

INDEPENDENT AUDITOR'S REPORT

To the Members of Mediforce Healthcare Private Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of Mediforce Healthcare Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

During the year, the Income Tax Department ('the department') had conducted a search under section 132 of the Income Tax Act, 1961 ('the Act') on holding Company's registered office, corporate office, few of its manufacturing locations, residence of few of its employees/key managerial personnel, other premises and few of its group entities.

The Income Tax Department consequent to search on holding company, has also issued notices under Section 148 of the Income Tax Act 1961 which requires the Company to furnish income tax returns in response to notice under Section 148 of the Act for the assessment years 2020-21, 2021-22 and 2022-23. The Company has filed income tax returns in response to such notices under section 148 of the Act. Based on the returns filed in response to section 148 and the assessment made by the management and its tax advisor, the Company is of the view that no material adjustments are required to be made in these financial statements.

Other Information

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



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

Responsibility of Management for the 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 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (j)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matter described in Emphasis of Matter - Income tax search above, in our opinion, may have an adverse effect on the functioning of the company;
 - (f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;



S.R. BATLIBOI & CO. LLP

Chartered Accountants

- (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph (j)(vi) below on reporting under Rule 11(g).
- (i) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (j) 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 financial statements – Refer Note 35A to the 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.



S.R. BATLIBOI & Co. LLP

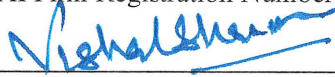
Chartered Accountants

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, as described in note 42 to the financial statements, audit trail feature is not enabled for direct changes to data when using certain access rights and also for certain changes made using privileged/ administrative access right. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Vishal Sharma**

Partner

Membership Number: 096766

UDIN: 24096766BKFFRR2386

Place of Signature: New Delhi

Date: May 15, 2024



S.R. BATLIBOI & CO. LLP

Chartered Accountants

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Mediforce Healthcare Private Limited ('the Company')

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.

(i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(i)(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i)(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(i)(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The inventory has been physically verified by the management during the year except for goods in transit. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification by the management is appropriate and discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification. Goods in transit have been received subsequent to the year ended March 31, 2024.

(ii)(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year, the Company has provided loans to its employees and a subsidiary company as follows:

Particulars	Amount in lacs	
	Loans	
Aggregate amount granted/ provided during the year		
- Subsidiaries	15.00	
- Others (Loan to employee)	8.66	
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	15.00	
- Others (Loan to employee)	6.62	

During the year, The Company has not provided advances in nature of loans, stood guarantee or provided securities to companies, firms, limited liability partnerships or any other parties and hence not commented upon.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

(iii)(b) During the year the terms and conditions of the loan given to its employees and subsidiary are not prejudicial to the Company's interest. During the year, the Company has not provided guarantees, provided securities and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties and hence not commented upon.

(iii)(c) In respect of a loan granted to subsidiary Company, the schedule of repayment of principal and payment of interest has not been stipulated (as such loans are repayable on demand) and there is no receipt of repayment during the year. In respect of loan granted to its employees, the loans are interest free, and schedule of repayment are stipulated, and receipts are regular.

(iii)(d) There are no amounts of loans to employees and loan to subsidiary which are outstanding for more than 90 days.

(iii)(e) There were no loans to employees and subsidiary, which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii)(f) As disclosed in note 16 to the financial statements the Company has granted loans which are repayable on demand as stated below to a related party (ie. subsidiary companies) as defined in clause (76) of section 2 of the Companies Act, 2013.

Particulars	Amount in lakhs
Aggregate amount of loans	
- Repayable on demand	1044.83
Percentage of loans to the total loans	99.37 %

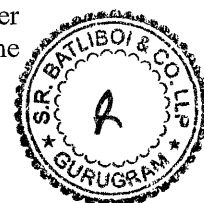
(iv) Investment and loans to subsidiary in respect of which provision of 186 of the companies Act, 2013 are applicable have been complied with by the Company. The Company does not given any loan to director or to a company in which director is interested to which provision of section 185 of the Companies Act apply and hence not commented upon. The Company has not made any guarantee or provided securities to which provision of section 186 apply and hence not commented upon.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of pharmaceutical products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii)(a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:



S.R. BATLIBOI & CO. LLP

Chartered Accountants

Statement of Arrears of Statutory Dues Outstanding for More than Six Months

Name of the Statute	Nature of the Dues	Amount (Rs.in Lacs)	Period to which the amount relates	Due Date	Date of Payment
Payment of Bonus Act, 1956 as amended	Payment of Statutory Bonus	5.98	2014-15	2014-15	Not yet paid
The Employees Provident Funds and Miscellaneous provision Act, 1952	Payment of Statutory Provident Fund	0.12	March 20	April 20	Not yet paid

(vii)(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of Statute	Nature of dues	Amount of Demand without netting of amount paid under protest	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
		(Rs. in Lacs)	(Rs. in Lacs)	(Financial Year)	
Income Tax Act, 1961	Disallowances and additions to taxable income.	52.17	-	2014-15	Assessing Officer, Income Tax
Income Tax Act, 1961	Disallowances and additions to taxable income.	25.50	-	2017-18	Assessing Officer, Income Tax
Income Tax Act, 1961	Disallowances and additions to taxable income.	2.60	-	2018-19	Assessing Officer, Income Tax
Income Tax Act, 1961	Disallowances and additions to taxable income.	2.78	-	2019-20	Assessing Officer, Income Tax
Income Tax Act, 1961	Disallowances and additions to taxable income.	0.38	-	2020-21	Assessing Officer, Income Tax

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

(ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix)(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix)(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(ix)(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 subsidiary. The Company does not have any associates or joint ventures and hence not commented upon.

(ix)(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company

(x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

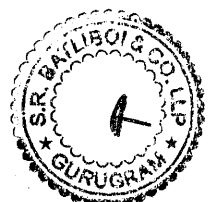
(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.



S.R. BATLIBOI & CO. LLP

Chartered Accountants

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi)(d) The Group does not have more than one CIC as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 40 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

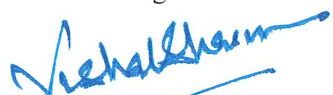
(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 38 to the financial statements.

(xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 38 to the financial statements.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Vishal Sharma**

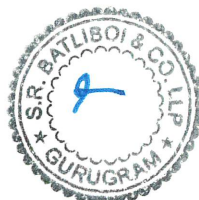
Partner

Membership Number: 096766

UDIN: 24096766BKFFRR2386

Place of Signature: New Delhi

Date: May 15, 2024



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MEDIFORCE HEALTHCARE PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mediforce Healthcare Private Limited ("the Company") as of March 31, 2024, in conjunction with our audit of the 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 based on the internal control over financial reporting 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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

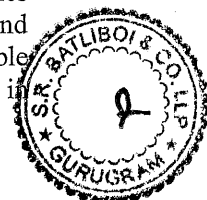
Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

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



S.R. BATLIBOI & CO. LLP

Chartered Accountants

company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Vishal Sharma**

Partner

Membership Number: 096766

UDIN: 24096766BKFFRR2386

Place of Signature: New Delhi

Date: May 15, 2024



Mediforce Healthcare Private Limited
Balance Sheet as at 31 March 2024
All amounts are in INR lacs unless otherwise stated

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,289.72	2,294.40
Investment property	4	4.57	4.57
Intangible assets	5	14.13	1.14
Right-of-use assets	6	230.15	233.07
Financial assets			
Investment in subsidiaries	7	294.00	294.00
Other Investments	8	0.25	0.25
Others financial assets	9	26.40	11.77
Income tax assets (net)	10	66.52	82.77
Other non-current assets	11	17.47	12.33
Total non-current assets		2,943.21	2,934.31
Current assets			
Inventories	12	2,191.00	1,772.31
Financial assets			
Trade receivables	13	948.02	999.00
Cash and cash equivalents	14	717.78	507.62
Other bank balances	15	0.03	13.78
Loans	16	1,051.45	968.81
Other current assets	11	528.70	247.94
Total current assets		5,436.98	4,509.46
Total assets		8,380.19	7,443.77
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	114.00	114.00
Other equity	18	5,725.17	5,319.74
Total equity		5,839.17	5,433.74
LIABILITIES			
Non-current liabilities			
Provisions	19	105.26	86.20
Deferred tax liabilities (net)	20	127.96	110.71
Other non-current liabilities	21	95.96	108.06
Total non-current liabilities		329.18	304.97
Current liabilities			
Financial liabilities			
Trade payables	22		
(a) total outstanding dues of micro enterprises and small enterprises		139.08	425.45
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		1,968.06	1,172.42
Others	23	20.77	20.97
Provisions	19	55.59	57.30
Other current liabilities	21	28.34	28.92
Total current liabilities		2,211.84	1,705.06
Total liabilities		2,541.02	2,010.03
Total equity and liabilities		8,380.19	7,443.77
Summary of material accounting policies	2		
Other notes on accounts			
The accompanying notes are an integral part of the financial statements.	3-44		

As per our report of even date

For S.R. Batliboi Co. & LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Vishal Sharma
Partner
Membership No. 96766

Place: New Delhi
Date: 15 May 2024



For and on behalf of the Board of Directors

Nikhil Tyagi
Director
DIN - 02451567

Place: New Delhi
Date: 15 May 2024



Akhil Ahmed
Director
DIN - 08973480

Place: New Delhi
Date: 15 May 2024

Mediforce Healthcare Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue from operations	24	10,378.69	8,506.83
II Other income	25	143.75	123.19
III Total income (I + II)		10,522.44	8,630.02
IV Expenses			
Cost of raw material and components consumed	26	7,735.98	6,465.03
Changes in inventories of finished goods and work in progress	27	(148.43)	(167.26)
Employee benefits expense	28	1,241.15	972.87
Finance costs	29	16.07	21.42
Depreciation and amortization expense	30	244.73	228.15
Other expenses	31	888.37	624.52
Total expenses (IV)		9,977.87	8,144.73
V Profit before tax (III-IV)		544.57	485.29
VI Tax Expense:			
Current tax	32	132.55	151.50
Deferred tax	20	14.56	(15.91)
Adjustment of tax relating to earlier year	32	-	0.73
Total tax expense (VI)		147.11	136.32
VII Profit for the year (V-VI)		397.46	348.97
VIII Other comprehensive income			
(i) Item that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan	36A	10.65	(4.96)
(ii) Income tax relating to item that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plan	32	(2.68)	1.25
Other comprehensive income for the year		7.97	(3.71)
IX Total comprehensive income for the year (VII+VIII)		405.43	345.26
Earnings per equity share (EPS) (face value of INR 10 each)			
Basic EPS (in INR)		34.86	30.61
Diluted EPS (in INR)		34.86	30.61

The accompanying notes are an integral part of the financial statements.

