

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF THE LEEDS LIFE SCIENCES PRIVATE LIMITED

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

**Opinion**

We have audited the accompanying financial statements of **M/s LEEDS LIFE SCIENCES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

**Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information, 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 the other information is materially inconsistent with the financial



statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Management's Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- 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.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



e. On the basis of the written representations received from the managements 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act we state that this section is not applicable to the Company.

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2024 in the Note No.25(A) on its financial position in its financial statements.

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

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

iv. (a) The Management has represented that, to the best of its knowledge and belief no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has not declared or paid any dividend, accordingly, compliance under section 123 of the Companies Act, 2013 is not applicable to the company.

vi. Based on the representation received from the company management and documents examined by us, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 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 the audit trail feature being tampered with.



2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For V K Thapar & Co  
Chartered Accountants  
Firm Registration No. 1181N

(SACHCHIDA NAND JHA)  
Partner  
M No. 518281



Place: New Delhi

Date: 06.08.2024

UDIN: 24518281B1KLA PV 1681

## Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of M/s **LEEDS LIFE SCIENCES PRIVATE LIMITED** ("the Company") as of 31 March 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

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



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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V K Thapar & Co  
Chartered Accountants  
Firm Registration No. 1181N**

**(SACHCHIDA NAND JHA)  
Partner  
M No. 518281**



Place: New Delhi

Date: 06.08.2024

UDIN: 24518281BKLAPV2681

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of M/s. Leeds Life Sciences Private Limited of even date)**

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 audit, we state that:

1. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - b. The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets at reasonable intervals 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 due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. Based on our examination of the property tax receipts /registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings/factory and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d. The Company has not revalued any of its Property, Plant and Equipment. and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. (a) As per the information given, the management has physically verified the stocks periodically and at the close of the year. In our opinion, the frequency of such verification is reasonable.  
(b) The procedures of physical verification of inventories followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records which were not material, have been properly dealt with in the books of account.  
(d) The Company has repaid working capital loans to the banks during the year and at the end of the year company has no outstanding working capital loans from the bank/ financial institution. In our opinion, the quarterly returns or statements, wherever applicable for the quarters, filed by the Company with such banks, are majorly in agreement with the books of account of the Company.



3. The Company has not made investment during the year and has not granted unsecured loans to other parties during the year, Accordingly, reporting under clause 3(iii)(a), (c), (d), (e) and (f) of the Order is not applicable.
4. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
5. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
6. In our opinion, the Company has made and maintained the prescribed accounts and records as required by the Central Government for the maintenance of cost records under section 148 of the Act. However, we have not carried out a detailed examination of the same with a view to determine whether these are accurate or complete.

7. In respect of statutory dues:

- a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- b. There is no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes.
8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to information and explanation given by the management, the term loan taken during the year is applied for the purpose for which it was taken.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (e) The Company has no subsidiaries, hence reporting on clause 3(ix)(e) and (f) of the Order is not applicable.
10. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.



(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

11. (a) No fraud by the Company and 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 upto the date of this report.

(c) The company has not received whistle blower complaints during the year. Accordingly, reporting under clause 3(xi)(c) of the Order not applicable.

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

13. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

14. The company is not covered under section 138 of the Companies Act, 2013, accordingly reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.

15. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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

18. There has been no resignation of the statutory auditors of the Company during the year.

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

20. (a) There are no unspent amounts towards Corporate Social Responsibility (“CSR”) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act,



2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards Corporate Social Responsibility (“CSR”) in respect of ongoing projects, that are required to transfer to a special account in compliance of provision of section 135(6) of the Companies Act, 2013.

