V, Netherland Naari UA Pte Ltd, Singapore Navad Life Sciences Pte Ltd, Singapore
Jointly controlled entity and associates	SOP Pharma LLC
Director and Key Management Personnel	Prithupal Singh Kochhar Chandrappa Scetharamaiah Deepak Komaregowda Hermann Osterwald
Enterprises owned or Significantly influenced by individuals who have control/significant influence over the Company	Jagsonpal Pharmaceuticals Limited Dharuhera Pharmaceuticals Private Limited Suvyns Developers Private Limited Aresko Life Sciences Private Limited Rajpal Singh Kochhar I K Enterprises Rakshit Organisational Operations and Transformations Private Limited RPSK Strategic LLP Chavadeep Properties Private Limited Strides Pharma Science Limited Arcolab Private Limited

Notes:

i) Pursuant to Scheme of amalgamation approved by relevant regulatory authority on November 29, 2022, Tenshi Life Sciences Private Limited (TLSPPL) and Karuna Healthcare Private Limited (KHPL) have been merged into Tenshi Pharmaceuticals Private Limited. Tenshi Life Sciences Private Limited has filed the Scheme approval copy with the Registrar of Companies on January 06, 2023



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Related party transactions

Particulars	Controlling Parties		Subsidiaries and fellow subsidiary companies		Director and Key Management Personnel		Jointly controlled entity and associates		Enterprises owned or significantly influenced by individuals who have control/significant influence over the Company	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
B										
Transactions during the year										
<i>Sale of material/services</i>										
Jagsonpal Pharmaceuticals Limited	-	-	-	-	-	-	-	-	45.25	11.98
Suvnys Developers Private Limited	-	-	-	-	-	-	-	-	61.39	-
Dharuhera Pharmaceuticals Private Limited	-	-	-	-	-	-	-	-	35.89	-
Aresko Life Sciences Private Limited	-	-	-	-	-	-	-	-	28.80	-
Naari Pie Limited	-	-	948.56	807.91	-	-	18.57	46.48	-	-
SOP Pharma LLC	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses										
Naari Pie Limited	-	-	19.08	21.32	-	-	-	-	-	-
Transfer of Laptop										
Strides Pharma Science Limited	-	-	-	-	-	-	-	-	0.04	-
Support services & Other service										
Tenshi Pharmaceuticals Private Limited	9.48	16.59	-	-	-	-	-	-	2.34	-
Strides Pharma Science Limited	-	-	-	-	-	-	-	-	22.36	18.37
Arcolab Private Limited	-	-	-	-	-	-	-	-	-	-
Purchase of Goods										
Dharuhera Pharmaceuticals Private Limited	-	-	-	-	-	-	-	-	94.16	-
Rent Expense(including Property tax)										
Jagsonpal Pharmaceuticals Limited	-	-	-	-	-	-	-	-	0.65	-
Chavadeep Properties Private Limited	-	-	-	-	-	-	-	-	3.22	-
Managerial remuneration										
Mr. Prithpal Singh Kochhar	-	-	-	-	5.17	4.92	-	-	-	-
Allotment of OCRPS(including securities premium)										
Mr. Rajpal Singh Kochhar	-	-	-	-	-	-	-	-	-	20.00
Mr. Prithpal Singh Kochhar	-	-	-	-	-	9.00	-	-	-	-
Jagsonpal Pharmaceuticals Limited	-	-	-	-	-	-	-	-	-	79.99
Tenshi Pharmaceuticals Private Limited	62.00	100.00	-	-	-	-	-	-	-	-
Loan/advances repaid to Company										
IK Enterprises	-	-	-	-	-	-	-	-	0.19	-
Mr. Prithpal Singh Kochhar	-	-	-	-	-	-	-	-	0.15	-
Rakshit Organisations And Trans formations Private Limited	-	-	-	-	-	-	-	-	0.64	-