3-44

As per our report of even date

For S.R. Batliboi Co. & LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

For and on behalf of the Board of Directors

per Vishal Sharma
Partner
Membership No. 96766



Place: New Delhi
Date: 15 May 2024



Nikhil Tyagi
Director
DIN - 02451567

Place: New Delhi
Date: 15 May 2024

Akhila Ahmed
Director
DIN - 08973480

Place: New Delhi
Date: 15 May 2024

Mediforce Healthcare Private Limited
Statement of Cash Flows for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating activities		
Profit before tax	544.57	485.29
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortisation expense	244.73	228.15
Net foreign exchange differences	(2.35)	(9.32)
Loss/ (gain) on disposal of property, plant and equipment	1.09	4.25
Finance income	(91.10)	(72.34)
Finance costs	1.25	0.07
Dividend income from financial assets measured at FVTPL	(0.05)	(0.05)
Government grant income	(12.09)	(12.09)
<i>Working capital adjustments:</i>		
(Increase)/ Decrease in trade receivables	53.33	354.90
(Increase)/ Decrease in inventories	(418.69)	(424.26)
(Increase)/ Decrease in financial asset - others	(14.63)	2.43
(Increase)/ Decrease in other asset	(278.67)	(159.74)
Increase/ (Decrease) in provisions	28.00	38.93
Increase/ (Decrease) in trade payable	509.27	206.85
Increase/ (Decrease) in other liability	(0.59)	4.89
	564.07	647.96
Income tax paid	(117.54)	(210.04)
Net cash flows from operating activities (A)	446.53	437.91
Investing activities		
Proceeds from sale of property, plant and equipment	21.52	3.94
Purchase of property, plant and equipment	(280.16)	(114.72)
Dividend received	0.05	0.05
Loan to related parties	(81.17)	(91.54)
Loan to other parties	(1.47)	(3.38)
Bank deposit not considered as cash and cash equivalents	13.75	(0.78)
Interest received (finance income)	91.10	19.74
Net cash flows from investing activities (B)	(236.38)	(186.69)
Financing activities		
Interest paid	-	-
Net cash flows from/(used in) financing activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	210.16	251.22
Cash and cash equivalents at the beginning of the year	507.62	256.40
Cash and cash equivalents at the end of the year	717.78	507.62

Components of Cash and cash equivalents:

Balances with banks		
- In current account	402.89	507.36
- Fixed deposit account (with original maturity of 3 months or less)	314.37	-
Cash in hand	0.52	0.26
	717.78	507.62

The above statement of cash flows has been prepared using "Indirect method" set out in applicable Ind AS 7, "Statement of Cash Flows".

Summary of material accounting policies

2

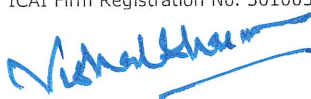
The accompanying notes are an integral part of the financial statements.

3-44

As per our report of even date


For S.R. Batliboi Co. & LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

For and on behalf of the Board of Directors


per Vishal Sharma
Partner
Membership No. 96766




Nikunj Tyagi
Director
DIN - 02451567


Akhla Ahmed
Director
DIN - 08973480

Place: New Delhi
Date: 15 May 2024

Place :New Delhi
Date :15 May 2024

Place :New Delhi
Date :15 May 2024

Mediforce Healthcare Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

a. Equity share capital

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid	114.00
As at 01 April 2022	-
Changes in equity share capital during the year	114.00
As at 31 March 2023	-
Changes in equity share capital during the year	114.00
As at 31 March 2024	114.00

b. Other equity

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance as at 01 April 2022	4,974.48	4,974.48
Profit for the year	348.97	348.97
Other comprehensive income for the year, net of income tax	(3.71)	(3.71)
Total comprehensive income for the year	345.26	345.26
Balance as at 31 March 2023	5,319.74	5,319.74
Profit for the period	397.46	397.46
Other comprehensive income for the period, net of income tax	7.97	7.97
Total comprehensive income for the period	405.43	405.43
Balance as at 31 March 2024	5,725.17	5,725.17

Summary of material accounting policies


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

2

3-44

For S.R. Batliboi Co. & LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005


per Vishal Sharma
Partner
Membership No. 96766



For and on behalf of the Board of Directors


Nikunj Tyagi
Director
DIN - 02451567


Akhlas Ahmed
Director
DIN - 08973480

Place: New Delhi
Date: 15 May 2024

Place :New Delhi
Date :15 May 2024

Place :New Delhi
Date :15 May 2024

(This page has been intentionally left blank)

1 CORPORATE INFORMATION

Mediforce Healthcare Private Limited ("the Company") (CIN No.- U51397UP2001PTC025873) was incorporated on 14 February, 2001 under the provisions of the Companies Act, 1956 having its registered office at 208, Okhla Industrial Estate, Phase-III, New Delhi - 110020, India. It is a Subsidiary Company of Mankind Pharma Limited. The Company is engaged in the manufacturing of pharmaceutical products and other medical products.

The financial statements were authorised by the Board of Directors for issue in accordance with resolution passed on May 15 2024.

2 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

2.01 Statement of compliance and basis of preparation

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). These financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

The financial statements have been prepared on a historical cost convention, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that is measured at fair value
- ii) Assets held for sale-measured at fair value less cost to sell
- iii) Defined benefit plans-plan assets measured at fair value

2.02 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. the Company has identified twelve months as its operating cycle.

2.03 Property, plant and equipment

Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the Subsequent costs are included in asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

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



Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method using the useful lives of the assets estimated by management. The useful life is as follows:

Assets	Useful life (in years)
Building	30
Plant and Equipment	15
Furniture and Fixtures	10
Vehicles	8-10
Office Equipment	5
Electrical equipment and fittings	10
Computers	3
Network and servers	6

The useful lives have been determined based on technical evaluation done by the management's expert. The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

Leasehold land is amortized on a straight line basis over the lease term of 90 to 99 years.

2.04 Investment Properties

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 "Fair value measurement".

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Investment properties are depreciated using straight line method over their estimated useful life. Investment properties comprising of factory building is depreciated over useful life of 30 years and leasehold land is amortized on a straight line basis over the unexpired period of the lease.

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

2.05 Intangible assets

Separately acquired intangible assets

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

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

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

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life as under

Assets	Useful life (in years)
Computer Software	3



2.06 Impairment of non- financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.07 Financial instruments

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

(i) Financial Assets

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

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Initial recognition and measurement

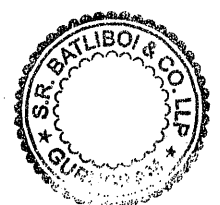
With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.



Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

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

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

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

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

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

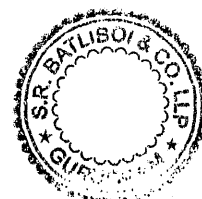
Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
 - (a) the Company has transferred substantially all the risks and rewards of the asset, or
 - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.



Impairment of financial assets

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

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

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of Ind AS 116 -Leases

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

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

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

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

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

(ii) Financial liabilities:

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

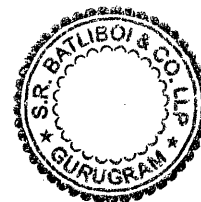
- (i) Financial liabilities at fair value through profit or loss
- (ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

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

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



Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 60 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

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

Reclassification of financial assets/ financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.08 Investment in Subsidiaries

The investment in subsidiaries are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

2.09 Inventories

a) Basis of valuation:

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

b) Method of Valuation:

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



2.10 Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax expense for the year comprises of current tax and deferred tax.

a) Current income tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

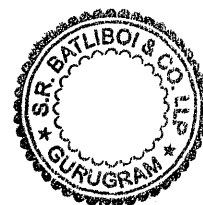
- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
 - i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
 - ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or direct in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognised in profit or loss.



2.11 Revenue from contract with customers

The Company manufactures/ trades and sells a range of pharmaceutical and healthcare products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products are shipped to specific location and control has been transferred to the customers. The Company has objective evidence that all criterion for acceptance has been satisfied.

(a) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocates a portion of the transaction price to goods based on its relative prices and also considers the following:-

(i) Variable consideration

The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) Sales Return

The Company accounts for sales returns accrual by recording an allowance for sales returns concurrent with the recognition of revenue at the time of a product sale. This allowance is based on the Company's estimate of expected sales returns. With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. With respect to new products introduced by the Company, such products have historically been either extensions of an existing line of product where the Company has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors.

(b) Sale of service

Income from sales of service is recognized over the period of contract as per the terms agreed with the customers.

(c) Other Income

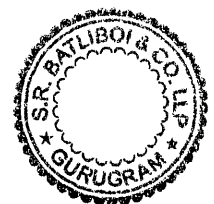
(a) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

2.12 Retirement and other employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.



(ii) Other long-term employee benefit obligations

a) **Gratuity**

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed four years and two forty days or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.