**For V K Thapar & Co  
Chartered Accountants  
Firm Registration No. 1181N**

**(SACHCHIDA NAND JHA)  
Partner  
M No. 518281**



**Place: New Delhi**

**Date: 06.08.2024**

**UDIN: 24518281BKCA9V2681**

Leeds Life Science Private Limited  
 Balance Sheet as at March 31, 2024  
 (All amounts in Rs. in Lakhs unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,309.31	1,205.58
Intangible assets	4	10.68	17.62
Capital work in progress	3	275.92	147.81
Intangible assets under development	4	14.49	6.83
Financial assets			
(i) Investment	5	0.40	0.40
Other non-current assets	7	14.84	7.82
		<b>1,625.65</b>	<b>1,386.07</b>
<b>Current assets</b>			
Inventories	8	1,347.67	1,464.50
Financial assets			
(i) Trade receivables	9(A)	2,856.00	2,292.77
(ii) Cash and cash equivalents	9(B)	25.06	59.96
(iii) Bank balances other than 9(B) above	9(C)	187.92	81.07
(iv) Loans	9(D)	5.86	2.63
(v) Other financial assets	9(E)	8.50	14.07
Other current assets	10	287.14	639.24
		<b>4,718.15</b>	<b>4,554.25</b>
		<b>6,343.80</b>	<b>5,940.31</b>
<b>Total Assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11(A)	1.00	1.00
Other equity	11(B)	1,585.11	1,379.13
		<b>1,586.11</b>	<b>1,380.13</b>
<b>Non Current Liabilities</b>			
Financial liabilities			
(i) Borrowing	12(A)	-	1.90
(ii) Trade payables	13	6.63	8.84
Provisions	6	59.41	48.37
Deferred tax liabilities (net)		<b>66.04</b>	<b>59.11</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowing	12(A)	0.67	163.30
(ii) Trade payables	12(B)	5.58	8.51
a) Total outstanding dues of Micro and Small Enterprises	12(B)	4,642.18	3,512.92
b) Total outstanding due other than Micro and Small Enterprises	12(C)	5.82	0.02
(iii) Other financial liabilities	13	1.29	1.07
Provisions	14	9.64	785.66
Other current liabilities	15	26.47	29.59
Current tax liabilities (Net)		<b>4,691.65</b>	<b>4,501.07</b>
		<b>6,343.80</b>	<b>5,940.31</b>
<b>Total equity and liabilities</b>			
Summary of significant accounting policies	2		
Contingent liabilities and commitments	25		
Other notes on accounts	26		

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

As per our report of even date

For V.K. THAPAR & COMPANY

Chartered Accountants

Firm Registration No-1181N



per SACHCHIDHA NAND JHA  
 Partner  
 Membership No.: 518281

Place : New Delhi  
 Date : August 06, 2024

For and on behalf of the Board of Directors of  
 Leeds Life Sciences Private Limited

