



## INDEPENDENT AUDITOR'S REPORT

To the Members of Mediforce Research Private Limited

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying financial statements of Mediforce Research 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/loss 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined that there are no key audit matters to communicate in our report.



### **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 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.

### **Responsibilities 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 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;
  - (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) 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;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls is not applicable by virtue of section 143(3)(i) of the Act;
  - (g) 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;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - 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, other than as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, other than as disclosed in the notes to the [standalone] financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Gupta Shiv & Co.  
Chartered Accountants  
ICAI Firm Registration Number: 006476C

**SHIV KUMAR**  
**GUPTA**

Digitally signed by SHIV  
KUMAR GUPTA  
Date: 2024.05.13 18:04:59  
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**CA SHIV KUMAR GUPTA**

Partner  
Membership Number: 075281  
UDIN: 240752281BKAUNR7802  
Place of Signature: Meerut  
Date: 13/05/2024



**Annexure – A to the Independent Auditor’s Report**

**Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Mediforce Research Private Limited of even date on the Ind - AS Financial Statements for the year ended March 31, 2024, we report that:**

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of business, we state that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Asset:
  - a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.  
  
B) The Company has maintained proper records showing full particulars of Intangible asset.
  - b) The Company has a program of physical verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were identified on such physical verification.
  - c) According to the information and explanations given to us, and on the basis of our examination of the records provided to us, In respect of leasehold land that have been taken on lease and recognized as Right of Use in Property, Plant and Equipment in the financial statements, the lease agreements are in the name of the company.
  - d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.
  - e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, as at 31<sup>st</sup> March, 2024.
- ii. In respect of Inventories:
  - a) The inventory has been physically verified by the management during the year and the coverage and procedure of such verification by the management is appropriate, no discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.



- b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. In our opinion and according to the information and explanations given to us, the Company has not made any investments, and also not provided any loans or advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership. Accordingly, reporting under clause 3(iii) (a), (b),(c), (d), (e) and (f) of the Order are not applicable.
- iv. During the year, the Company has not granted any loans or made any investments, or provided any guarantee or security to parties covered under section 185 and 186 of the Act. Accordingly, clause 3(iv) of the said Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or deemed to be deposits during the year within the meaning of section 73 to 76 of the Act or any other relevant provision of the Companies Act 2013.
- vi. The Central Government has prescribed maintenance of cost records under sub-section(1) of section 148 of the Act in respect of activities of the Company but the turnover of the company during the immediately preceding Financial Year doesn't exceed the prescribed limit. Therefore, the provision of Clause 3(vi) of the said orders are not applicable to the Company.
- vii. In respect of Statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination the records, the Company is generally regular in depositing undisputed applicable statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax and any other statutory dues to the appropriate authorities and there are no undisputed dues outstanding as on March 31, 2024 for a period of more than six months from the date they become payable.
- b) In our opinion and according to the information and explanations given to us, there are no statutory dues which are disputed and required to be deposited as on Balance Sheet date.
- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.



- ix. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or interest thereon to any lender.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any outstanding dues on account of loan payable to bank or financial institution or other lender. Accordingly, clause 3(ix)(b) of the Order is not applicable.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised funds on short-term basis from banks and financial institutions during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised any secured loans during the year. Accordingly, reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a) According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments).
- b) The Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year.
- xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) No whistle-blower complaints have been received by the Company during the year.





- xii. The Company is not a Nidhi Company. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable IND-AS.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors during the year and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) (a),(b) and(c) of the Order are not applicable.  
d) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence the reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. In our opinion and according to the information and explanations given to us, the Company is generally profit making and there was no cash loss in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of Statutory Auditors of the Company during the year.
- xix. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of 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 will get discharged by the company as and when they fall due.

**GUPTA SHIV & CO.**  
**CHARTERED ACCOUNTANTS**



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Sharma Smarak, Behind  
Moolchand Hospital, Bachha  
Park, Meerut**

**Phone : 4052558, 4025132**

**M. No.: +91-9837027154**

**[Email: caguptashiv@gmail.com](mailto:caguptashiv@gmail.com)**

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- xx. a) The Company is not required to spend amount in pursuance of the Corporate Social Responsibility as stipulated under Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable.

For **GUPTA SHIV & CO.**

Chartered Accountants

ICAI Firm Registration Number: 006476C

**SHIV KUMAR** Digitally signed by SHIV  
KUMAR GUPTA  
**GUPTA** Date: 2024.05.13 18:05:20  
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**CA SHIV KUMAR GUPTA**

Partner

Membership Number: 075281

UDIN: 24075281BKAUNR7802

Place of Signature: Meerut

Date: 13/05/2024

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

Particulars	Notes	As at	As at
		31 March 2024	31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,073.47	968.77
Capital work-in-progress	3	5.17	81.13
Intangible assets	4	0.89	1.59
Right-of-use assets	5	47.27	47.95
Financial assets			
(i) Other financial assets	6	3.64	3.49
Income tax assets (net)	7	12.94	11.37
Deferred tax assets (net)	8	1.98	5.06
Other non-current assets	9	0.61	3.26
<b>Total non-current assets</b>		<b>1,145.97</b>	<b>1,122.62</b>
<b>Current assets</b>			
Inventories	10	117.55	114.32
Financial assets			
(i) Trade receivables	11	126.89	74.59
(ii) Cash and cash equivalents	12	37.41	18.87
Other current assets	9	32.35	75.95
<b>Total current assets</b>		<b>314.20</b>	<b>283.73</b>
<b>Total assets</b>		<b>1,460.17</b>	<b>1,406.35</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	300.00	300.00
Other equity	14	(43.61)	(45.60)
<b>Total equity</b>		<b>256.39</b>	<b>254.40</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	15	10.44	7.03
<b>Total non-current liabilities</b>		<b>10.44</b>	<b>7.03</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	16	1,044.83	963.66
(ii) Trade payables	17		
(a) total outstanding dues of micro enterprises and small enterprises		36.55	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		61.85	65.92
(iii) Other financial liabilities	18	32.45	100.64
Provisions	15	10.39	7.48
Other current liabilities	19	7.27	7.22
<b>Total current liabilities</b>		<b>1,193.34</b>	<b>1,144.92</b>
<b>Total liabilities</b>		<b>1,203.78</b>	<b>1,151.95</b>
<b>Total equity and liabilities</b>		<b>1,460.17</b>	<b>1,406.35</b>

Summary of significant accounting policies 2

See accompanying notes are forming part of these financial statements 3-38

As per our report of even date

**For Gupta Shiv & Co.**

Chartered Accountants

Firm Reg. no. 006476C

SHIV KUMAR GUPTA  
Digitally signed by SHIV KUMAR GUPTA  
Date: 2024.05.13 18:06:34 +05'30'