The Gratuity Plan, which is defined benefit plan, is managed by Trust with its investments maintained with Life insurance Corporation of India. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- b) Net interest expense or income

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

b) **Provident fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

c) **Other employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date on the basis of actuarial valuation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

2.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

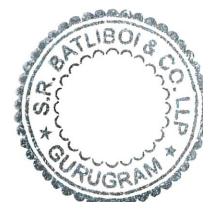
Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the building (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.



ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.14 Government Grants

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Government grant related to the purchase of property, plant and equipment are included in non current liability as deferred income and are credited to the statement of profit or loss on straight line basis over the expected lives of related assets.

When the Company receives grants of non-monetary assets, the asset and grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

2.15 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

2.16 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.17 Foreign currency

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.



(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

2.18 Provisions and Contingent Liabilities

Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.19 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.20 Significant accounting judgments, estimates and assumptions

The preparation of the financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

a) Leases

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

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

b) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 33.

c) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



d) Impairment of financial assets

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

e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are estimated based on past trend and discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

f) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 10.

g) Property, Plant and Equipment

Property, Plant and Equipment represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

2.21 Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements

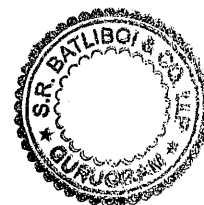
Ind AS 12 – Income Taxes

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

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments had no impact on the Company's financial statements.

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

3 Property, plant and equipment

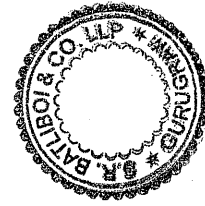
Carrying amounts of:

Own assets:
Building
Plant and machinery
Furniture and fixtures
Vehicles
Office equipment
Electrical Equipments & Fittings
Computers & Servers

Capital work in progress

	Building	Plant and machinery	Furniture and fixtures	Vehicles	Office equipment	Electrical Equipments & Fittings	Computers & Servers	Total	As at March 31, 2024	As at March 31, 2023
Gross carrying value:										
Balance as at 01 April 2022	828.30	2,660.35	201.31	23.26	65.28	177.93	38.16	3,994.59	609.79	628.88
Additions	29.01	164.01	10.34	-	5.03	-	2.19	210.58	1,469.34	1,469.34
Disposals	-	(5.23)	(38.20)	-	(22.49)	-	(5.62)	(71.54)	73.28	79.42
Balance as at 31 March 2023	857.31	2,819.13	173.45	23.26	47.82	177.93	34.73	4,133.63	24.33	4.06
Additions	7.80	170.44	9.56	23.13	0.90	-	25.37	237.21	10.73	13.90
Disposals	-	(2.86)	-	-	-	-	-	(2.86)	75.31	90.12
Balance as at 31 March 2024	865.10	2,986.72	183.01	46.39	48.72	177.93	60.10	4,367.97	2,289.72	2,294.40
Accumulated depreciation:										
Balance as at 01 April 2022	201.90	1,489.92	116.06	17.95	50.62	73.04	27.93	1,677.41	1,677.41	-
Depreciation expense	26.53	160.25	14.24	1.25	4.67	14.77	3.45	225.16	225.16	-
Disposals	-	(0.38)	(36.27)	-	(21.37)	-	(5.33)	(63.35)	(63.35)	-
Balance as at 31 March 2023	228.43	1,349.79	94.03	19.20	33.92	87.81	26.05	1,839.23	1,839.23	-
Depreciation expense	26.64	172.43	15.71	2.86	4.07	14.81	3.49	240.01	240.01	-
Disposals	-	(1.23)	-	-	-	-	-	(1.23)	(1.23)	-
Balance as at 31 March 2024	255.07	1,520.99	109.74	22.05	37.99	102.62	29.54	2,078.00	2,078.00	-
Balance as at 31 March 2023	628.88	1,469.34	79.42	4.06	13.90	90.12	8.68	2,294.40	2,294.40	-
Balance as at 31 March 2024	609.79	1,465.71	73.28	24.33	10.73	75.31	30.56	2,289.72	2,289.72	-

Note : a) Disclosure of Contractual commitment for the acquisition of property plant and equipment has been provided in note 36(B).
b) There are no projects which are either temporarily suspended or which has exceeded its budget.
c) Capital work in progress as at March 31, 2024 of Nil (March 31, 2023:Nil).



	As at March 31, 2024	As at March 31, 2023
4 Investment property		
Carrying amounts of :		
Free hold land	4.57	4.57
	4.57	4.57
	Free hold land	Total
Balance as at 01 April 2022	4.57	4.57
Additions	-	-
Disposals	-	-
Balance as at 31 March 2023	4.57	4.57
Additions	-	-
Disposals	-	-
Balance as at 31 March 2024	4.57	4.57
Accumulated depreciation:		
Balance as at 01 April 2022	-	-
Depreciation expense	-	-
Disposals	-	-
Balance as at 31 March 2023	-	-
Depreciation expense	-	-
Disposals	-	-
Balance as at 31 March 2024	-	-
Carrying amount		
Balance as at 31 March 2023	4.57	4.57
Balance as at 31 March 2024	4.57	4.57

1. Investment property represented, land and building being a premise in Meerut, Uttar Pradesh has been classified as Investment property.

2. Total fair value of investment properties is INR 4.57 lacs as at 31 March 2024.

3. These valuations are based on valuations performed by Akhil Kumar, an accredited independent valuer. Akhil Kumar is a specialist in valuing these types of investment properties and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

As at March 31, 2024, the fair value of the properties were Rs. 32.49 lacs (INR 16.25 lacs as at March 31, 2023). These valuations are based on valuations performed by independent valuer. The fair valuation is based on prevailing market prices/price trend of the property in that locality/city considering the location, size of plot, approach road, amenities etc.

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	<u>As at March 31, 2024</u>	<u>As at March 31, 2023</u>
5 Intangible assets		
Carrying amounts of :		
Trademark	-	-
Computer software	14.13	1.14
	14.13	1.14
	<u>Computer software</u>	<u>Total</u>
Balance as at 01 April 2022	28.29	28.29
Additions	0.85	0.85
Disposals	(20.98)	-
Balance as at 31 March 2023	8.16	8.16
Additions	14.80	0.85
Disposals	-	(20.98)
Balance as at 31 March 2024	22.96	22.96
Accumulated depreciation:		
Balance as at 01 April 2022	27.92	27.92
Amortisation expense	0.08	0.08
Disposals	(20.98)	(20.98)
Balance as at 31 March 2023	7.02	7.02
Amortisation expense	1.80	0.08
Disposals	-	(20.98)
Balance as at 31 March 2024	8.82	(13.88)
Carrying amount		
Balance as at 31 March 2023	1.14	1.14
Balance as at 31 March 2024	14.13	14.13

(This page has been intentionally left blank)



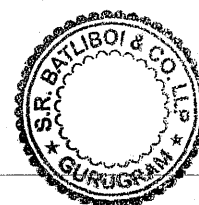
Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	As at March 31, 2024	As at March 31, 2023
6 Right-of-use assets		
Carrying amounts of :		
Leasehold Land	230.15	233.07
	230.15	233.07
	Leasehold Land	Total
Balance as at 01 April 2022	244.72	244.72
Additions	-	-
Disposals	-	-
Balance as at 31 March 2023	244.72	244.72
Additions	-	-
Disposals	-	-
Balance as at 31 March 2024	244.72	244.72
Accumulated depreciation:		
Balance as at 01 April 2022	8.74	8.74
Depreciation expense	2.91	2.91
Disposals	-	-
Balance as at 31 March 2023	11.65	11.65
Depreciation expense	2.92	2.92
Disposals	-	-
Balance as at 31 March 2024	14.57	14.57
Carrying amount		
Balance as at 31 March 2023	233.07	233.07
Balance as at 31 March 2024	230.15	230.15

Note:

- a) The Company undisputedly possesses the lease deeds for all properties held by the LLP, presented under 'Leasehold Land' in the above schedule.
- b) Right-of-use assets includes Leasehold land obtained on long term lease for Unit -1 and Unit -2 for lease term of 85 and 65 years respectively.

(This page has been intentionally left blank)



7 Investment in subsidiaries

	Face Value per share	As at March 31, 2024		As at March 31, 2023	
		Units/ shares	Amount	Units/ shares	Amount
Non- Current					
(a) Investment in unquoted equity instruments - at cost, fully paid up					
Subsidiaries					
Mediforce Research Private Limited	100.00	294,000	294.00	294,000	294.00
Total			294.00		294.00
Aggregate amount of unquoted investment			294.00		294.00
Aggregate amount of impairment in value of investments			-		-

Interest in other entities

Subsidiaries

The Company has following subsidiaries held directly and indirectly by the Company which operate and are incorporated around the world. Following are the details of shareholdings in the subsidiaries :

Name of Company	Principal activities	Immediate holding company	Country of Incorporation	% Ownership Interest	
				Ownership Interest held by the Company	
				As at March 31, 2024	As at March 31, 2023
Mediforce Research Private Limited	Manufacturing of pharmaceutical and health care products.	Mediforce Healthcare Private Limited	India	98%	98%

8 Other Investments

	Face Value per share	As at March 31, 2024		As at March 31, 2023	
		Units/ shares	Amount	Units/ shares	Amount
(a) Investment in unquoted equity instruments measured at fair value through profit & loss account (FVTPL), fully paid up					
Other entities					
Shivalik Solid Waste Management Limited	10.00	2,500	0.25	2,500	0.25
Total			0.25		0.25
Aggregate amount of unquoted investment			0.25		0.25
Aggregate amount of impairment in value of investments			-		-

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	<u>As at March 31, 2024</u>	<u>As at March 31, 2023</u>
9 Other financial assets		
Non-Current (Unsecured and considered good)		
Financial assets carried at amortised cost		
Security deposits and earnest money deposits	11.77	11.77
Bank deposits with remaining maturity of more than 12 months	14.63	-
	<u>26.40</u>	<u>11.77</u>

Note:

The deposits are lien marked with sales tax department / Government authorities against the government tenders filled by the Company.