*Uday Raj Anand*  
 UDAY RAJ ANAND  
 DIRECTOR  
 DIN:06432765

Place : New Delhi  
 Date : August 06, 2024

*Anil Kumar Sachdeva*  
 ANIL KUMAR SACHDEVA  
 DIRECTOR  
 DIN:01830642

Place : New Delhi  
 Date : August 06, 2024

Leeds Life Science Private Limited  
 Profit and Loss for the year ended March 31, 2024  
 (All amounts in Rs. in Lakhs unless otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I INCOME</b>			
Revenue from Operations	16	10,479.04	9,284.07
Other income	17	21.63	50.64
<b>Total Income</b>		<b>10,500.67</b>	<b>9,334.71</b>
<b>II EXPENSES</b>			
Cost of raw material and packing material consumed	18	6,531.52	7,538.41
Purchase of traded goods	19	2,635.41	1,273.07
Increase in inventories of finished goods, work in progress and traded goods	20	68.21	(343.29)
Employee benefits expense	21	260.72	239.50
Depreciation and amortization expenses	22	71.23	71.65
Finance Cost	23	176.84	90.57
Other expenses	24	481.09	188.06
<b>Total Expenses</b>		<b>10,225.02</b>	<b>9,057.97</b>
<b>III Profit before tax (I-II)</b>		<b>275.65</b>	<b>276.74</b>
<b>IV Tax expenses</b>	6		
Current tax		(65.25)	(60.40)
Deferred tax		(11.02)	(19.37)
Tax relating to earlier years		3.85	(5.52)
<b>Total tax expense</b>		<b>(72.42)</b>	<b>(85.29)</b>
<b>V Profit for the year (III-IV)</b>		<b>203.23</b>	<b>191.45</b>
<b>VI Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
(i) Re-measurement losses/ (gains) on defined benefit plans	27(1)	(0.07)	(1.61)
(ii) Income tax effect	6(b)	0.02	0.41
<b>Other comprehensive loss/ (income) for the year, net of tax</b>		<b>(0.05)</b>	<b>(1.20)</b>
<b>VII Total comprehensive income for the year, net of tax (V+VI)</b>		<b>203.28</b>	<b>192.65</b>
<b>VIII Earnings per equity share</b>	27(8)		
(nominal value of share Rs.10)			
Basic EPS (Rs.)		2,032.29	1,914.54
Diluted EPS (Rs.)		2,032.29	1,914.54
Summary of significant accounting policies	2		
Contingent liabilities and commitments	25		
Other notes on accounts	26		

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

As per our report of even date

For V.K. THAPAR & COMPANY  
 Chartered Accountants  
 Firm Registration No-1181N

per SACHCHIDA NAND JHA  
 Partner  
 Membership No.: 518281



Place : New Delhi  
 Date : August 06, 2024

For and on behalf of the Board of Directors of  
 Leeds Life Sciences Private Limited

UDAY RAJ ANAND  
 DIRECTOR  
 DIN:06432765

Place : New Delhi  
 Date : August 06, 2024

ANIL KUMAR SACHDEVA  
 DIRECTOR  
 DIN:01830642

Place : New Delhi  
 Date : August 06, 2024

Leeds Life Science Private Limited  
 Statement of Cash Flows for the year ended March 31, 2024  
 (All amounts in Rs. in Lakhs unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before Income tax	275.65	276.74
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Equity on account of corporate guarantee by holding company	2.70	7.50
Depreciation and amortization expenses	71.23	71.65
Loss/(gain) derivative instrument - foreign currency forward contract	5.48	6.62
Profit on disposal of property, plant and equipment	-	(0.03)
Interest expenses	90.41	72.46
Remeasurement of post employment benefit obligation, net of tax (Item of OCI)	0.07	1.61
<b>Operating Profit before working capital changes</b>	<b>443.90</b>	<b>436.57</b>
<b>Movement in working capital</b>		
(Increase)/ Decrease in trade receivables	(563.22)	203.97
(Increase)/ Decrease in financial assets	(109.98)	22.12
(Increase)/ Decrease in other assets	345.08	(277.01)
(Increase)/ Decrease in inventories	116.83	(341.36)
Increase/ (Decrease) in trade payables and financial liabilities	1,127.97	662.06
Increase/ (Decrease) in financial liabilities	5.80	(26.30)
Increase/ (Decrease) in Other liabilities	(776.02)	659.02
Increase/ (Decrease) in provisions	(1.99)	(4.94)
<b>Cash generated from/(used in) operations</b>	<b>588.37</b>	<b>1,334.13</b>
Income tax paid (net of refunds)	(64.52)	(166.62)
<b>Net Cash flow from/(used in) Operating Activities (A)</b>	<b>523.84</b>	<b>1,167.52</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment including capital work in progress	(347.41)	(220.69)
Proceeds from sale of property, plant and equipment	43.62	2.80
Investment in subsidiaries	-	(0.02)
<b>Net Cash flow used in Investing Activities (B)</b>	<b>(303.79)</b>	<b>(217.90)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Repayments)/ proceeds from long-term borrowings (net)	(1.90)	(51.41)
(Repayments)/ proceeds from short-term borrowings (net)	(162.63)	(817.70)
Interest paid	(90.41)	(72.46)
<b>Net Cash Flow (used in)/ from Financing Activities (C)</b>	<b>(254.94)</b>	<b>(941.57)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(34.89)</b>	<b>8.04</b>
Cash and cash equivalents at the beginning of the year	59.96	51.92
<b>Cash and Cash Equivalents at the end of the year</b>	<b>25.07</b>	<b>59.96</b>