**CA Shiv Kumar Gupta**

Partner

M.No. 075281

Place: Meerut

Date: 13/05/2024

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

Brijeshwar Dutt Tyagi  
Digitally signed by Brijeshwar Dutt Tyagi  
Date: 2024.05.13 17:08:06 +05'30'

**Brijeshwar Dutt Tyagi**

Director

DIN - 01283494

Place: Paonta Sahib

Date: 13/05/2024

Nikunj Tyagi  
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Date: 2024.05.13 17:04:49 +05'30'

**Nikunj Tyagi**

Director

DIN - 02451567

**Mediforce Research 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	Year ended	Year ended
		31 March 2024	31 March 2023
<b>I</b> Revenue from operations	20	658.77	499.32
<b>II</b> Other income	21	0.72	0.54
<b>III Total income (I + II)</b>		<b>659.49</b>	<b>499.86</b>
<b>IV Expenses</b>			
Cost of materials consumed	22	131.48	84.68
Employee benefits expense	23	231.43	172.36
Finance costs	24	73.69	69.84
Depreciation and amortization expense	25	71.99	63.04
Other expenses	26	145.83	115.76
<b>Total expenses (IV)</b>		<b>654.42</b>	<b>505.68</b>
<b>V Profit/ Loss before tax (III-IV)</b>		<b>5.07</b>	<b>(5.82)</b>
<b>VI Tax Expense:</b>			
Deferred tax	27	3.08	(1.97)
<b>Total tax expense (VI)</b>		<b>3.08</b>	<b>(1.97)</b>
<b>VII Profit/ Loss for the year (V-VI)</b>		<b>1.99</b>	<b>(3.85)</b>
<b>VIII Earnings per equity share (face value of INR 100 each) attributable to equity holders of the company (EPS)</b>			
Basic EPS (in INR)		0.66	(1.28)
Diluted EPS (in INR)		0.66	(1.28)

**Summary of significant accounting policies** **2**  
**See accompanying notes are forming part of these financial statements** **3-38**

As per our report of even date

**For Gupta Shiv & Co.**

Chartered Accountants  
Firm Reg. no. 006476C

**SHIV KUMAR GUPTA**  
Digitally signed by SHIV KUMAR GUPTA  
Date: 2024.05.13 18:06:55 +05'30'

**CA Shiv Kumar Gupta**  
Partner  
M.No. 075281

Place: Meerut  
Date: 13/05/2024

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

**Brijeshwar Dutt Tyagi**  
Digitally signed by Brijeshwar Dutt Tyagi  
Date: 2024.05.13 17:08:29 +05'30'

**Brijeshwar Dutt Tyagi**  
Director  
DIN - 01283494

Place: Paonta Sahib  
Date: 13/05/2024

**Nikunj Tyagi**  
Digitally signed by Nikunj Tyagi  
Date: 2024.05.13 17:05:08 +05'30'

**Nikunj Tyagi**  
Director  
DIN - 02451567

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

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash Flow From Operating activities</b>		
Profit before tax	5.07	(5.82)
<i>Adjustments to:</i>		
Movement of reserves	0.01	-
Depreciation and amortisation expense	71.99	63.04
Finance income	(0.72)	(0.37)
Finance costs	73.69	69.84
Trade and other receivable balances written off	-	0.82
<i>Working capital adjustments:</i>		
(Increase)/ Decrease in trade receivables	(52.30)	(58.53)
(Increase)/ Decrease in inventories	(3.23)	(24.63)
(Increase)/ Decrease in financial asset - others	(0.15)	-
(Increase)/ Decrease in other asset	46.25	17.08
Increase/ (Decrease) in provisions	6.32	12.02
Increase/ (Decrease) in trade payable	32.47	(46.47)
Increase/ (Decrease) in other liability	0.05	(20.52)
	<b>179.45</b>	<b>6.46</b>
Income tax paid	(1.57)	(4.06)
<b>Net cash flows from operating activities (A)</b>	<b>177.88</b>	<b>2.40</b>
<b>B. Cash Flow From Investing activities</b>		
Purchase of property, plant and equipment	(167.54)	(132.84)
Bank deposit not considered as cash and cash equivalents (net)	-	31.61
Interest received (finance income)	0.72	0.37
<b>Net cash flows used in investing activities (B)</b>	<b>(166.82)</b>	<b>(100.86)</b>
<b>C. Cash Flow From Financing activities</b>		
Interest paid	(73.69)	(38.46)
Proceeds from borrowings	81.17	130.00
<b>Net cash flows used in/ from financing activities (C)</b>	<b>7.48</b>	<b>91.54</b>
	18.54	(6.92)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		
Cash and cash equivalents at the beginning of the year	18.87	25.79
<b>Cash and cash equivalents at the end of the year</b>	<b>37.41</b>	<b>18.87</b>
<b>Components of cash and cash equivalents:</b>		
Balances with banks		
- In current account	37.23	18.74
Cash in hand	0.18	0.13
	<b>37.41</b>	<b>18.87</b>

The above statement of cash flow has been prepared under the 'indirect method' as set out in Indian Accounting standards (Ind AS) 7-Statement of Cash Flows.

**Summary of significant accounting policies**

**2**

**See accompanying notes are forming part of these financial statements**

**3-38**

As per our report of even date

**For Gupta Shiv & Co.**

Chartered Accountants  
Firm Reg. no. 006476C

**SHIV KUMAR GUPTA**

Digitally signed by  
SHIV KUMAR GUPTA  
Date: 2024.05.13  
18:07:20 +05'30'

**CA Shiv Kumar Gupta**

Partner  
M.No. 075281

Place: Meerut  
Date: 13/05/2024

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

**Brijeshwar Dutt Tyagi**

Digitally signed by  
Brijeshwar Dutt Tyagi  
Date: 2024.05.13  
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**Brijeshwar Dutt Tyagi**

Director  
DIN - 01283494

Place: Paonta Sahib  
Date: 13/05/2024

**Nikunj Tyagi**

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Date: 2024.05.13  
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**Nikunj Tyagi**

Director  
DIN - 02451567

**Mediforce Research 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
<b>Equity shares of INR 100 each issued, subscribed and fully paid</b>	
<b>As at April 01, 2022</b>	<b>300.00</b>
Changes in equity share capital during the year	-
<b>As at 31 March 2023</b>	<b>300.00</b>
Changes in equity share capital during the year	-
<b>As at 31 March 2024</b>	<b>300.00</b>

**b. Other equity**

Particulars	Reserves and Surplus	Total
	Retained earnings	
<b>Balance as at April 01, 2022</b>	<b>(41.75)</b>	<b>(41.75)</b>
Loss for the year	(3.85)	<b>(3.85)</b>
Other comprehensive income for the year, net of income tax	-	-
<b>Total comprehensive income for the year</b>	<b>(3.85)</b>	<b>(3.85)</b>
<b>Balance as at 31 March 2023</b>	<b>(45.60)</b>	<b>(45.60)</b>
Profit for the year	1.99	1.99
Other comprehensive income for the year, net of income tax	-	-
<b>Total comprehensive income for the year</b>	<b>1.99</b>	<b>1.99</b>
<b>Balance as at 31 March 2024</b>	<b>(43.61)</b>	<b>(43.61)</b>