Current

(Unsecured and considered good)

(a) Movement in allowance for doubtful advances

	<u>For the year ended March 31, 2024</u>	<u>For the year ended March 31, 2023</u>
Balance as at the beginning of the year	5.00	5.00
Provision recognised during the year	-	-
Provision utilised during the year	(5.00)	(5.00)
Balance as at the end of the year	<u>-</u>	<u>-</u>

10 Income tax assets and liabilities

Income tax assets

Income tax receivable (net of provisions)

	<u>As at March 31, 2024</u>	<u>As at March 31, 2023</u>
	66.52	82.77
	<u>66.52</u>	<u>82.77</u>

Income tax liabilities

Income tax payable (net of advance tax)

	-	-
	<u>-</u>	<u>-</u>

Income tax assets / (liabilities)

	<u>66.52</u>	<u>82.77</u>
--	--------------	--------------

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	As at March 31, 2024	As at March 31, 2023
11 Other assets		
Non-Current (unsecured and considered good)		
Capital advances	12.63	5.40
Prepaid Expenses	4.84	6.93
(unsecured and considered doubtful)		
Capital advances	11.12	11.12
Less: Allowance for doubtful advances	(11.12)	(11.12)
	17.47	12.33
Current (unsecured and considered good)		
Prepaid expenses	8.01	7.97
Advances to vendors	44.42	9.05
Balances with Government authorities	476.27	230.92
	528.70	247.94

(a) Movement in allowance for doubtful advances

	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance as at the beginning of the year	11.12	11.12
Provision recognised during the year	-	-
Provision utilised during the year	-	-
Balance as at the end of the year	11.12	11.12

12 Inventories

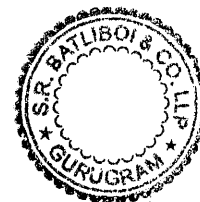
**(Valued at lower of cost and net realisable value unless otherwise stated)
(refer accounting policy 2.09)**

	As at March 31, 2024	As at March 31, 2023
Raw materials and Packing materials		
In hand	1,496.24	1,209.96
In transit	46.67	70.64
Work-in-progress	492.74	415.52
Finished goods	102.06	30.85
Stores and spares	53.29	45.34
	2,191.00	1,772.31

Note:

During the year ended, INR 109.70 lacs (March 31, 2023 : 22.53 lacs) was recognized as income in respect of inventory provision on account of slow moving of inventories. These adjustments were included in cost of material consumed and change in inventories.

(This page has been intentionally left blank)



	As at March 31, 2024	As at March 31, 2023
13 Contract balances		
Contract balances includes following:		
(i) Trade receivables		
(valued at amortised cost)		
Unsecured, considered good	93.72	114.34
Considered good - Related Parties (refer note 36C)	854.30	884.66
	948.02	999.00

13.1 Trade Receivables aging schedule

As at 31 March 2024

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	834.26	106.42	7.14	0.20			948.02
	834.26	106.42	7.14	0.20	-	-	948.02

As at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	873.10	121.93	3.97				999.00
	873.10	121.93	3.97	-	-	-	999.00

- a. Trade receivable are usually non interest bearing and average credit period to customers ranges upto 90 days.
b. No trade receivables or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. In respect of trade or other receivable due from Firms or Private Companies respectively in which any director is director or a member, refer note below:

J K Print Pack
Mankind Prime Labs Private Limited
Mediforce Research Private Limited

0.32	12.23
56.41	33.67
-	4.73
56.72	50.63

- c. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and adjusted for forward looking information.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the below table are those that have not been settled within the terms and conditions that have been agreed with that customer.

- d. Trade receivables include balance of related parties INR 854.3 lakhs (March 31,2023: INR 884.64 lakhs) (refer note 36(C)).
e. Trade receivables represent the amount of consideration for transfer of goods or services to the customers that is unconditional.
f. The company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in Note 36(E).
g. There are no unbilled receivable.

14 Cash and cash equivalents

Balances with banks
- In current account
- Fixed deposit account (with original maturity of 3 months or less)
Cash on hand

	As at Sunday, March 31, 2024	As at Friday, March 31, 2023
	402.89	507.36
	314.37	-
	0.52	0.26
	717.78	507.62

Note:

- a. There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.
b. The above balances are used for the purpose of statement of cash flows.
c. Short-term deposits are made of varying periods between one date to three months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposits rates.
d. Break up of financial assets carried at amortised cost :

Trade Receivables (note 13)
Cash and cash equivalents (note 14)
Other Bank balances (note 15)
Loans (note 16)
Other Financial assets (note 9)

	As at Sunday, March 31, 2024	As at Friday, March 31, 2023
	948.02	999.00
	717.78	507.62
	0.03	13.78
	1,051.45	968.81
	26.40	11.77



15 Other bank balances

Bank deposits with original maturity of more than three months but less than twelve months

As at Sunday, March 31, 2024	As at Friday, March 31, 2023
0.03	13.78
0.03	13.78

16 Loans

Current
(unsecured and considered good, valued at amortised cost)
Loan to related parties
Loan to employees

1,044.83	963.66
6.62	5.15
1,051.45	968.81

Notes:

- The loans classified as current as they are repayable on demand.
- Further information about these loans to related parties is set out in Note 36C. These financial assets are carried at amortised cost.
- The Company gave following loan to Mediforce research private Limited carrying interest rate of 7.5% . The loan is repayable on demand.

Type of Borrower	Sunday, March 31, 2024		Friday, March 31, 2023	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loan and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loan and advances in the nature of loans
Related Parties	1,044.83	99.37%	963.66	99.47%

(This page has been intentionally left blank)



17 Share capital

	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
1,500,000 equity shares of INR 10/- each (Previous year 1,500,000 equity shares of INR 10/- each)	150.00	150.00
Issued, subscribed and fully paid up		
1,140,000 equity shares of INR 10/- each (Previous year 1,140,000 equity shares of INR 10/- each)	114.00	114.00
	114.00	114.00

Notes:

(i) Terms / rights attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

a) Issued equity capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Equity shares outstanding at the beginning of the year	1,140,000	114.00	1,140,000	114.00
Add : Issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	1,140,000	114.00	1,140,000	114.00

(iii) Details of shares held by the holding company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Mankind Pharma Limited - Equity shares	7.18	71.80	7.18	71.80

(iv) Shares held by each shareholder holding more than 5 percent shares:

Equity shares	As at March 31, 2024		As at March 31, 2023	
	Numbers	% holding	Numbers	% holding
Mankind Pharma Ltd.	718,000	62.98%	718,000	62.98%
B.D. Tyagi	211,000	18.51%	211,000	18.51%
V.P. Singh	211,000	18.51%	211,000	18.51%
	1,140,000	100.0%	1,140,000	100.0%

(v) Detail of shares held by promoters:

As at March 31, 2024				
S.No	Promoter Name	Number of shares held	% of total shares	% change during the year
1	Mankind Pharma Limited	718,000	62.98%	-
2	Mr. B.D. Tyagi	211,000	18.51%	-
3	Mr. Veer Pal Singh	211,000	18.51%	-
As at March 31, 2023				
S.No	Promoter Name	Number of shares held	% of total shares	% change during the year
1	Mankind Pharma Limited	718,000	62.98%	-
2	Mr. B.D. Tyagi	211,000	18.51%	-
3	Mr. Veer Pal Singh	211,000	18.51%	-



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	<u>As at</u> <u>March 31, 2024</u>	<u>As at</u> <u>March 31, 2023</u>
18 Other equity		
Retained earnings	5,725.17	5,319.74
	<u>5,725.17</u>	<u>5,319.74</u>
	<u>As at</u> <u>March 31, 2024</u>	<u>As at</u> <u>March 31, 2023</u>
18.1 Retained earnings		
Balance at the beginning of the year	5,319.74	4,974.48
Profit for the year	397.46	348.97
Other comprehensive income arising from remeasurement of defined benefit obligation, net of income tax	7.97	(3.71)
Balance at the end of the year	<u>5,725.17</u>	<u>5,319.74</u>

Nature and purpose of reserves

- a. The amount that can be distributed by the Company as dividends to its equity shareholders, is determined based on the requirements of Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.
- b. Retained Earnings are profits that the Company has earned till date less transfer to dividend or other distribution or transaction with shareholders.