Notes :

- 1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- 2 Components of cash and cash equivalents :-

	As at March 31, 2024	As at March 31, 2023
<b>Cash and cash equivalents</b>		
Balances with banks:		
Current accounts	14.43	44.30
Cash on hand	10.63	15.66
	<b>25.06</b>	<b>59.96</b>

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

As per our report of even date

For V.K. THAPAR & COMPANY  
 Chartered Accountants  
 Firm Registration No-1181N

per SACHCHIDA NAND JHA  
 Partner  
 Membership No.: 518281

Place : New Delhi  
 Date : August 06, 2024

For and on behalf of the Board of Directors of  
 Leeds Life Sciences Private Limited

*3 day stand*  
 UDAY RAJ ANAND  
 DIRECTOR  
 DIN:06432765

Place : New Delhi  
 Date : August 06, 2024

*Anil Kumar Sachdeva*  
 ANIL KUMAR SACHDEVA  
 DIRECTOR  
 DIN:01830642

Place : New Delhi  
 Date : August 06, 2024

Leeds Life Science Private Limited  
 Statement of Changes in Equity for the year ended March 31, 2024  
 (All amounts in Rs. in Lakhs unless otherwise stated)

A) Equity Share Capital

Particulars	Nos.	Amount
<b>As at March 31, 2022</b>	<b>10,000</b>	<b>1.00</b>
Issue of equity share capital	-	-
<b>As at March 31, 2023</b>	<b>10,000</b>	<b>1.00</b>
Issue of equity share capital	-	-
<b>As at March 31, 2024</b>	<b>10,000</b>	<b>1.00</b>

B) Other Equity (refer note 12B)

Particulars	Equity on account of corporate guarantee	Reserves and surplus	Total
		Retained Earnings	
<b>As at March 31, 2022</b>	<b>22.50</b>	<b>1,156.48</b>	<b>1,178.98</b>
Profit for the year	-	191.45	191.45
Remeasurements gain/(loss) on defined benefit plans	-	1.20	1.20
Equity on account on corporate guarantee	7.50	-	7.50
<b>As at March 31, 2023</b>	<b>30.00</b>	<b>1,349.13</b>	<b>1,379.13</b>
Profit for the year	-	203.23	203.23
Remeasurements gain/(loss) on defined benefit plans	-	0.05	0.05
Equity on account on corporate guarantee	2.70	-	2.70
<b>As at March 31, 2024</b>	<b>32.70</b>	<b>1,552.41</b>	<b>1,585.11</b>

As per our report of even date

For V.K. THAPAR & COMPANY

Chartered Accountants

Firm Registration No-1181N

per SACHCHIDA NAND JHA  
 Partner  
 Membership No.: 518281



For and on behalf of the Board of Directors of  
 Leeds Life Sciences Private Limited

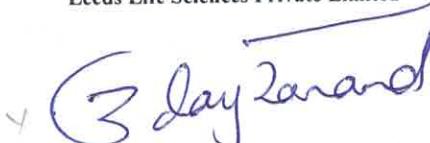
UDAY RAJ ANAND  
 DIRECTOR  
 DIN:06432765

Place : New Delhi  
 Date : August 06, 2024

Place : New Delhi  
 Date : August 06, 2024

Place : New Delhi  
 Date : August 06, 2024

  
 ANIL KUMAR SACHDEVA  
 DIRECTOR  
 DIN:01830642



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✓

## 1 CORPORATE INFORMATION

Leeds Life Sciences Private Limited is a private company domiciled in India and incorporated under the provisions of the Companies Act, 2013 applicable in India. The company is engaged in the manufacturing and trading, import, export of various agrochemical products (primarily pesticides) and other related products, which are used to enhance the productivity of agriculture. The Company has its manufacturing facilities at V.P.O. Fatehgarh, Tehsil Naraingarh, Raipur Rani Road, Ambala and The registered office of the company is located at M-77, 2nd floor, M-Block market, Greater Kailash, New Delhi-110048

These financial statements were approved for issue in accordance with a resolution of the board of directors on August 06, 2024

## 2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind AS) standalone financial statements. These policies have been consistently applied to all the years presented.