See accompanying notes are forming part of these financial statements

3-38

As per our report of even date

**For Gupta Shiv & Co.**

Chartered Accountants  
Firm Reg. no. 006476C

**SHIV KUMAR GUPTA**  
Digitally signed by SHIV KUMAR GUPTA  
Date: 2024.05.13 18:07:42 +05'30'

**CA Shiv Kumar Gupta**  
Partner  
M.No. 075281

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

**Brijeshwar Dutt Tyagi**  
Digitally signed by Brijeshwar Dutt Tyagi  
Date: 2024.05.13 17:09:42 +05'30'

**Brijeshwar Dutt Tyagi**  
Director  
DIN - 01283494

**Nikunj Tyagi**  
Digitally signed by Nikunj Tyagi  
Date: 2024.05.13 17:05:49 +05'30'

**Nikunj Tyagi**  
Director  
DIN - 02451567

Place: Meerut  
Date: 13/05/2024

Place :Poanta Sahib  
Date: 13/05/2024

## **1 CORPORATE INFORMATION**

Mediforce Research Private Limited ("the Company") was incorporated on 01 November 2019 under the provisions of the Companies Act, 2013 having its registered office at 172/3, W.No. 5, Yamuna Vihar, Shamshepur, Paonta Sahib, H.P-173025. It is a Subsidiary Company of Mediforce Healthcare Private Limited. The objective of the company is to carry on manufacturing of Antibodies and activities of research and development in the field of pharmaceutical products.

The financial statements were authorised by the Board of Directors for issue in accordance with resolution passed on May 13, 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.

### **New and amended standards adopted by the Company**

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

#### **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.

### **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 recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and

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 benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

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

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

<b>Assets</b>	<b>Useful life (in years)</b>
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 unexpired period of their respective lease of 90 to 99 years.

#### **2.04 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.

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

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

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

<b>Assets</b>	<b>Useful life (in years)</b>
Computer Software	3



## **2.05 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.

## **2.06 Financial instruments**

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

### **(i) Financial Assets**

The 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 derivative are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

**Trade Payables**

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 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.

#### 2.07 Inventories

##### a) Basis of valuation:

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

##### b) Method of Valuation:

- i) Cost of raw materials 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.

#### 2.09 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.

##### 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.

## **2.10 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 their 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 bases 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.

#### **(iii) Significant Financing Component**

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

### **Other Operating Revenues**

#### **(a) Rental Income**

Rental income arising from operating leases on investment properties is accounted for on a straight - line basis over the lease terms and is included in other income in the statement of profit or loss due to its non-operating nature.

#### **(b) 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.

#### **(b) Sale of service**

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

## **2.11 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.

**2.12 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.

**Company as a lessor**

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**2.14 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.

**2.15 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.

**2.16 Foreign currency translation**

(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).

**2.17 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.

#### **Sales Return**

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

#### **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.

#### **2.18 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.

#### **2.19 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 sales return**

Provisions for sales returns is determined based on the historical percentage of sales return for the same types of goods for which the provision is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the provision for sales return to be accrued. It is very unlikely that actual sales return will exactly match the historical percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

**g) 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.

**h) 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.

Mediforce Research 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:

	As at 31 March 2024	As at 31 March 2023
Building	285.68	295.63
Plant and machinery	705.64	587.47
Furniture and fixtures	39.40	40.87
Vehicles	0.75	0.83
Office equipment	7.13	5.22
Electrical Equipments & Fittings	31.55	34.12
Computers	3.32	4.63
	<b>1,073.47</b>	<b>968.77</b>

Capital work in progress	5.17	81.13
	<b>1,078.64</b>	<b>1,049.90</b>

	Building	Plant and machinery	Vehicles	Electrical Equipments & Fittings	Computers	Office equipment	Furniture and fixtures	Total	Capital Work in Progress
<b>Cost/ gross carrying value:</b>									
<b>Balance as at April 01, 2022</b>	314.22	494.72	-	38.10	12.87	5.33	48.88	<b>914.12</b>	29.22
Additions	-	175.96	0.88	2.95	0.65	2.09	3.01	<b>185.54</b>	189.56
Disposals/ adjustments	-	(13.38)	-	-	-	-	-	<b>(13.38)</b>	(137.65)
<b>Balance as at 31 March 2023</b>	<b>314.22</b>	<b>657.30</b>	<b>0.88</b>	<b>41.05</b>	<b>13.52</b>	<b>7.42</b>	<b>51.89</b>	<b>1,086.28</b>	<b>81.13</b>
Additions	-	165.68	-	0.41	2.18	3.52	3.52	<b>175.31</b>	74.54
Disposals/ adjustments	-	-	-	-	-	-	-	-	(150.50)
<b>Balance as at 31 March 2024</b>	<b>314.22</b>	<b>822.98</b>	<b>0.88</b>	<b>41.46</b>	<b>15.70</b>	<b>10.94</b>	<b>55.41</b>	<b>1,261.59</b>	<b>5.17</b>
<b>Accumulated depreciation:</b>									
<b>Balance as at April 01, 2022</b>	8.65	31.94	-	3.97	4.72	1.18	6.24	<b>56.69</b>	-
Depreciation expense	9.94	38.63	0.05	2.96	4.17	1.02	4.78	<b>61.55</b>	-
Disposals/ adjustments	-	(0.74)	-	-	-	-	-	<b>(0.74)</b>	-
<b>Balance as at 31 March 2023</b>	<b>18.59</b>	<b>69.83</b>	<b>0.05</b>	<b>6.93</b>	<b>8.89</b>	<b>2.20</b>	<b>11.02</b>	<b>117.51</b>	-
Depreciation expense	9.95	47.51	0.08	2.98	3.49	1.61	4.99	70.61	-
Disposals/ adjustments	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	<b>28.54</b>	<b>117.34</b>	<b>0.13</b>	<b>9.91</b>	<b>12.38</b>	<b>3.81</b>	<b>16.01</b>	<b>188.12</b>	-
<b>Balance as at 31 March 2024</b>	<b>285.68</b>	<b>705.64</b>	<b>0.75</b>	<b>31.55</b>	<b>3.32</b>	<b>7.13</b>	<b>39.40</b>	<b>1,073.47</b>	<b>5.17</b>
<b>Balance as at 31 March 2023</b>	<b>295.63</b>	<b>587.47</b>	<b>0.83</b>	<b>34.12</b>	<b>4.63</b>	<b>5.22</b>	<b>40.87</b>	<b>968.77</b>	<b>81.13</b>

Mediforce Research 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

3.1 Capital work-in-progress ageing schedule

As at 31 March 2024					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. Projects in progress	5.17	-	-	-	5.17
ii. Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>5.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5.17</b>
As at 31 March 2023					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i. Projects in progress	81.13	-	-	-	81.13
ii. Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>81.13</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>81.13</b>

Note :

1. The Company undisputedly possesses the title deeds for all properties held by the Company, presented under 'Buildings' in the above schedule. Further, the Company does not hold any property where-in the title deed does not convey a lucid ownership interest in favor of the Company with respect to such property.