(This page has been intentionally left blank)



	As at March 31, 2024	As at March 31, 2023
19 Provisions		
Non-current		
Provision for employee benefits		
Provision for gratuity (net) (refer note 36A)	105.26	86.20
	105.26	86.20
Current		
Provision for employee benefits		
Provision for compensated absences	51.40	54.79
Provision for gratuity (net) (refer note 36A)	4.19	2.51
	55.59	57.30

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	<u>As at</u> <u>March 31, 2024</u>		<u>As at</u> <u>March 31, 2023</u>	
20 Deferred tax balances				
Deferred tax liabilities			(214.58)	(221.86)
Deferred tax assets (including MAT credit)			86.62	111.15
Deferred tax assets / (liabilities) (net)			(127.96)	(110.71)
Year ended 31 March 2024	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax liabilities in relation to				
Accelerated depreciation for tax purposes	(221.86)	7.28	-	(214.58)
(A)	(221.86)	7.28	-	(214.58)
Deferred tax assets in relation to				
Provision for employee benefits	36.12	7.04	(2.68)	40.48
Provision for inventory	35.16	(27.61)	-	7.55
Bonus payable	9.63	1.68	-	11.31
Provision for disallowance under section 43B of Income Tax Act	-	0.08	-	0.08
Deferred Government Grant	30.24	(3.05)	-	27.19
(B)	111.15	(21.85)	(2.68)	86.62
(A+B)	(110.71)	(14.57)	(2.68)	(127.96)
Deferred tax liabilities (net)	(110.71)	(14.57)	(2.68)	(127.96)
Year ended 31 March 2023	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax liabilities in relation to				
Accelerated depreciation for tax purposes	(226.18)	4.32	-	(221.86)
(A)	(226.18)	4.32	-	(221.86)
Deferred tax assets in relation to				
Provision for employee benefits	25.75	9.12	1.25	36.12
Provision for inventory	29.49	5.67	-	35.16
Provision for doubtful loans and advances	1.26	(1.26)	-	-
Bonus payable	8.53	1.10	-	9.63
Deferred Government Grant	33.28	(3.04)	-	30.24
(B)	98.31	11.59	1.25	111.15
(A+B)	(127.87)	15.91	1.25	(110.71)
Deferred tax liabilities (net)	(127.87)	15.91	1.25	(110.71)

Note:

- a) Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	As at March 31, 2024	As at March 31, 2023
21 Other liabilities		
Non-current		
Deferred Government grant (refer note below)	95.96	108.06
	95.96	108.06
Current		
Contract liabilities	1.04	-
Statutory liabilities	15.21	16.83
Deferred Government grant (refer note below)	12.09	12.09
	28.34	28.92
Note:		
a. The Company received capital subsidy amounting to INR 101.34 lacs in FY 2022-23, INR 30.00 lacs in FY 2011-12 and INR 50.00 lacs in FY 2018-19 under the Central Investment subsidy scheme based on the investment in plant and machinery at its manufacturing units at Paonta Sahib, Himachal Pradesh.		
There are no unfulfilled conditions and contingencies attached to these grants. Such government grant is being amortised over the useful life of such assets.		
b. Movement of government grant:		
Opening balance	120.14	132.24
Add: grant received during the year	-	-
Less: Government grant income	(12.09)	(12.10)
Closing balance	108.05	120.14
22 Trade payables		
Current		
i. total outstanding dues of micro enterprises and small enterprises (Refer note 34)	139.08	425.45
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	1,968.06	1,172.42
	2,107.14	1,597.87

23.1 Trade Payable aging schedule

As at March 31, 2024

Particulars	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	96.84	14.91	27.33	-	-	139.08
Total outstanding dues of creditors other than micro enterprises and small enterprises	133.60	1,505.13	329.34	-	-	-	1,968.06
Total	133.60	1,601.97	344.24	27.33	-	-	2,107.14

As at March 31, 2023

Particulars	Unbilled Dues	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	377.04	41.74	6.67	-	-	425.45
Total outstanding dues of creditors other than micro enterprises and small enterprises	75.54	819.61	277.27	-	-	-	1,172.42
Total	75.54	1,196.65	319.01	6.67	-	-	1,597.87

Note:

- The average credit period on purchases is upto 60 days to 90 days for the Company.
- Trade Payables include due to related parties INR 764.77 lacs (31 Mar 2023 : INR 742.69 lacs).
- The amounts are unsecured and non-interest bearing and are normally settled on 45 days terms.
- For terms and conditions with related parties, refer to Note 36C.

23 Other financial liabilities
(Valued at amortised cost)
Current
 Payable for purchase of property, plant and equipment

20.77	20.97
20.77	20.97



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	<u>For the year ended March 31, 2024</u>	<u>For the year ended March 31, 2023</u>
24 Revenue from operations		
24.1 Revenue from contracts with customers		
Sale of products	10,378.69	8,506.83
	10,378.69	8,506.83
(a) Disaggregated revenue information		
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
<u>Type of goods/services</u>	<u>For the year ended March 31, 2024</u>	<u>For the year ended March 31, 2023</u>
Sale of pharmaceutical products	10,378.69	8,506.83
Total revenue from contracts with customers	10,378.69	8,506.83
Revenue by location of customers		
India	10,378.69	8,506.83
Outside India	-	-
Total revenue from contracts with customers	10,378.69	8,506.83
Timing of revenue recognition		
Goods transferred at a point in time	10,378.69	8,506.83
Total revenue from contracts with customers	10,378.69	8,506.83
(b) Contract balances		
	<u>Year Ended March 31, 2024</u>	<u>Year Ended March 31, 2023</u>
Trade receivables	948.02	999.00
Contract liabilities	1.04	-
Contract liabilities consist of short-term advances received to supply goods from customer.		
(c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contracted price	10,391.36	8,520.24
Adjustments:		
Sales return	(12.67)	(13.41)
Revenue from contracts with customers	10,378.69	8,506.83
(d) Performance obligations		
Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally dues within 90 days from delivery of goods (refer accounting policy 2.11).		
25 Other income		
Interest income/		
Interest income earned on:		
- bank deposits (at amortised cost)	16.91	2.01
- other financial assets (at amortised cost)	0.66	0.49
- Interest from loan to related parties (at amortised cost)	73.53	69.84
	91.10	72.34
Other non-operating income		
Dividend income from financial assets measured at FVTPL	0.05	0.05
Government grant income (refer note 21)	12.09	12.09
Gain on foreign currency transactions and translation (net)	2.35	9.32
Liabilities written back	-	5.00
Miscellaneous income	38.16	24.39
	52.65	50.85
Total other income	143.75	123.19



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

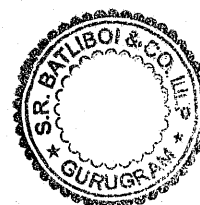
	For the year ended March 31, 2024	For the year ended March 31, 2023
26 Cost of raw material and components consumed		
Raw material and components consumed		
Inventory at the beginning of the year (refer note 12)	1,280.60	1,034.15
Add: Purchases	7,998.29	6,711.48
	9,278.89	7,745.63
Less: Inventory at the end of the year (refer note 12)	(1,542.91)	(1,280.60)
	7,735.98	6,465.03
27 Changes in inventories of finished goods and work in progress		
Opening Stock:		
Finished goods	30.85	14.61
Work in progress	415.52	264.50
	446.37	279.11
Closing Stock:		
Finished goods	102.06	30.85
Work in progress	492.74	415.52
	594.80	446.37
Net decrease/(increase) in inventories of finished goods and work in progress	(148.43)	(167.26)
28 Employee benefits expense		
Salaries, wages, bonus and other benefits	1,091.16	865.07
Contribution to provident and other fund	86.93	59.62
Gratuity expense (refer note 36A)	31.39	27.18
Staff welfare expenses	31.67	21.00
	1,241.15	972.87
Note:- 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 and the final rules/interpretation have not yet been issued. 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.		
Based on a preliminary assessment, the entity believes the impact of the change will not be significant."		
29 Finance Costs		
Interest expense on borrowings	-	-
Interest on delay deposit of income tax	1.25	0.07
Other finance costs (refer note 34)	14.82	21.35
	16.07	21.42
30 Depreciation and amortisation expense		
Depreciation on property, plant and equipment (refer note 3)	240.01	225.16
Amortisation of intangible assets (refer note 5)	1.80	0.08
Depreciation of Right-of-use assets (refer note 6)	2.92	2.91
	244.73	228.15



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023
31 Other expenses		
Consumption of stores and spares	33.88	23.15
Power and fuel	241.46	172.32
Repair and maintenance		
- Machinery	59.28	40.27
- Building	31.32	26.86
- others	17.46	17.04
Insurance	11.90	8.66
Rates and taxes	10.57	4.76
Travelling and conveyance	17.99	11.06
Printing and stationery	12.59	10.99
Freight cartage and other distribution cost	80.71	53.16
CSR expenditure (refer note 38)	25.00	26.20
Donation and contributions	-	-
Legal and professional charges	40.49	43.29
Payments to auditors (refer note below)	6.00	5.77
Advertising and sales promotion expenses	30.69	11.44
Testing and inspection charges	185.32	94.50
Bank charges	0.23	0.24
Loss on sale and write off of property, plant and equipment (net)	1.09	4.25
Miscellaneous expenses	82.39	70.56
Total	888.37	624.52
Note:		
Payments to the auditors (excluding input tax)		
I To statutory auditors		
a) Audit fees	6.00	5.75
b) Reimbursement of expenses	-	0.02
	6.00	5.77

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

	For the year ended March 31, 2024	For the year ended March 31, 2023
32 Income taxes		
32.1 Income tax recognised in the Statement of profit and loss		
Current tax		
In respect of the current year	132.55	151.50
In respect of the previous year	-	0.73
	132.55	152.23
Deferred tax		
In respect of the current year	14.56	(15.91)
	14.56	(15.91)
Total income tax expense recognised in the current year	147.11	136.32
The Income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	544.57	485.29
Statutory income tax rate	25.168%	25.168%
Income tax expense at statutory income tax rate	137.06	122.14
Effect of expenses that are not deductible in determining taxable profit	10.05	12.72
Deferred tax credit in respect of the prior years	-	0.73
Income Tax in respect of the previous year	-	0.73
Impact of change in tax rate	-	-
At the effective income tax rate of 27.01 % (31 March 2023: 28.09 %)	147.11	136.32
32.2 Income tax recognised in other comprehensive income		
Income tax relating to item that will not be reclassified to profit or loss		
- Remeasurement of the defined benefit plan	(2.68)	1.25
Total income tax expense recognised in other comprehensive income	(2.68)	1.25

(This page has been intentionally left blank)



33 Earnings per equity share

Basic earnings per equity share has been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year. Diluted earnings per equity share has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