### 2.01 Basis of preparation of Standalone Financial Statements

The Financial statements are prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') as amended through rules and other relevant provisions of the Act to the extent applicable.

These Financial statements were authorized for issue by the Board of Directors on August 06, 2024

The financial statements are presented in INR and all values are rounded to the nearest lakhs (Rs. 00,000), except per share data and unless stated otherwise.

### 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

Freehold Land is carried at historical cost. All other items of 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 historical 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. Any trade discounts and rebates are deducted in arriving at the purchase price.

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 equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

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

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

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



Assets	Useful life (in years)
Buildings	30
Roads RCC	10
Plant and machinery	1-3, 5, 10 & 15
Computer & accessories	3
Vehicles-Motor Cycle	10
Vehicles-Motor Car	8
Furniture and fixtures	10
Office equipment	5

The useful lives have been determined based on technical evaluation done by the management's expert. The management, based on its technical assessment, has estimated the useful lives of certain plant and machinery as 1-3, 5, 10 & 15 years, respectively, which are lower than those indicated in Schedule II based on nature of underlying asset and its use. 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.

Gains or losses arising from derecognition of fixed 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 asset is derecognized.

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their initial agreement period unless the entity expects to use the asset beyond the lease term.

#### 2.04 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.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Payments to third parties that generally take the form of up-front payments in the form of data compensation costs where studies have already approved by authorities in a country are capitalized since the probability of expected future economic benefits criteria is always considered to be satisfied for separately acquired Intangible Asset

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

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

Assets	Useful life (in years)
Computer Software	5
Product Registration	5
Technical Know How	5
Trademarks	5

#### Research and development cost

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

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) Its intention to complete the asset;

iii) Its ability to use or sale the asset;

iv) How the asset will generate future economic benefits;

v) The availability of adequate resources to complete the development and to use or sale the asset; and

vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

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



**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 that are attributable to acquisition of the financial assets. 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:

- 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;
- 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:

- Business Model Test**: The objective of financial instrument is achieved by both collecting contractual cash flows and selling the financial assets; and
- 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.

#### Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

#### Embedded Derivatives

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

#### 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 company 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.

**Financial liabilities at amortised cost (Loans and borrowings)**

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



#### 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 180 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.

#### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognized less cumulative amortization.

#### 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

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the 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 as a result of 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 Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The company uses derivative financial instruments such as forward contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- (i) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- (ii) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

#### (i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs. For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortization may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.



**(ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**2.08 Investment in Subsidiaries and joint venture**

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

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

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

**2.09 Inventories**

**a) Basis of valuation:**

- i) Inventories other than scrap materials 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 unless 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.
- ii) Inventory of scrap materials have been valued at net realizable value.

**b) Method of Valuation:**

- i) Cost of raw materials has been determined by using first in, first out (FIFO) basis 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. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on FIFO basis.
- iii) Cost of traded goods has been determined by using FIFO basis 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.
- iv) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**2.10 Convertible preference shares**

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for conversion right. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares/debentures based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

**2.11 Income Tax**

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. Income 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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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 in full 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 liability is not recognised in respect of taxable temporary differences associated with investments in subsidiaries 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 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.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**2.12 Revenue from contract with customers**

The Company manufactures/ trades and sells a range of agrochemical 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 which usually happen on delivery of goods. 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. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, Goods and Services tax (GST) and amounts collected on behalf of third parties

**(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 when the property in the goods is transferred for a price, and significant risks and rewards have been transferred and no effective ownership control is retained.