**Mediforce Research 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**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>4 Intangible assets</b>		
<b>Carrying amounts of :</b>		
Computer softwares	0.89	1.59
	<b>0.89</b>	<b>1.59</b>
	<b>Computer software</b>	<b>Total</b>
<b>Cost/ gross carrying value:</b>		
<b>Balance as at April 01, 2022</b>	<b>3.39</b>	<b>3.39</b>
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March 2023</b>	<b>3.39</b>	<b>3.39</b>
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March 2024</b>	<b>3.39</b>	<b>3.39</b>
<b>Accumulated amortisation :</b>		
<b>Balance as at April 01, 2022</b>	<b>0.99</b>	<b>0.99</b>
Amortisation expense	0.81	0.81
<b>Balance as at 31 March 2023</b>	<b>1.80</b>	<b>1.80</b>
Amortisation expense	0.70	0.70
<b>Balance as at 31 March 2024</b>	<b>2.50</b>	<b>2.50</b>
<b>Net Carrying Value:</b>		
<b>Balance as at 31 March 2024</b>	<b>0.89</b>	<b>0.89</b>
<b>Balance as at 31 March 2023</b>	<b>1.59</b>	<b>1.59</b>

**Mediforce Research 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**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>5 Right-of-use assets</b>		
<b>Carrying amounts of :</b>		
Leasehold Land	47.27	47.95
	<b>47.27</b>	<b>47.95</b>
	<b>Leasehold Land</b>	<b>Total</b>
<b>Cost/ gross carrying value:</b>		
<b>Balance as at April 01, 2022</b>	<b>41.05</b>	<b>41.05</b>
Additions	8.69	<b>8.69</b>
Disposals	-	-
<b>Balance as at 31 March 2023</b>	<b>49.74</b>	<b>49.74</b>
Additions	-	-
Disposals	-	-
<b>Balance as at 31 March 2024</b>	<b>49.74</b>	<b>49.74</b>
<b>Accumulated depreciation:</b>		
<b>Balance as at April 01, 2022</b>	<b>1.11</b>	<b>1.11</b>
Depreciation expense	0.68	0.68
<b>Balance as at 31 March 2023</b>	<b>1.79</b>	<b>1.79</b>
Depreciation expense	0.68	0.68
<b>Balance as at 31 March 2024</b>	<b>2.47</b>	<b>2.47</b>
<b>Net Carrying amount:</b>		
<b>Balance as at 31 March 2024</b>	<b>47.27</b>	<b>47.27</b>
<b>Balance as at 31 March 2023</b>	<b>47.95</b>	<b>47.95</b>

**Mediforce Research 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>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>6 Other financial assets</b>		
<b>Non-Current</b>		
<b>(Unsecured and considered good)</b>		
<b>Financial assets carried at amortised cost</b>		
Security deposits	3.49	3.49
Interest accrued but not due	0.15	-
	<u><b>3.64</b></u>	<u><b>3.49</b></u>
<b>7 Income tax assets and liabilities</b>		
	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>Income tax assets</b>		
Income tax receivable (net of provisions)	12.94	11.37
	<u><b>12.94</b></u>	<u><b>11.37</b></u>
<b>Current tax liabilities (net)</b>		
Income tax payable (net of advance tax)	-	-
	<u><b>-</b></u>	<u><b>-</b></u>
<b>Income tax assets / (liabilities)</b>	<u><b>12.94</b></u>	<u><b>11.37</b></u>

**Mediforce Research Private Limited**  
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**All amounts are in INR lacs unless otherwise stated**

			<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>8 Deferred tax balances</b>				
Deferred tax liabilities			(56.65)	(38.57)
Deferred tax assets			58.63	43.63
<b>Deferred tax assets (net)</b>			<b>1.98</b>	<b>5.06</b>
<b>Year ended 31 March 2024</b>	<b>Opening Balance</b>	<b>Recognised in Profit or Loss</b>	<b>Recognised in Other Comprehensive Income</b>	<b>Closing Balance</b>
<b>Deferred tax liabilities in relation to</b>				
Property, plant and equipment	(38.57)	(18.08)	-	(56.65)
	<b>(38.57)</b>	<b>(18.08)</b>	<b>-</b>	<b>(56.65)</b>
<b>Deferred tax assets in relation to</b>				
Provision for employee benefits	3.20	2.04	-	5.24
Bonus payable	1.39	0.94	-	2.33
Defferred tax on carry forwarded losses and dep	39.04	12.02	-	51.06
	<b>43.63</b>	<b>15.00</b>	<b>-</b>	<b>58.63</b>
<b>Deferred tax assets (net)</b>	<b>5.06</b>	<b>(3.08)</b>	<b>-</b>	<b>1.98</b>
<b>Year ended 31 March 2023</b>	<b>Opening Balance</b>	<b>Recognised in Profit or Loss</b>	<b>Recognised in Other Comprehensive Income</b>	<b>Closing Balance</b>
<b>Deferred tax liabilities in relation to</b>				
Property, plant and equipment	(16.81)	(21.76)	-	(38.57)
	<b>(16.81)</b>	<b>(21.76)</b>	<b>-</b>	<b>(38.57)</b>
<b>Deferred tax assets in relation to</b>				
Provision for employee benefits	0.39	2.81	-	3.20
Bonus payable	0.58	0.81	-	1.39
Others	18.93	20.11	-	39.04
	<b>19.90</b>	<b>23.73</b>	<b>-</b>	<b>43.63</b>
<b>Deferred tax assets (net)</b>	<b>3.09</b>	<b>1.97</b>	<b>-</b>	<b>5.06</b>

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

**Mediforce Research 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**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>9 Other assets</b>		
<b>Non-Current (unsecured and considered good)</b>		
Prepaid Expenses	0.61	3.26
	<b>0.61</b>	<b>3.26</b>
<b>Current (unsecured and considered good)</b>		
Prepaid expenses	17.46	-
Advances to vendors	-	3.36
Advances to employees	0.70	-
Balances with Government authorities	14.19	72.59
	<b>32.35</b>	<b>75.95</b>
<b>10 Inventories</b>		
	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Raw materials In hand	117.55	114.32
	<b>117.55</b>	<b>114.32</b>



**Mediforce Research Private Limited**  
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**All amounts are in INR lacs unless otherwise stated**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>11 Trade receivables</b>		
<b>Unsecured,</b>		
Considered good	42.23	6.03
Considered good - Related Parties (refer note 31)	84.66	68.56
	<b>126.89</b>	<b>74.59</b>