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C

Balance as at balance sheet date											
Receivable											
Naari Pte Limited	-	-	-	-	-	506.65	463.66	-	-	-	-
Naari UA Pte Limited	-	-	-	-	-	2.15	1.98	-	-	-	-
Dharuhera Pharmaceuticals Private Limited	-	-	-	-	-	-	-	-	-	0.78	-
Aresko Life Sciences Private Limited	-	-	-	-	-	-	-	-	-	10.54	-
Jeeconall Pharmaceuticals Limited	-	-	-	-	-	-	-	-	-	28.48	3.07
Payable											
Arcolab Private Limited	-	-	-	-	-	-	-	-	-	0.01	21.39
IK Enterprises	-	-	-	-	-	-	-	-	-	-	0.19
Mt. Prithipal Singh Kochhar	-	-	-	-	-	-	-	0.15	-	-	0.64
Rakshit Organisations Operations And	-	-	-	-	-	-	-	-	-	-	-
Transformations Private Limited	-	-	-	-	-	-	-	-	-	1.35	0.01
Srides Pharma Science Limited	-	-	-	-	-	-	-	-	-	-	-
Tenshi Kaizen Private Limited	-	-	-	-	-	-	2.72	-	9.64	13.69	-
SOP Pharma LLC	-	-	-	-	-	-	-	-	-	-	-
Suvins Developers Private Limited	-	-	-	-	-	-	-	-	-	0.01	-
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	-	0.26	0.06
Tenshi Pharmaceuticals Private Limited	6.88	-	-	-	-	-	-	-	-	-	-
Lease Deposit with:											
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	-	2.20	-
Advance from Customer:											
Tenshi Kaizen Private Limited	-	-	-	-	-	230.00	230.00	-	-	30.00	-
Aresko Life Sciences Private Limited	-	-	-	-	-	-	-	-	-	-	-
Investments											
Naari Pte Limited	-	-	-	-	-	273.37	273.37	-	-	-	-
Corporate Guarantees* to											
Naari Pte Limited	-	-	-	-	-	-	1.62	-	-	-	-
Chayadeep Properties Private Limited	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantees** by											
Tenshi Pharmaceuticals Private Limited	600.00	1,161.40	-	-	-	-	-	-	-	200.00	200.00

*No guarantee commission is chargeable under the terms of the guarantee.
**No guarantee commission is payable under the terms of the guarantee agreed with the guarantor.



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Segment reporting

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Finished Dosage Form (FDF) and Active Pharmaceutical Ingredient (API). Revenues and expenses directly attributable to segments are reported under each reportable segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocated expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocated.

Disclosures regarding geographical information: The geographical information of the Segment's revenues and assets are shown separately in the table below. Segment revenues has been disclosed based on geographical location of the customers. Segment assets has been disclosed based on the geographical location of the respective assets.

Particulars	FDF - Continuing operations		API - Discontinued operations		Unallocated		Total	
	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year	Current year	Previous Year
Segment Revenues								
Revenue from operations	984.42	871.08	278.63	182.70	-	-	1,263.05	1,053.78
Other income	-	-	-	-	34.81	42.71	34.81	42.71
Total Revenue	984.42	871.08	278.63	182.70	34.81	42.71	1,297.86	1,096.49
Segment Expenses	718.89	679.42	351.02	319.86	-	-	1,069.91	999.27
Less: Capitalised	(21.62)	(13.61)	-	-	-	-	(21.62)	(13.61)
	697.27	665.81	351.02	319.86	-	-	1,048.29	985.67
Depreciation	42.20	36.33	27.05	25.49	-	-	69.25	61.82
Interest Expenses	-	-	-	0.51	74.76	56.21	74.76	56.72
Unallocated & Exceptional Income/	-	-	-	-	-	-	-	-
Segment results	244.95	168.94	(99.44)	(163.16)	(39.95)	(13.50)	105.56	(7.72)
Segment assets	1,674.05	1,597.06	788.72	690.78	540.61	607.13	3,003.38	2,894.97
Segment liabilities	554.32	577.35	81.46	104.21	953.39	906.94	1,589.17	1,588.50
CAPITAL EMPLOYED	1,119.73	1,019.71	707.26	586.57	(412.78)	(299.81)	1,414.21	1,306.47

Information regarding geographical revenue from operations is as follows (including discontinued operations) :

Particulars	March 31, 2023	March 31, 2022
India	251.82	117.15
Singapore	948.56	804.45
Others	62.66	132.18
Total	1,263.04	1,053.78

Non-current assets (excluding financial assets under financial instruments) of continuing and discontinued operations as at March 31, 2023 and March 31, 2022 are in India.



Note

No.