The following reflects the income and share data used in the basic and diluted EPS computations:

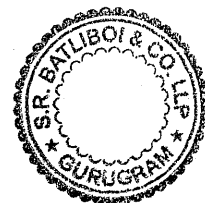
		<u>For the year ended</u> <u>March 31, 2024</u>	<u>For the year ended</u> <u>March 31, 2023</u>
Profit for the period attributable to equity holders	INR lacs	397.46	348.97
Weighted average number of equity shares used for computing basic and diluted earning per share	Number	1,140,000	1,140,000
Nominal Value of Equity Shares	INR	10.00	10.00
Basic earnings per share	INR	34.86	30.61
Diluted earnings per share	INR	34.86	30.61

34 MSMED Disclosure

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the period ended 31 March 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	<u>As at</u> <u>March 31, 2024</u>	<u>As at</u> <u>March 31, 2023</u>
(i) The principal amount and the interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
- Principal amount	96.24	397.43
- Interest thereon	42.84	28.02
(ii) the amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year	42.84	28.02
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

(This page has been intentionally left blank)



35 COMMITMENTS AND CONTINGENCIES

A Contingent liabilities (to the extent not provided for)

	As At March 31, 2024	As At March 31, 2023
Disputed tax liabilities		
Disallowances/ additions made by the Income tax department pending before tax authorities for AY 15-16 ,AY 18-19,AY 19-20,AY 20-21 & AY 21-22	83.43	80.83
	<u>83.43</u>	<u>80.83</u>

Note: The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely to be upheld in the appellate process and accordingly no provision has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations. During the period ended 31 March 2024, outstanding cases has been settled and there is no outstanding demand as at year end.

During the year, the Income Tax Department ('the department') had conducted a search under section 132 of the Income Tax Act, 1961 ('the Act') on holding Company's registered office, corporate office, few of its manufacturing locations, residence of few of its employees/key managerial personnel, other premises and few of its group entities

The Income Tax Department consequent to search on holding company, has also issued notices under Section 148 of the Income Tax Act 1961 in October 2023 which requires the Company to furnish income tax returns in response to notice under Section 148 of the Act for the assessment years 2020-21, 2021-22 and 2022-23. The Company has filed income tax returns in response to such notices under section 148 of the Act. Based on the returns filed in response to section 148 and the assessment made by the management and its tax advisor, the Company is of the view that no material adjustments are required to be made in these financial statements.

B Commitments

a) Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	40.20	37.33
	<u>40.20</u>	<u>37.33</u>

(This page has been intentionally left blank)



36 OTHER NOTES ON ACCOUNTS

A Disclosures pursuant to Ind AS - 19 "Employee Benefits" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

Employee Benefits:

a Defined contribution plan

The Company's contribution to the Employees Provident Fund is deposited with the Regional Provident Fund Commissioner for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

	Year ended March 31, 2024	Year ended March 31, 2023
Employer's Contribution towards Provident Fund (PF)	63.12	42.92
	63.12	42.92

b. Defined benefit plan - Gratuity plan

The Company's contribution towards its gratuity liability is a defined benefit retirement plan. Under the gratuity plan, every employee who has completed at least five years of service usually gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The gratuity liability arises on retirement, withdrawal, resignation and death of an employee. The aforesaid liability is calculated on the basis of fifteen days salary (i.e. last drawn basic salary) for each completed year of service subject to completion of five years service.

(i) Risks associated with Plan Provisions

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) interest rate risk (discount rate risk), (ii) mortality risk and (iii) salary growth risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government Bonds Yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
Interest rate risk (discount rate risk)	A decrease in the bond interest rate (discount rate) will increase the plan liability
Mortality risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.
Salary growth risk	The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(ii) Principal actuarial assumptions:

Principal actuarial assumption used to determine the present value of the benefit obligation are as follows:

S. No.	Particulars	Refer note below	As at March 31 2024	As at March 31 2023
i.	Discount rate (p.a.)	1	7.22%	7.36%
ii.	Salary escalation rate (p.a.)	2	10.00%	10.00%
iii.	Number of employees		284	254
iv.	Average remaining life of employees (years)		23.11	22.94
v.	Investment in LIC		84.00%	84.00%
vi.	Investment in HDFC		16.00%	16.00%

Notes

- The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of obligations.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(iii) Demographic assumptions:

	As at March 31 2024	As at March 31 2023
Retirement age	58	58
Mortality rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Attrition rate		
Upto 30 years	17.88%	45.64%
From 31 to 44 years	5.99%	6.42%
Above 44 years	1.89%	2.23%

The following tables set out the funded status of the gratuity plan and amounts recognised in the Company's financial statements:

a. Net defined benefit expense (recognised in the Statement of profit and loss for the year)

Particulars

Current service cost
Net interest expenses

Components of defined benefit costs recognised in statement of profit and

	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	24.87	23.11
Net interest expenses	6.53	4.07
	31.39	27.18

b. Remeasurement (gain)/ loss recognised in other comprehensive income

Particulars

Actuarial (gains)/losses due to change in demographic assumptions
Actuarial (gains)/losses due to change in financial assumptions
Actuarial (gains)/losses due to change in experience variance
Return on Plan assets excluding interest income

Component of defined benefit costs recognised in other comprehensive

	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial (gains)/losses due to change in demographic assumptions	0.96	0.43
Actuarial (gains)/losses due to change in financial assumptions	2.10	(2.25)
Actuarial (gains)/losses due to change in experience variance	(13.87)	6.60
Return on Plan assets excluding interest income	0.16	0.18
	(10.65)	4.96

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

c. The amount included in the Balance sheet arising from the entity's obligation in respect of its defined benefit plans are as follows:

Particulars

Present value of Defined Benefit obligation
Fair value of plan assets

Unfunded status - deficit

Non Current
Current

	As at March 31 2024	As at March 31 2023
Present value of Defined Benefit obligation	127.99	106.96
Fair value of plan assets	(18.54)	(18.25)
	109.45	88.71
Non Current	105.26	86.20
Current	4.19	2.51



d. Reconciliation of opening and closing balances of Defined Benefit obligation

Particulars	As at	As at
	March 31 2024	March 31 2023
Opening defined benefit obligation	106.96	75.84
Current service cost	24.87	23.11
Interest cost	7.87	5.45
Benefits paid	(0.90)	(2.22)
Actuarial (gain)/loss on obligation	(10.81)	4.78
Closing defined benefit obligations	127.99	106.96

e. Movement in the fair value of the plan assets:

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the period	18.25	19.27
Actual income on plan assets	1.29	1.30
Fund management charges	(0.10)	(0.10)
Benefits paid	(0.90)	(2.22)
Closing defined benefit obligations	18.54	18.25

f. Sensitivity analysis

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

Particulars	As at		As at	
	March 31 2024		March 31 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+0.5%) (% change compared to base due to sensitivity)	8.49	(7.76)	7.07	(6.46)
Salary Growth Rate (-/+0.5%) (% change compared to base due to sensitivity)	(7.60)	8.23	(6.34)	6.69

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 liability recognised in the Balance sheet.

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

g. The expected maturity analysis of undiscounted defined benefit obligation is as follows:

Expected cash flows over the next	As at	As at
	March 31 2024	March 31 2023
Within the next 12 months (next annual reporting period)	4.19	3.30
Between 2 and 5 years	24.53	21.82
More than 5 years	99.27	81.83
	127.99	106.96

h. The Company expects to contribute INR 38.97 lacs (March 31, 2023: INR 33.76 lacs) to the plan during the next financial year.

B Segment Information

A. Basis for segmentation

The operations of the Company are limited to one segment viz. Pharmaceutical products, which as per Ind AS - 108 "Operating Segments" is considered the only reportable segment.

B. Geographic Segment

The Company operates only in one Country and does not have any separate identifiable geographic segment.

C. Major Customer

There are major customers which accounted for 10% or more of the company's revenue for the period ended 31 March 2024 and 31 March 2023 respectively. The total amount of revenue from such customers are INR 8,350.65 lacs and INR 7,289.77 lacs for the year ended 31 March 2024 and 31 March 2023 respectively.



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

C Related Party Disclosures

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are disclosed below:-

(a) Names of related parties and nature of related party relationships where control exists :

Holding Company Mankind Pharma Limited

(b) Other related parties and nature of related party relationship with whom transactions have taken place during the year:

(i) Key Management Personnel (KMP)

Mr. Arjun Singh
 Mr. Nikunj Tyagi

(ii) Fellow Subsidiaries

Relax Pharmaceuticals Private Limited
 Coomed Pharmaceuticals Private Limited
 Medipack Innovations Private Limited
 Magnet Labs Private Limited
 Mankind Prime Labs Private Limited
 JPR Labs Private Limited
 Pharma Force Lab
 Shree Jee Laboratories Private Limited
 Packtime Innovations Private Limited

(iv) Subsidiaries

Mediforce Research Private Limited
 Lifesat Pharmaceuticals Pvt. Ltd. (NEPAL)

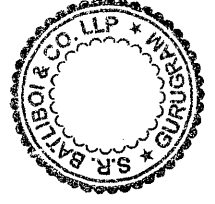
(v) Enterprises over which KMP exercises significant influence

N. S. Industries
 A to Z Packers
 A. S. Packers
 Pharma Pet Industries
 Paonta Process Equipments
 Sirmour Pet Industries
 J. K. Printpack
 Sirmour Remedies Private Limited
 Print Man
 ANM Pharma Private Limited
 Jagdish Chand Juneja Foundation
 PharmaForce Exipients Pvt. Ltd.