- a. The average credit period to customers ranges upto 45 days. No interest is charged on trade receivables upto the due date from the date of the invoice.
- b. 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.
- c. Trade Receivables include INR 84,65 Lacs due from related parties (March 31, 2023 INR 68,56 Lacs)

**11.1 Trade Receivables ageing schedule**

**As at 31 March 2024**

Particulars	Curent 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	68.57	58.32					126.89
	<b>68.57</b>	<b>58.32</b>	-	-	-	-	<b>126.89</b>

**As at 31 March 2023**

Particulars	Curent 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	32.04	42.55	-	-	-	-	74.59
	<b>32.04</b>	<b>42.55</b>	-	-	-	-	<b>74.59</b>

**12 Cash and cash equivalents**

	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Balances with banks - In current account	37.23	18.74
Cash in hand	0.18	0.13
	<b>37.41</b>	<b>18.87</b>

**13 Share capital**

**Authorised**

5,00,000 equity shares of INR 100 each  
(31 March 2023 : 5,00,000 equity shares of INR 100 each)

	As at 31 March 2024	As at 31 March 2023
--	------------------------	------------------------

	500.00	500.00
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**Issued, subscribed and fully paid up**

3,00,000 equity shares of INR 100 each fully paid up  
(31 March 2023 : 3,00,000 equity shares of INR 100 each)

	300.00	300.00
	<b>300.00</b>	<b>300.00</b>

**Notes:**

**(i) Rights, preferences and restrictions attached to Equity Shares**

The Company has only one class of equity shares having a par value of INR 100 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 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Equity shares outstanding at the beginning of the year	3,00,000	300.00	3,00,000	300.00
Add : Issued during the year	-	-	-	-
<b>Equity shares outstanding at the end of the year</b>	<b>3,00,000</b>	<b>300.00</b>	<b>3,00,000</b>	<b>300.00</b>

**(iii) Details of shares held by the holding company:**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Mediforce Healthcare Private Limited - Equity shares	2,94,000	294.00	2,94,000	294.00
	<b>2,94,000</b>	<b>294.00</b>	<b>2,94,000.00</b>	<b>294.00</b>

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

Equity shares	As at 31 March 2024		As at 31 March 2023	
	Numbers	% holding	Numbers	% holding
Mediforce Healthcare Private Limited	2,94,000	98.00%	2,94,000	98.00%
	<b>2,94,000</b>	<b>98.00%</b>	<b>2,94,000</b>	<b>98.00%</b>

**(v) Shares held by each promoter:**

**As at 31 March 2024**

S.No	Promoter Name	Number of shares held	% of total shares	% change during the year
1	Mediforce Healthcare Private Limited	2,94,000	98.00%	-
2	Brijeshwar Dutt Tyagi	6,000	2.00%	-

**As at 31 March 2023**

S.No	Promoter Name	Number of shares held	% of total shares	% change during the year
1	Mediforce Healthcare Private Limited	2,94,000	98.00%	-
2	Brijeshwar Dutt Tyagi	6,000	2.00%	-

**Mediforce Research 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>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>14 Other equity</b>		
Retained earnings (refer note 14.1)	(43.61)	(45.60)
	<u><b>(43.61)</b></u>	<u><b>(45.60)</b></u>
<b>14.1 Retained earnings</b>		
Balance at the beginning of the year	(45.60)	(41.75)
Profit/ Loss for the year	1.99	(3.85)
<b>Balance at the end of the year</b>	<u><b>(43.61)</b></u>	<u><b>(45.60)</b></u>

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.

**Mediforce Research Private Limited**  
**Notes forming part of the financial statements for the year ended 31 March 2024**  
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	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>15 Provisions</b>		
<b>Non-current</b>		
Provision for employee benefits		
Provision for gratuity (net) (refer note (a) below)	10.44	6.50
Other employee benefits	-	0.53
	<u>10.44</u>	<u>7.03</u>

**Note:**

a) Company is covered by Payment of Gratuity Act, 1972. The Gratuity is a defined benefit obligation and is provided for on the basis of arithmetical calculation made by the management at the end of period.

**Current**

Provision for employee benefits		
Provision for compensated absences	10.39	7.48
	<u>10.39</u>	<u>7.48</u>

**16 Borrowings**

**Current**

**(Unsecured, at amortised cost)**

Unsecured loans (refer note (b) below) (refer note 31)	1,044.83	963.66
	<u>1,044.83</u>	<u>963.66</u>

**Note:**

a) No Working capital loan from banks and financial institutions has been taken.

b) Unsecured loans have been taken from holding company Mediforce Healthcare Private Limited bearing 7.50% p.a interest rate.

c) Movement of current borrowings is as follows:

	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
Balance as at the beginning of the year	963.66	802.28
Interest Expense	73.53	69.84
Cash Inflows	15.00	130.00
Cash Outflows	(7.36)	-
Interest Paid	-	(38.46)
Balance as at the end of the year	<u>1,044.83</u>	<u>963.66</u>

**Mediforce Research 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>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>17 Trade payables</b>		
<b>Current</b>		
i. total outstanding dues of micro enterprises and small enterprises (refer note 33)	36.55	-
ii. total outstanding dues of creditors other than micro enterprises and small enterprises	61.85	65.92
	<u><b>98.40</b></u>	<u><b>65.92</b></u>

**Note:**

- a. The average credit period on purchases is upto 60 days for the Company. The Company however ensures that all payables are paid within the pre agreed credit limits.
- b. Trade Payables include due to related parties INR 23.62 lacs on 31st March 2024 and 31.24 lacs on 31st March 2023.
- c. The amounts are unsecured and non-interest bearing.

**17.1 Trade Payable ageing schedule**

**As at 31 March 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	-	23.99	12.56	-	-	-	36.55
Total outstanding dues of creditors other than micro enterprises and small enterprises		32.84	16.02		12.99	-	61.85
<b>Total</b>	<b>-</b>	<b>56.83</b>	<b>28.58</b>	<b>-</b>	<b>12.99</b>	<b>-</b>	<b>98.40</b>

**As at 31 March 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	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	34.83	30.09	1.00	-	-	65.92
<b>Total</b>	<b>-</b>	<b>34.83</b>	<b>30.09</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>65.92</b>

<b>18 Other financial liabilities</b>	<u>As at</u> <u>31 March 2024</u>	<u>As at</u> <u>31 March 2023</u>
<b>Current</b>		
Capital creditors	32.45	100.64
	<u><b>32.45</b></u>	<u><b>100.64</b></u>
<b>19 Other liabilities</b>		
<b>Current</b>		
Statutory liabilities	3.27	2.41
Others	4.00	4.81
	<u><b>7.27</b></u>	<u><b>7.22</b></u>