36 Financial instruments

36.1 Categories of financial instruments

Particulars	As at			
	March 31, 2023		March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets:				
Measured at amortised cost				
Cash and bank balances	7.46	7.36	12.74	12.74
Trade receivables	488.72	488.72	521.55	521.55
Other financial assets at amortised cost	24.97	24.97	29.02	29.02
Measured at fair value through profit or loss				
Investment in mutual funds	263.46	263.46	331.53	331.53
Total financial assets	784.51	784.51	894.84	894.84
Financial liabilities:				
Measured at amortised cost				
Borrowings including current maturities of non current borrowings	953.39	953.39	907.91	913.31
Lease liabilities	25.22	-	25.43	-
Trade payables	179.11	179.14	132.59	132.59
Other financial liabilities	12.98	12.98	21.39	21.39
Total financial liabilities	1,170.73	1,145.51	1,287.32	1,267.29

36.2 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

36.2.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used)

Financial assets / financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2023	March 31, 2022		
Financial assets:				
Investment in mutual funds	263.46	331.53	Level 1	Fair value is determined based on the net asset value published by respective funds

36.2.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management assessed that the carrying amounts of financial assets and financial liabilities (except borrowings) recognised in the financial statements at amortised cost will reasonably approximate their fair values

The below table summarises the borrowings which are measured at amortised cost and for which fair values are disclosed, with corresponding carrying values

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Borrowings	953.39	953.59	907.91	913.31

36.3 Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below



**Note
No.**

36.3.1 Foreign currency risk management

The Company is exposed to foreign exchange risk due to

- debt availed in foreign currency

- exposure arising from transactions relating to purchases, revenues, expenses, etc. to be settled (within and outside the group) in currencies other than the functional currency of the respective entities

The carrying amount of the Company's foreign currency denominated monetary liabilities (payables) and assets (receivables) is at the end of reporting period are as under

Amount receivable / (payable)	As at			
	March 31, 2023		March 31, 2022	
Exposure to the Currency	in foreign Currency	in Rs.	in foreign Currency	in Rs.
USD	2.89	237.21	5.58	125.28
EUR	0.01	3.75	(0.01)	(1.14)
CHF	(0.05)	(4.12)	(0.02)	(1.78)
GBP	0.003	0.34	-	-

36.3.2 Foreign currency sensitivity analysis

Financial instruments affected by changes in foreign exchange rates include loans in foreign currencies. The Company considers US Dollar and the Euro to be principal currencies which require monitoring and risk mitigation. The impact on account of 5% appreciation / depreciation in the exchange rate of the above foreign currencies against Rs. is given below

Exposure to the Currency	Increase/ (Decrease) in Profit	
	March 31, 2023	March 31, 2022
Appreciation in the USD	11.86	21.26
Depreciation in the USD	(11.86)	(21.26)
Appreciation in the EUR	0.19	0.06
Depreciation in the EUR	(0.19)	0.06
Appreciation in the CHF	(0.21)	(0.19)
Depreciation in the CHF	0.21	0.19
Appreciation in the GBP	0.02	-
Depreciation in the GBP	(0.02)	-

The impact on profit has been arrived at by applying the effects of appreciation / depreciation effects of currency on the net position (Assets in foreign currency - Liabilities in foreign currency) in the respective currencies

For the purpose of the above table, it is assumed that the carrying value of the financial assets and liabilities as at the end of respective financial years remains constant thereafter. The exchange rate considered for the sensitivity analysis is the exchange rate prevalent as at each year end

The sensitivity analysis might not be representative of inherent foreign exchange risk due to the fact that the foreign exposure at the end of the reporting period might not reflect the exposure during the year

36.3.3 Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. Such risks are overseen by the Company's corporate treasury department as well as senior management

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows

Particulars	As at	
	March 31, 2023	March 31, 2022
Fixed-rate instruments		
Financial assets		
Balance with banks held as margin money	4.52	10.85
Financial liabilities		
Loans from related parties	-	(1.97)
Variable-rate instruments		
Financial liabilities		
Borrowings from banks and financial institutions	(85.40)	(96.94)

Interest rate sensitivity analysis

Financial instruments affected by interest rate changes include secured long term loans from banks, secured long term loans from others, unsecured long term loans, secured short term loans from banks and unsecured short term loans from banks and others. This computation does not involve a revaluation of the fair value of loans as a consequence of changes in interest rates. The computation also assumes that an increase in interest rates on floating rate liabilities will not necessarily involve an increase in interest rates on floating rate financial assets

Particulars	March 31, 2023	March 31, 2022
The impact of a 1% change in interest rates on the profit of an annual period assuming the loans at each year end remain constant during the respective years will be	0.53	0.08



**Note
No.**

Interest rate swap contracts

Under interest rate swap contracts, the Company agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Company to mitigate the risk of cash flow exposures on the variable rate borrowings.

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the local interbank rate in the currency of the loan. The Company will settle the difference between the fixed and floating interest rate on a net basis.

36.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit Risk to the company primarily arises from trade receivables. Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions and other financial assets.

The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

36.5 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities.