(vi) Relatives of KMP

Mr. B. D. Tyagi
 Mr. V. P. Singh
 Ms. Saumya Agarwal

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

Transactions during the year

Particulars	Holding Company		Key Management Personnel (KMP)		Fellow Subsidiaries		Subsidiaries		Enterprises over which KMP exercises significant influence		Relatives of KMP		Total	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
a) Purchase of Raw Material, Consumables, Packing Material and Printing														
- Mankind Pharma Limited	41.78	50.15	-	-	-	-	-	-	-	-	-	-	41.78	50.15
- Copmed Pharmaceuticals Private Limited	-	-	0.59	-	0.24	-	-	-	-	-	-	-	0.59	0.24
- Relax Pharmaceuticals Private Limited	-	-	-	-	0.44	-	-	-	-	-	-	-	-	0.44
- J.K. Print Packs	-	-	-	-	-	-	-	-	7.63	2.02	-	-	7.63	2.02
- Sirmour Remedies Private Limited	-	-	-	-	-	-	-	-	4.04	2.02	-	-	4.04	2.02
- Medipack Innovations Private Limited	-	-	273.16	-	127.69	-	-	-	-	-	-	-	273.16	127.69
- A to Z Packers	-	-	-	-	-	-	-	-	132.37	138.13	-	-	132.37	138.13
- A.S. Packers	-	-	-	-	-	-	-	-	338.56	322.01	-	-	338.56	322.01
- N.S. Industries	-	-	-	-	-	-	-	-	1,213.34	1,712.22	-	-	1,213.34	1,712.22
- JPR Labs Private Limited	-	-	114.10	-	194.50	-	-	-	-	-	-	-	114.10	194.50
- Pharma Force Lab	-	-	328.06	-	43.78	-	-	-	-	-	-	-	328.06	43.78
- Shree Jee Laboratories Private Limited	-	-	1.42	-	116.01	-	-	-	-	-	-	-	1.42	116.01
- Packtime Innovations Private Limited	-	-	9.48	-	-	-	-	-	-	-	-	-	9.48	-
- Paonta Process Equipments	-	-	-	-	-	-	-	-	1.66	5.79	-	-	1.66	5.79
- ANM Pharma Private Limited	-	-	-	-	-	-	-	-	1,045.79	417.92	-	-	1,045.79	417.92
- Jagdish Chand Juneja Foundation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mediforce Research Private Limited	-	-	-	-	-	-	-	51.71	36.69	-	-	-	51.71	36.69
- Printman	-	-	-	-	-	-	-	-	22.24	22.42	-	-	22.24	22.42
- Paonta Process	-	-	-	-	-	-	-	-	36.07	-	-	-	36.07	-
- Pharmaforce Excipient	-	-	-	-	-	-	-	-	19.72	0.42	-	-	19.72	0.42
- Surbhi Herbals	-	-	-	-	-	-	-	-	70.29	-	-	-	70.29	-
b) Sale of Goods														
- Mankind Pharma Limited	8,350.65	7,289.77	-	-	-	-	-	-	-	-	-	-	8,350.65	7,289.77
- Mankind Prime Labs Private Limited	-	-	601.49	-	381.12	-	-	-	-	-	-	-	601.49	381.12
- Copmed Pharmaceuticals Private Limited	-	-	0.05	-	0.15	-	-	-	-	-	-	-	0.05	0.15
- Relax Pharmaceuticals Private Limited	-	-	-	-	1.83	-	-	-	-	-	-	-	-	1.83
- Pharma Force Lab	-	-	116.06	-	13.34	-	-	-	-	-	-	-	116.06	13.34
- Sirmour Remedies Private Limited	-	-	-	-	-	-	-	-	6.12	7.23	-	-	6.12	7.23
- J. K. Print Packs	-	-	-	-	-	-	-	-	6.00	11.85	-	-	6.00	11.85
- Jagdish Chand Juneja Foundation	-	-	-	-	-	-	-	-	1.16	0.91	-	-	1.16	0.91
- Mediforce Research Private Limited	-	-	-	-	-	-	-	1.70	2.03	-	-	-	1.70	2.03
- Pharmaforce Excipients Pvt. Ltd.	-	-	-	-	-	-	-	-	0.01	0.34	-	-	0.01	0.34
- Lifesart Pharmaceuticals Pvt. Ltd. (NEPAL)	-	-	-	-	-	-	-	-	0.90	-	-	-	0.90	-
c) Interest on Loan taken from Related Parties														
- B.D.Tvagi	-	-	-	-	-	-	-	-	-	-	-	-	14.34	-
d) Interest on Loan given to Related Parties														
- Mediforce Research Private Limited	-	-	-	-	-	-	73.52	69.84	-	-	-	-	73.52	69.84
e) Testing and Inspection Charges														
- Mankind Pharma Limited	6.75	6.09	-	-	-	-	-	-	-	-	-	-	6.75	6.09
- Relax Pharmaceuticals Private Limited	-	-	19.99	-	8.97	-	-	-	-	-	-	-	19.99	8.97
- Jagdish Chand Juneja Foundation	-	-	-	-	-	-	-	-	-	0.22	-	-	-	0.22
- Mediforce Research Private Limited	-	-	-	-	-	-	35.56	35.56	-	-	-	-	35.56	35.56
- Paonta Process Equipments	-	-	-	-	-	-	-	-	0.00	0.02	-	-	0.00	0.02
- Paonta Process	-	-	-	-	-	-	-	-	3.95	-	-	-	3.95	-
f) Repair and Maintenance														
- Paonta Process Equipments	-	-	-	-	-	-	-	-	14.28	21.69	-	-	14.28	21.69
- Mediforce Research Pvt. Ltd	-	-	-	-	-	-	0.29	-	-	-	-	-	0.29	-
- Paonta Process	-	-	-	-	-	-	-	-	20.78	1.55	-	-	20.78	1.55



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

Particulars	Holding Company		Key Management Personnel (KMP)		Fellow Subsidiaries		Subsidiaries		Enterprises over which KMP exercises significant influence				Relatives of KMP		Total	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	
g) Loan given to Related party																
- Mediforce Research Private Limited	-	-	-	-	-	-	15.00	130.00	-	-	-	-	-	-	15.00	130.00
h) Sale of Capital Goods																
- PharmaForce Excipients Pvt. Ltd.	-	-	-	-	-	-	-	23.19	-	-	-	-	-	-	-	23.19
i) Purchase of Capital Goods																
- Mankind Pharma Limited	41.38	-	-	-	-	-	-	-	-	-	-	-	-	-	41.38	-
- Paonta Process Equipments	-	-	-	-	-	-	-	-	8.32	-	-	-	-	-	8.32	30.05
- Pharma Force Lab	-	-	-	4.20	-	12.73	-	-	-	-	-	-	-	-	4.20	12.73
- Paonta Process	-	-	-	-	-	-	-	-	16.06	-	-	-	-	-	16.06	-
- Copmed Pharmaceuticals Private Limited	-	-	-	13.32	-	-	-	-	-	-	-	-	-	-	13.32	-
j) CSR expenditure																
- Jagdish Chand Juneja Foundation	-	-	-	-	-	-	-	-	0.82	-	-	-	-	-	0.82	26.20
k) Remuneration																
- Ms. Saumya Agarwal	-	-	-	-	-	-	-	-	-	-	23.51	-	-	31.85	23.51	31.85

(This page has been intentionally left blank)



Mediforce Healthcare Private Limited
Notes forming part of the financial statements for the year ended 31 March 2024
All amounts are in INR lacs unless otherwise stated

Balances outstanding as at March 31, 2024

Particulars	Holding Company		Key Management Personnel (KMP)		Fellow Subsidiaries		Subsidiary		Enterprises over which KMP exercises significant influence			Relatives of KMP		Total	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024
a. Trade receivables															
- Mankind Pharma Limited	723.89	834.03	-	-	-	-	-	-	-	-	-	-	-	-	723.89
- Mankind Prime Labs Private Limited	-	-	56.41	33.65	-	-	-	-	-	-	-	-	-	-	56.41
- J. K. Print Packs	-	-	-	-	-	4.73	-	-	-	12.23	-	-	-	-	0.32
- Mediforce Research Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pharma Force Lab	-	-	73.70	-	-	-	-	-	-	-	-	-	-	-	73.70
b) Trade payables															
- Mankind Pharma Limited	10.74	47.62	-	-	-	-	-	-	-	-	-	-	-	-	10.74
- N.S. Industries	-	-	-	-	-	-	-	-	157.89	-	-	-	-	-	157.89
- A to Z Packers	-	-	-	-	-	-	-	-	7.29	-	-	-	-	-	8.70
- JPR Labs Private limited	-	-	40.40	106.30	-	-	-	-	-	-	-	-	-	-	40.40
- A.S. Packers	-	-	-	-	-	-	-	-	42.26	-	-	-	-	-	55.97
- Printman	-	-	-	-	-	-	-	-	3.97	-	-	-	-	-	4.51
- Medipack Innovations Private Limited	-	-	98.63	38.93	-	-	-	-	-	-	-	-	-	-	98.63
- Shreejee Laboratory Pvt.Ltd	-	-	-	37.70	-	-	-	-	300.73	-	-	-	-	-	37.70
- ANM Pharma Private Limited	-	-	-	-	-	-	-	-	7.55	-	-	-	-	-	7.55
- Pharma force excipients Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- PHARMA FORCE LAB	-	-	130.93	-	-	-	-	-	-	-	-	-	-	-	130.93
- Packtime Innovations P Ltd	-	-	8.33	-	-	-	-	-	-	-	-	-	-	-	8.33
- Relax Pharmaceuticals Private Limited	-	-	0.27	-	-	-	-	-	-	-	-	-	-	-	0.27
- Mediforce Research Private Limited	-	-	-	-	-	-	12.46	-	-	-	-	-	-	-	12.46
- Surbhi Herbals	-	-	-	-	-	-	-	-	18.27	-	-	-	-	-	18.27
c) Loans to Related party															
- Mediforce Research Private Limited	-	-	-	-	1,044.80	-	-	963.66	-	-	-	-	-	-	1,044.80
d) Advance to Supplier															
- Paonta Process	-	-	-	-	-	-	-	-	-	5.10	-	-	-	-	5.10
e) Share Capital															
- Mankind Pharma Limited	71.80	71.80	-	-	-	-	-	-	-	-	-	-	-	-	71.80

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period/year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All the liabilities for post retirement benefits being 'Gratuity' are provided on actuarial basis for the Company as a whole, the amount pertaining to Key management personnel are not included above.