**Mediforce Research 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**

	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
<b>20 Revenue from operations</b>		
<b>20.1 Revenue from contracts with customers</b>		
Sale of products	113.23	85.34
Sale of services	545.54	413.98
	<b>658.77</b>	<b>499.32</b>

**(a) Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

**Segment**

<b>Particulars</b>	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
<b>(i) Type of Products/Services</b>		
Sale of products	113.23	85.34
Analytical Income	545.54	413.98
<b>Total revenue from contracts with customers</b>	<b>658.77</b>	<b>499.32</b>
<b>(ii) Geographical Information</b>		
Within India	658.77	499.32
<b>Total revenue from contracts with customers</b>	<b>658.77</b>	<b>499.32</b>
<b>(iii) Timing of revenue recognition</b>		
Goods transferred at a point in time	113.23	85.34
Services transferred over the time	545.54	413.98
<b>Total revenue from contracts with customers</b>	<b>658.77</b>	<b>499.32</b>

**(b) Contract balances**

Trade receivables (refer note 11)	126.89	74.59
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Trade receivables are non interest bearing. Credit period generally falls in the range of 45 days.

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	677.19	499.32
<b>Adjustments:</b>		
Sales return	(18.42)	-
<b>Revenue from contracts with customers</b>	<b>658.77</b>	<b>499.32</b>

**(d) Performance obligations**

**Sales of goods:** Performance obligation is satisfied when control of goods is transferred to the customer, generally on delivery of the goods.

**Sales of services:** The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of services

	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
<b>21 Other income</b>		
<b>Interest income</b>		
Interest income earned on:		
- Security deposits (at amortised cost)	0.30	0.10
Interest received on income tax refund	0.42	0.27
	<b>0.72</b>	<b>0.37</b>
Other miscellaneous income	-	0.17
	<b>-</b>	<b>0.17</b>
	<b>0.72</b>	<b>0.54</b>

**Mediforce Research Private Limited**  
**Notes forming part of the financial statements for the year ended 31 March 2024**  
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	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
<b>22 Cost of raw material and components consumed</b>		
<b>a Raw material and components consumed</b>		
Inventory at the beginning of the year	114.32	114.32
Add: Purchases	134.71	84.68
	<b>249.03</b>	<b>199.00</b>
Less: Inventory at the end of the year	(117.55)	(114.32)
	<b>131.48</b>	<b>84.68</b>
<b>23 Employee benefits expense</b>		
Salaries and wages	212.81	159.04
Contribution to provident and other fund	12.71	7.74
Gratuity expense	4.54	4.01
Staff welfare expenses	1.37	1.57
	<b>231.43</b>	<b>172.36</b>
<b>24 Finance Costs</b>		
Interest expense on borrowings	73.53	69.84
Other finance costs	0.16	-
	<b>73.69</b>	<b>69.84</b>
<b>25 Depreciation and amortisation expense</b>		
Depreciation on property, plant and equipment	70.61	61.55
Amortisation of intangible assets	0.70	0.81
Depreciation of Right-of-use assets	0.68	0.68
	<b>71.99</b>	<b>63.04</b>

**Mediforce Research Private Limited**  
**Notes forming part of the financial statements for the year ended 31 March 2024**  
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	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
<b>26 Other expenses</b>		
Consumption of stores and spares	3.02	2.12
Power and fuel	41.11	36.15
Repair and maintenance		
- Machinery	34.94	22.68
- Building	5.62	4.45
- others	3.86	1.73
Insurance	1.12	1.11
Rates and taxes	8.38	1.41
Communication expenses	0.69	0.68
Postage and courier	0.72	1.00
Travelling and conveyance	1.78	0.34
Printing and stationery	6.79	4.82
Legal and professional charges	4.79	5.00
Payments to auditors (refer note below)	2.04	0.63
Advertising and sales promotion expenses	0.56	0.02
Testing and inspection charges	20.18	21.43
Bank charges	0.01	0.10
Bad debts	-	0.82
Miscellaneous expenses	10.22	11.27
<b>Total</b>	<b>145.83</b>	<b>115.76</b>

**Note:**

Payments to the auditors (excluding input tax)

**I To Statutory Auditors**

a) Audit fees	2.00	0.63
b) Reimbursement of expenses	0.04	-
	<b>2.04</b>	<b>0.63</b>



Mediforce Research 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

	Year ended 31 March 2024	Year ended 31 March 2023
<b>27 Income taxes</b>		
<b>27.1 Income tax recognised in the Statement of profit and loss</b>		
<b>Current tax</b>		
In respect of the current year	-	-
In respect of the previous year	-	-
	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
In respect of the current year	3.08	(0.73)
Impact of change in tax rate	-	(1.24)
	<u>3.08</u>	<u>(1.97)</u>
<b>Total income tax expense recognised in the current year</b>	<u><b>3.08</b></u>	<u><b>(1.97)</b></u>
Tax expense	3.08	(1.97)
<b>Total income tax expense recognised in the current year</b>	<u><b>3.08</b></u>	<u><b>(1.97)</b></u>
The Income tax expense for the year can be reconciled to the accounting profit as follows:		
<b>Profit before tax</b>	<u><b>5.07</b></u>	<u><b>(5.82)</b></u>
Statutory income tax rate	25.17%	22.88%
Income tax expense at statutory income tax rate	1.28	(1.33)
Effect of expenses that are not deductible in determining taxable profit	1.93	0.15
Deferred tax credit in respect of the prior periods	-	0.44
Other adjustments	0.17	0.01
Impact of change in tax rate	(0.30)	(1.24)
<b>At the effective income tax rate of 25.17% (March 31, 2023 : 22.88%)</b>	<u><b>3.08</b></u>	<u><b>(1.97)</b></u>

**Mediforce Research 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**

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**28 Commitments and contingencies**

**A. Contingent liabilities**

Based on consultation with the Company's consultants, and in the opinion of the management, the Company does not have any Open case/demand and therefore no provision or disclosure is considered necessary.

**B. Commitments**

The Company has commitments, for purchase orders which are issued after considering requirements as per operating cycle for purchase of goods and services, in normal course of business.

- C.** The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

## 29 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based financing and financing through short term borrowings. The funding requirements are met through a mixture of equity and internal fund generation as per the Company's policy to meet anticipated funding requirements. The Company is not subject to any externally imposed capital requirements.

## 30 Financial Instruments

### Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed.