36.5.1 Liquidity analysis for Non-Derivative Liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes repayment of principal amounts. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financial liabilities	< 1 year	1 to 3 years	> 3 years	Total	Carrying value
Bank & other borrowings					
- As on March 31, 2023	676.70	276.69	-	953.39	953.39
- As on March 31, 2022	508.88	404.43	-	913.31	907.91
Interest payable on borrowings					
- As on March 31, 2023	1.63	-	-	1.63	1.63
- As on March 31, 2022	1.44	-	-	1.44	1.44
Lease liabilities					
- As on March 31, 2023	3.17	6.91	35.36	45.44	25.22
- As on March 31, 2022	2.40	10.08	35.36	48.43	25.43
Trade and other payable					
- As on March 31, 2023	190.49	-	-	190.49	190.49
- As on March 31, 2022	352.54	-	-	352.54	352.54

36.5.2 Capital Management:

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings) offset by cash and bank balances and total equity of the Company.

The capital structure is as follows:

Particulars	As at	
	March 31, 2023	March 31, 2022
Equity attributable to the equity share holders of the company	826.95	1306.47
Equity as a percentage of total capital	46%	59%
Current borrowings	676.70	781.49
Non-current borrowings	276.69	125.45
Total borrowings	953.39	906.94
Less: Cash and cash equivalents	8.84	1.89
Net borrowings	950.55	905.05
Net borrowings as a percentage of total capital	53%	41%
Total capital (borrowings and equity)	1,780.34	2,213.41



Note
No.

38 Discontinued Operations

During the current year, for strategic business reasons, the Company entered into a Business Transfer Agreement with Aresko Life Sciences Private Limited (herein after referred to as "Aresko") for sale of its API business on a slump sale basis for a consideration of Rs. 120 million. The transaction recommended by Board of Directors is approved by shareholders. During the year, the Company received an advance of Rs. 30 million against the said sale and the same is disclosed under other current liabilities.

The transaction is expected to be completed in financial year ended March 31, 2024. The comparative Profit(Loss) from discontinued operations have been presented as if these operations were discontinued in the prior year as well.

Pursuant to the agreement entered into for the sale of API business, the Company & Aresko has entered into a Manufacturing Services Agreement on November 1, 2022 wherein the Company shall dedicate the API Manufacturing Site exclusively for Aresko and in consideration of the exclusivity committed by the Company, Aresko shall pay the Company all cost of running and operating the Manufacturing Site including employee costs, over-heads, materials, licenses, permissions and all working-capital relating to the Manufacturing Site with a mark-up of 5% on such costs.

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Revenue	278.63	182.70
Other Income	-	-
Total revenue from discontinued operations	278.63	182.70
Depreciation and amortisation expense	27.05	25.49
Other expenses charged-off to the Statement of Profit and Loss	351.02	320.37
Total expenses from discontinued operations (II)	378.07	345.86
Loss from discontinued operation (III = I - II)	(99.44)	(163.16)
Gain / (loss) on disposal of:		
- Kashipur API business	(587.26)	-
Net gain / (loss) on disposal of businesses (IV)	(587.26)	-
Gain / (Loss) from discontinued operations before tax (V = III + IV)	(686.70)	(163.16)
Attributable income tax expense (VI)	-	-
Net gain / (loss) from discontinued operations after tax (V - VI)	(686.70)	(163.16)

(a) Consideration received	
Particulars	Total
Consideration received/receivable in cash	120.00
Total consideration	120.00
(b) Carrying value of asset and liabilities as at balance sheet date	
Particulars	Total
Non-current assets	389.41
Current assets	399.31
Non-current liabilities	(6.18)
Current liabilities	(75.28)
Net assets of discontinued operations	707.26
(c) Loss on disposal	
Particulars	Total
Consideration received/receivable	120.00
Net assets disposed off	707.26
Expenses pertaining to disposal	-
Loss on disposal	(587.26)
(d) Net cash inflow on disposal	
Particulars	
Consideration received/receivable in cash	120.00
Less: Expenses pertaining to disposal	-
Less: Cash and cash equivalent balances disposed off	-
Net Cash inflow	120.00

Cash flows from discontinued operations

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Net cash inflows/(outflows) from operating activities	(199.50)	(264.29)
Net cash inflows/(outflows) from investing activities	15.25	(63.86)
Net cash inflows/(outflows) from financing activities	-	-
Net cash inflows/(outflows)	(184.25)	(328.15)



Note
No.