(This page has been intentionally left blank)



D Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	Carrying Value		Fair Value	
	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Financial instruments by category				
Financial assets at amortised cost				
Trade Receivables	948.02	999.00	948.02	999.00
Cash and cash equivalents	717.78	507.62	717.78	507.62
Other Bank balances	0.03	13.78	0.03	13.78
Loans	1,051.45	968.81	1,051.45	968.81
Investment in subsidiaries*	294.00	294.00	294.00	294.00
Other Financial assets	26.40	11.77	26.40	11.77
	3,037.68	2,794.98	3,037.68	2,794.98
Financial assets at FVTPL				
Other Investments	0.25	0.25	0.25	0.25
	0.25	0.25	0.25	0.25
Financial Liabilities at amortised cost				
Trade Payables	2,107.14	1,597.87	2,107.14	1,597.87
Other financial liabilities	20.77	20.97	20.77	20.97
	2,127.91	1,618.84	2,127.91	1,618.84

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- 1) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 2) The fair values of the Company's interest-bearing borrowings and loans are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2024 was assessed to be insignificant.
- 3) Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 4) The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2024, are as shown below:

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2024

	Carrying Value	Fair Value		
	March 31, 2024	Level 1	Level 2	Level 3
Assets carried at amortised cost for which fair value are disclosed				
Trade Receivables	948.02	-	-	948.02
Cash and cash equivalents	717.78	-	-	717.78
Other Bank balances	0.03	-	-	0.03
Loans	1,051.45	-	-	1,051.45
Investment in subsidiaries*	294.00	-	-	294.00
Other Financial assets	26.40	-	-	26.40
Assets carried at FVTPL for which fair value are disclosed				
Other Investments	0.25	-	-	0.25
Liabilities carried at amortised cost for which fair value are disclosed				
Trade Payables	2,107.14	-	-	2,107.14
Other financial liabilities	20.77	-	-	20.77

Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2023

	Carrying Value	Fair Value		
	March 31, 2023	Level 1	Level 2	Level 3
Assets carried at amortised cost for which fair value are disclosed				
Trade Receivables	999.00	-	-	999.00
Cash and cash equivalents	507.62	-	-	507.62
Other Bank balances	13.78	-	-	13.78
Loans	968.81	-	-	968.81
Investment in subsidiaries*	294.00	-	-	294.00
Other Financial assets	11.77	-	-	11.77
Assets carried at FVTPL for which fair value are disclosed				
Other Investments	0.25	-	-	0.25
Liabilities carried at amortised cost for which fair value are disclosed				
Trade Payables	1,597.87	-	-	1,597.87
Other financial liabilities	20.97	-	-	20.97

Note:

The management assessed that cash and cash equivalents, trade receivables, other bank balance, Loans, Investment, other Financial assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

*Investment in subsidiaries have been measured at cost in accordance with Ind AS 27 "Separate Financial Statements"



E Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2024.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

(ii) Interest Rate Risk

The Company is not exposed to any interest rate risk as it does not have financial assets or liabilities the value of which will be effected on account of change in market interest rates except as mentioned below.

(iii) Commodity Price Risk

The Company is not exposed to any other risk as it does not have financial assets or liabilities the value of which will be effected on account of change in any other factor or risk.

b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. 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 regularly monitors its counterparty limits by reviewing the outstanding balance and ageing of the same.

Possible credit risk

Credit risk related to trade receivables

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

Credit risk related to bank balances

Company holds bank balances with reputed and creditworthy banking institution within the approved exposures limit of each bank. None of the Company's cash equivalents, including time deposits with banks, are past due or impaired.

The carrying value of financial assets other than cash represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

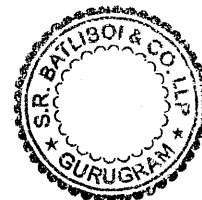
c) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening its balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Financial liabilities	As at		Total
	Less than 1 year	March 31 2024 1 to 5 years	
Trade payables			
Other financial liabilities	2,107.14	-	2,107.14
Total	2,107.14	-	2,107.14
	2,127.91	-	2,127.91

Financial liabilities	As at		Total
	Less than 1 year	March 31 2023 1 to 5 years	
Borrowings			
Trade payables	1,597.87	-	1,597.87
Other financial liabilities	20.97	-	20.97
Total	1,618.84	-	1,618.84



d) Interest rate risk

Interest rate Sensitivity of Borrowings

With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on floating rate portion of loans and borrowings.

	As at March 31, 2024		As at March 31, 2023	
	Increase/decrease in basis points	Impact on profit before tax	Increase/decrease in basis points	Impact on profit before tax
Cash credit facility/loans from related parties	+0.50	-	+0.50	-
	-0.50	-	-0.50	-

F Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio to the minimum.

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Loans and borrowings (including current maturities)	-	-
Less:- Cash and cash equivalents	(717.78)	(507.62)
Net Debt	(717.78)	(507.62)
Equity (Net Worth)	5,839.17	5,433.74
Total Capital	5,839.17	5,433.74
Capital and Net Debt	5,121.39	4,926.12
Gearing ratio (Net Debt/Capital and Net Debt)	(14.02%)	(10.30%)

37 Leases

- (i) The Company's lease asset primarily consist of leases for Land having lease terms of 65 to 85 years.
(ii) Following is carrying value of right of use assets recognised and the movements thereof during the year ended March 31,2024:

Particulars	Right of Use Asset		Total
	Leasehold Land		
Balance as at April 1, 2022	235.98		235.98
Additions during the year	-		-
Deletion during the year	-		-
Depreciation of Right of use assets (refer note 30)	(2.91)		(2.91)
Balance as at March 31,2023	233.07		233.07
Additions during the period	-		-
Deletion during the period	-		-
Depreciation of Right of use assets (refer note 30)	(2.92)		(2.92)
Balance as at March 31,2024	230.15		230.15

38 Expenditure on Corporate Social Responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as under:

Particulars	Year ended March 31,2024	Year ended March 31,2023
Details of CSR Expenditure:		
Gross amount required to be spent as per section 135 of the Act	16.88	19.62
Amount approved by the Board to be spent during the period	16.88	19.62
Amount spent during the period on :		
(i) Construction/ acquisition of assets	-	-
(ii) On purpose other than above	25.00	26.20
Details related to spent / unspent obligations:		
(i) Contribution to Public Trust	-	-
(ii) Contribution to Charitable Trust	25.00	26.20
(iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
Total amount spent	25.00	26.20
Total amount recognised in the statement of profit and loss	25.00	26.20
Amount Yet to be spent / (Excess spent during the year)	-	-



39 Exemption from Consolidated financial statements

The Company has used exemption from consolidation as per Ind AS 110 in respect of its subsidiary "Mediforce Research Private Limited" for the year ended March 31, 2023 as it complies with the following conditions:

- The Company is a partially-owned subsidiary of Mankind Pharma Limited and all its other members do not object to the company not presenting consolidated financial statements;
- The Company is not listed nor in the process of listing on any stock exchange, whether in India or outside India.
- The ultimate holding company i.e. Mankind Pharma Limited files consolidated Financial Statements with the Registrar.

40 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	2.46	2.64	-7%	
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	7%	15%	(54.43%)	Refer to remark 2 below
Inventory Turnover ratio	Cost of goods sold	Average Trade Inventory	3.83	5.80	(33.95%)	Refer to remark 3 below
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	1066%	1134%	(5.95%)	
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.32	6.25	(30.95%)	Refer to remark 4 below
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	322%	469%	(31.35%)	Refer to remark 5 below
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	4%	6%	(40.59%)	Refer to remark 6 below
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	9%	20%	(51.82%)	Refer to remark 7 below

Remarks

- Return on Equity ratio has decreased primarily on account of decrease in profitability during the year.
- Inventory Turnover ratio has decreased primarily due to reduction in cost of goods sold during the current year. The said decrease is accompanied by increase in average inventory.
- Trade Payable Turnover Ratio has decreased primarily on account of decrease in purchases during the year. The said decrease is accompanied by increase in average trade payable.
- Net Capital Turnover Ratio has decreased primarily on account of decrease in sales during the year.
- Net Profit ratio has decreased primarily on account of decrease in profitability during the year.
- Return on Capital Employed has decreased primarily on account of decrease in profitability during the year.
- The ratios which are not applicable to the Company have not been disclosed above.

41 Other Information

- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year
- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company have 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:
 - 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
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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 Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights and also for certain changes made using privileged/administrative access right. Further no instance of audit trail feature being tampered with was noted in respect of accounting software.

43 The figures have been rounded off to the nearest Lakh of rupees upto two decimal places.

44 Note No.1 to 43 form integral part of the balance sheet and statement of profit and loss.

As per our report of even date

For S.R. Batliboi Co. & LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005



per Vishal Sharma
Partner
Membership No. 96766

Place: New Delhi
Date: 15 May 2024



For and on behalf of the Board of Directors



Nikunj Tiagi
Director
DIN - 02451567

Place: New Delhi
Date: 15 May 2024



Akhlaq Ahmed
Director
DIN - 08973480

Place: New Delhi
Date: 15 May 2024