### Financial assets and liabilities:

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

31 March 2024	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Trade receivables	-	-	126.89	126.89	126.89
Cash and cash equivalents	-	-	37.41	37.41	37.41
Other financial assets	-	-	3.64	3.64	3.64
<b>Total</b>	<b>-</b>	<b>-</b>	<b>167.94</b>	<b>167.94</b>	<b>167.94</b>
<b>Financial liabilities</b>					
Borrowings	-	-	1,044.83	1,044.83	1,044.83
Trade payables	-	-	98.40	98.40	98.40
Other financial liabilities	-	-	32.45	32.45	32.45
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,175.68</b>	<b>1,175.68</b>	<b>1,175.68</b>

31 March 2023	FVTPL	FVTOCI	Amortised Cost	Total carrying value	Total fair value
<b>Financial assets</b>					
Trade receivables	-	-	74.59	74.59	74.59
Cash and cash equivalents	-	-	18.87	18.87	18.87
Other bank balances	-	-	-	-	-
Other financial assets	-	-	3.49	3.49	3.49
<b>Total</b>	<b>-</b>	<b>-</b>	<b>96.95</b>	<b>96.95</b>	<b>96.95</b>
<b>Financial liabilities</b>					
Borrowings	-	-	963.66	963.66	963.66
Trade payables	-	-	65.92	65.92	65.92
Others	-	-	100.64	100.64	100.64
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,130.22</b>	<b>1,130.22</b>	<b>1,130.22</b>

### Fair value measurements

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

Fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

#### Fair value hierarchy

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

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

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

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statement approximates their fair values.

### **Risk management objectives**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee and board oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

### **Financial risk**

The Company's Board approved financial risk policies comprise liquidity, currency and credit risk. The Group does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

#### **a) 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 management**

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.

Moreover, given the diverse nature of the Company's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of trade receivable on a % basis in any of the years indicated.

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 table presented in note 12 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

The 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.

Credit risk related to investments

The Company has made investments in highly liquid SEBI regulated public sector mutual funds to meet their short term liquidity objectives. The Company analyses the credit worthiness of the party before investing their funds.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Other credit risk

The Company is exposed to credit risk in relation to loans and financial guarantees given to/ on behalf of subsidiaries/ associate companies.

**Mediforce Research 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**

**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company invests its surplus funds in bank fixed deposits and highly liquid mutual funds, which carry no/low market risks. The Company monitors funding options available in the debt and capital markets with a view to maintain financial flexibility. 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.

	<b>As at</b>		
	<b>31 March 2024</b>		
<b>Financial liabilities</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
Borrowings	1,044.83	-	1,044.83
Trade payables	98.40	-	98.40
Other financial liabilities	32.45	-	32.45
<b>Total</b>	<b>1,175.68</b>	<b>-</b>	<b>1,175.68</b>

	<b>As at</b>		
	<b>31 March 2023</b>		
<b>Financial liabilities</b>	<b>Less than 1 year</b>	<b>More than 1 year</b>	<b>Total</b>
Borrowings	963.66	-	963.66
Trade payables	65.92	-	65.92
Other financial liabilities	100.64	-	100.64
<b>Total</b>	<b>1,130.22</b>	<b>-</b>	<b>1,130.22</b>

**Mediforce Research 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**

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**31 Related Party Disclosures**

In accordance with the requirements of Indian Accounting Standard Ind (AS) – 24 'Related Party Disclosures' the names of the related party where control exists/able to exercise significant influence along with the aggregate transactions / year end balances with them.

**A. List of Related Parties (with whom the company had transactions during the year)**

Holding company	Mediforce Healthcare Private Limited
Ultimate Holding company	Mankind Pharma Limited
Others	Relax Pharmaceuticals Private Limited Medipack Innovations Private Limited Mankind Specialities (partnership firm) A S Packers Copmed Pharmaceuticals Private Limited J K Print Packs Pharma Force Lab Pharmaforce Excipients Private Limited Shree Jee Laboratory Private Limited N S Industries Mankind Life Sciences Private Limited Penta Latex LLP Sirmour Remedies Private Limited Qualitek Starch Pvt Ltd

**Mediforce Research 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**

**B. Transactions occurred during the year ended**

Particulars	Holding/Ultimate Holding		Others		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
<b>(i). Interest paid</b>						
Mediforce Healthcare Private Limited	73.53	69.84	-	-	73.53	69.84
	<b>73.53</b>	<b>69.84</b>	<b>-</b>	<b>-</b>	<b>73.53</b>	<b>69.84</b>
<b>(ii). Purchase of services (Testing &amp; Analysis)</b>						
Mankind Pharma Limited	14.10	14.80	-	-	14.10	14.80
Relax Pharmaceuticals Private Limited	-	-	4.98	5.51	4.98	5.51
	<b>14.10</b>	<b>14.80</b>	<b>4.98</b>	<b>5.51</b>	<b>19.08</b>	<b>20.31</b>
<b>(iii). Purchase of Goods/Raw Material</b>						
Relax Pharmaceuticals Private Limited	-	-	0.18	0.19	0.18	0.19
Medipack Innovations Private Limited	-	-	0.69	1.23	0.69	1.23
A S Packers	-	-	5.30	2.82	5.30	2.82
Mankind Pharma Limited	0.23	1.39	-	-	0.23	1.39
Shree Jee Laboratory Private Limited	-	-	-	0.85	-	0.85
N S Industries	-	-	0.14	0.10	0.14	0.10
Copmed Pharmaceuticals Private Limited	-	-	0.70	0.03	0.70	0.03
J K Print Packs	-	-	-	0.38	-	0.38
Mediforce Healthcare Private Limited	1.70	2.03	-	-	1.70	2.03
Pharma Force Lab	-	-	2.91	4.98	2.91	4.98
Sirmour Remedies Private Limited	-	-	0.11	2.40	0.11	2.40
	<b>1.93</b>	<b>3.42</b>	<b>10.02</b>	<b>12.98</b>	<b>11.95</b>	<b>16.42</b>
<b>(iv). Sale of Goods (Net of Sales Return)</b>						
Pharma Force Lab	-	-	38.54	36.08	38.54	36.08
Sirmour Remedies Private Limited	-	-	13.26	11.72	13.26	11.72
Pharmaforce Excipients Private Limited	-	-	0.70	0.85	0.70	0.85
Mediforce Healthcare Private Limited	59.90	36.69	-	-	59.90	36.69
Qualitek Starch Pvt Ltd	-	-	0.00	-	0.00	-
Mankind Specialities (partnership firm)	-	-	0.27	-	0.27	-
	<b>59.90</b>	<b>36.69</b>	<b>52.77</b>	<b>48.65</b>	<b>112.67</b>	<b>85.34</b>
<b>(v). Borrowings/Loans (unsecured)</b>						
Mediforce Healthcare Private Limited	15.00	130.00	-	-	15.00	130.00
	<b>15.00</b>	<b>130.00</b>	<b>-</b>	<b>-</b>	<b>15.00</b>	<b>130.00</b>
<b>(vi). Sale of Services</b>						
Mankind Pharma Limited	5.15	30.13	-	-	5.15	30.13
Mankind Life Sciences Private Limited	-	-	5.69	4.08	5.69	4.08
Relax Pharmaceuticals Private Limited	-	-	3.95	1.51	3.95	1.51
Pharmaforce Excipients Private Limited	-	-	9.57	45.83	9.57	45.83
Mankind Specialities (partnership firm)	-	-	3.13	-	3.13	-
Copmed Pharmaceuticals Private Limited	-	-	37.97	12.44	37.97	12.44
Penta Latex (partnership firm)	-	-	-	0.89	-	0.89
J K Print Packs	-	-	1.34	0.54	1.34	0.54
Mediforce Healthcare Private Limited	124.58	35.56	-	-	124.58	35.56
Pharma Force Lab	-	-	159.07	172.92	159.07	172.92
Sirmour Remedies Private Limited	-	-	135.53	98.68	135.53	98.68
	<b>129.73</b>	<b>65.69</b>	<b>356.25</b>	<b>336.89</b>	<b>485.98</b>	<b>402.58</b>
<b>(vii). Sale of Capital Goods</b>						
Pharmaforce Excipients Private Limited	-	-	-	12.64	-	12.64
	<b>-</b>	<b>-</b>	<b>-</b>	<b>12.64</b>	<b>-</b>	<b>12.64</b>