37 Ratio Analysis

Particulars	As at March 31, 2023	As at March 31, 2022	Change	Ratios have a variance of >25% due to
Current Ratio - in times (A) / (B)	0.97	0.93	4%	Not applicable
Current Assets (A)	1,191.38	1,308.33		
Current Liabilities (B)	1,234.17	1,403.01		
Debt-Equity Ratio - in times (C) / (D)	1.18	0.71	66%	Due to the Term Loans availed during the year
Debt including lease liabilities (C)	978.61	932.37		
Equity (D)	826.95	1,306.47		
Equity is defined as Equity share capital and Other equity				
Debt Service Coverage Ratio - in times (E) / ((F) + (G))	1.84	1.01	82%	Due to Increase in Profit and less debt repayment as compared to Previous year
Earnings Before Interest, Taxes, Depreciation and Amortisation (E)	321.96	247.98		
Debt repayment (F)	129.88	202.30		
Interest payments (G)	44.77	42.10		
Earnings before interest, taxes, depreciation and amortisation is defined as Profit for the year before exceptional items and taxes (add) Depreciation and Amortisation (add) Finance costs (less) interest income				
Debt repayment is defined as actual repayment of loans to banks and lease payments during the year				
Interest payments is defined as interest paid on loans and lease liability during the year				
Return on Equity ratio (H) / (I)	24.79%	11.90%	108%	Due to increase in net profit during the year
Net profit (H)	205.00	155.44		
Equity (I)	826.95	1,306.47		
Net profit is defined as Profit for the year after tax				
Equity is defined as Equity share capital and Other equity				
Inventory turnover ratio (K) / (L)	0.80	0.69	16%	Not applicable
Cost of goods sold (K)	179.52	213.08		
Average Inventory (L)	223.62	310.80		
Cost of goods sold is defined as Cost of materials consumed, Purchases of stock-in-trade and Changes in inventories of finished goods and work-in-progress				
Average Inventory is defined as average of inventories as at the beginning and as at the end of the year.				
Trade receivables turnover ratio (M) / (N)	1.95	1.92	2%	Not applicable
Revenue from operations (M)	984.42	871.08		
Average Trade receivables (N)	505.14	453.74		
Average Trade receivables is defined as average of Trade receivables as at the beginning and as at the end of the year.				
Trade payables turnover ratio (O) / (P)	0.70	0.60	17%	Not applicable
Cost of goods sold (O)	79.52	213.08		
Average Trade payables (P)	255.87	356.80		
Average Trade payables is defined as average of Trade payables as at the beginning and as at the end of the year				
Net capital turnover ratio (Q) / (R)	(23.01)	(9.20)	150%	Due to increase in sales
Sales Turnover (Q)	984.42	871.08		
Working Capital (R)	(42.79)	(94.68)		
Net profit ratio (S) / (T)	20.11%	17.01%	18%	Not applicable
Net profit (S)	205.00	155.44		
Gross Revenue (T)	1,019.23	913.79		
Gross Revenue is defined as Revenue from operations and other income				
Return on capital employed (U) / (V)	15.52%	9.48%	64%	Increased due to increase in net profit during the year
Earnings Before Interest and Taxes (U)	280.25	212.19		
Capital Employed (V)	1,805.56	2,238.84		
Earnings before interest and taxes is defined as Profit for the year before exceptional items and taxes (add) Finance costs (less) interest income				
Capital employed is defined as Equity, Debt and lease liability				



39 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

40 Recent Pronouncement:

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to the Company from April 1, 2023:

- i. Ind AS 102 - Share-based payment
- ii. Ind AS 103 - Business Combinations
- iii. Ind AS 107 - Financial Instruments, Disclosures
- iv. Ind AS 109 - Financial Instruments
- v. Ind AS 115 - Revenue from Contracts with Customers
- vi. Ind AS 1 - Presentation of Financial Statements
- vii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- viii. Ind AS 12 - Income Taxes
- ix. Ind AS 34 - Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.

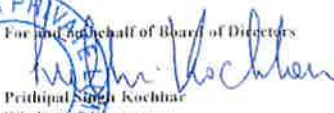
41 Other Statutory Information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (d) The Company has no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (e) The Company has borrowings from banks on the basis of security of current assets, the quarterly returns or statements of current assets has been filed by the Company with banks are in agreement with the books of accounts.
- (f) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (g) The Company does not have any transactions with companies struck off.
- (h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
 - i) 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
 - ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i) 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
 - ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42 The previous year's figures have been re-grouped/reclassified, where necessary to conform to current year's classification.

43 Approval of financial statements:

The Company's standalone financial statements are approved for issue by the board of directors.

For and on behalf of Board of Directors:

Prithpal Singh Kochhar
Whole-time Director
DIN: 07405773


C. Seetharamanah
Director
DIN: 07405773



Place: Singapore
Date: September 30, 2023

Place: Bengaluru
Date: September 30, 2023