**Mediforce Research 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. Balances outstanding as at year ended**

Particulars	Holding/Ultimate Holding		Others		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
<b>(i). Borrowings</b>						
Mediforce Healthcare Private Limited	1,044.83	963.66	-	-	1,044.83	963.66
	<b>1,044.83</b>	<b>963.66</b>	<b>-</b>	<b>-</b>	<b>1,044.83</b>	<b>963.66</b>
<b>(ii). Trade Payables</b>						
Relax Pharmaceuticals Private Limited	-	-	3.31	4.82	3.31	4.82
Medipack Innovations Private Limited	-	-	-	-	-	-
Mankind Pharma Limited	16.36	13.73	-	-	16.36	13.73
A S Packers	-	-	3.95	2.50	3.95	2.50
Mediforce Healthcare Private Limited	-	4.73	-	-	-	4.73
Pharma Force Lab	-	-	-	5.46	-	5.46
J K Print Packs	-	-	-	-	-	-
	<b>16.36</b>	<b>18.46</b>	<b>7.26</b>	<b>12.78</b>	<b>23.62</b>	<b>31.24</b>
<b>(iii). Trade receivable</b>						
Mankind Pharma Limited	0.20	0.17	-	-	0.20	0.17
J K Print Packs	-	-	0.07	-	0.07	-
Relax Pharmaceuticals Private Limited	-	-	-	0.89	-	0.89
Mankind Life Sciences Private Limited	-	-	0.41	0.67	0.41	0.67
Copmed Pharmaceuticals Private Limited	-	-	2.22	5.38	2.22	5.38
Sirmour Remedies Private Limited	-	-	23.43	21.11	23.43	21.11
Mediforce Healthcare Private Limited	12.46	-	-	-	12.46	-
Pharmaforce Excipients Private Limited	-	-	8.22	-	8.22	-
Pharma Force Lab	-	-	37.65	40.34	37.65	40.34
	<b>12.66</b>	<b>0.17</b>	<b>71.99</b>	<b>68.39</b>	<b>84.65</b>	<b>68.56</b>



**Mediforce Research 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**

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**32 Remuneration of KMP**

There is No Remuneration Paid or Payable to KMP.

**33 Disclosure for MSME Dues**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	<u>As at</u> <u>March 31, 2024</u>	<u>As at</u> <u>March 31, 2023</u>
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
- Principal Amount	36.39	
- Interest Amount	0.16	
(b) interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day	-	-
(c) interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) interest accrued and remaining unpaid	0.16	-
(e) further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**34 Expenditure on Corporate Social Responsibility**

CSR provisions are not applicable on the company.

**35 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.

There are numerous interpretative issues relating to Hon'ble Supreme Court of India vide its judgement dated February 28, 2019 on Provident Fund on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. Based on legal inputs received regarding various interpretative issues, the Company does not expect any liability on account of the same.

**36 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 year.

	<b>Unit</b>	<b>Year ended 31 March 2024</b>	<b>Year ended 31 March 2023</b>
Net profit/ loss after tax from continuing operations	INR lacs	1.99	(3.85)
Average number of equity shares outstanding during the year	Numbers	3,00,000	3,00,000
Nominal Value of Equity Shares	INR	100.00	100.00
Basic earnings per share from continuing operations	INR	0.66	(1.28)
Diluted earnings per share from continuing operations	INR	0.66	(1.28)

For the previous year, the equity shares and basis and diluted earnings per share has been presented to reflect the adjustment for bonus share and split in accordance with Indian Accounting Standard 33 - Earnings per share. There are no potential dilutive shares.

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

**Mediforce Research 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**

**37 Ratio analysis and its elements**

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	0.26	0.25	5%	NA
Debt- Equity Ratio	Total Debt	Shareholder's Equity	4.08	3.79	8%	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.05	0.82	28%	Refer Note 1
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.78%	-1.50%	(151.95)	Refer Note 2
Inventory Turnover ratio	Cost of goods sold	Average Inventory	1.13	0.83	37%	Refer Note 3
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.54	10.92	(40.12)	Refer Note 4
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.11	1.23	71%	Refer Note 5
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	(0.75)	(0.58)	29%	Refer Note 6
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.77%	-1.17%	(165.78)	Refer Note 7
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	2.06%	-2.35%	(187.72)	Refer Note 8

**Remarks**

- 1** Debt service coverage ratio has improved due to increase in earnings for debt (net profit+non-cash operating expenses).
- 2** Return on Equity has improved due to increase in profits due to expansion.
- 3** Inventory Turnover Ratio has improved due to movement of inventory at the end of current year.
- 4** Trade Receivable Turnover Ratio has improved due to increase in sales during the year.
- 5** Trade Payable Turnover Ratio has increased due to increase in purchase.
- 6** Net capital turnover ratio has decreased due to increase in working capital.
- 7** Net Profit Ratio has increased due to higher profits due to expansion during current year.
- 8** Return on capital employed has improved due to higher EBIT due to expansion during current year.

**38 Other Information**

- (i) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (ii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) 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:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (iv) 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:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (v) 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 year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

**As per our report of even date**

**For Gupta Shiv & Co.**

Chartered Accountants  
Firm Reg. no. 006476C

SHIV KUMAR  
GUPTA

Digitally signed by  
SHIV KUMAR GUPTA  
Date: 2024.05.13  
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**CA Shiv Kumar Gupta**

Partner  
M.No. 075281

Place: Meerut  
Date: 13/05/2024

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

Brijeshwar  
Dutt Tyagi

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Tyagi  
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**Brijeshwar Dutt Tyagi**

Director  
DIN - 01283494

Place: Paonta Sahib  
Date: 13/05/2024

Nikunj  
Tyagi

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by Nikunj Tyagi  
Date: 2024.05.13  
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**Nikunj Tyagi**

Director  
DIN - 02451567