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 standalone 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. The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, tours, reimbursement, investments etc. Revenue from contract with customer is presented deducting cost of all these schemes.

**(iii) Significant Financing Components**

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.

In respect of long term contracts, the Company has used the incremental borrowing rate to discount the consideration as this is the rate which commensurate with rate that would be reflected in separate financing arrangement between the Company and its customer.

**(b) Contract balances**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

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).



2.13 Other Income

(a) Interest Income

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

2.14 Other Operating Revenues

Export benefit

Revenue from export benefits arising from duty drawback scheme and merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable. Accordingly, export incentive income is included in the statement of profit and loss.

2.15 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 Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust with its investments maintained with HDFC Life. 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.

b) Compensated absences

Accumulated leave is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current and non-current financial liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.



d) **Other employee benefits**

The Company provides long term incentive plan to employees via equity settled share based payments as enumerated below:

Employee Stock Option Scheme: The fair value of options granted under this option plan is recognised as an employee benefit expense with corresponding increase in share based payment (SBP) reserve in equity in accordance with recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments when grant is made. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At end of the reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with corresponding adjustment to equity.

**2.16 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 building. The Company applies a single recognition and measurement approach for all leases, except for short-term leases.

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

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. 3-5 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'.

The Company classifies ROU assets as part of Property plant and equipment in Balance Sheet and lease liability in "Financial Liability".

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.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company use that rate as a starting point to determine the incremental borrowing rate.

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.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(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.



#### 2.17 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) if any 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.

#### 2.18 Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

#### 2.19 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.

#### 2.20 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).

#### 2.21 Provisions and Contingent Liabilities

##### Provisions

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

##### Contingent liabilities

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

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



## 2.22 Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

## 2.23 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.

## 2.24 Significant accounting judgments, estimates and assumptions

The preparation of these standalone financial statements requires the management to make judgments, use 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.

### 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).

### b) Revenue from contract with customers

Certain contracts of sale includes volume rebates that give rise to variable consideration. In estimating the variable consideration the Company has used a combination of most likely amount method and expected value method. Further, as the case may be, in respect of long term contracts, the Company has used the incremental borrowing rate to the discount the consideration as this is the rate which commensurate with rate that would be reflected in separate financing arrangement between the Company and its customer.



c) 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. (Refer Note 7)

d) 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 27(1).

e) 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.

f) 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.

g) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset including intangible assets having indefinite useful life and goodwill may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use. 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.

i) 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 27(6)

j) Property, Plant and Equipment and Intangible Assets

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

2.25 Segment reporting policies

Identification of segments – Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Segment accounting policies – The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting restated consolidated summary statement of the Company as a whole.



**2.26 Standards / Amendments issued:**

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 01, 2022: The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

**a) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37**

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it. The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The Company applies the amendments to contracts for which it has not yet fulfilled all of its obligations, at the beginning of the reporting period. These amendments had no impact on the standalone financial statements of the Company as there is no onerous contract within the scope of these amendments that arose during the year.

**b) Reference to the Conceptual Framework – Amendments to Ind AS 103**

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). These amendments had no impact on the standalone financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the year.

**c) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16**

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no impact on the standalone financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

**d) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the standalone financial statements of the Company as there were no modifications of the Company's financial instruments during the year.

**e) Ind AS 41 Agriculture – Taxation in fair value measurements**

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41. The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments had no impact on the standalone financial statements of the Company as it did not have assets in scope of Ind AS 41 as at the reporting date.

**f) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter**

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101. The amendments are effective for annual reporting periods beginning on or after April 01, 2022 but do not apply to the Company as it is not a first-time adopter.

**2.27 The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective April 01, 2023. Standards issued but not effective**

**a) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. The amendments are not expected to have a material impact on the Company's financial statements.

**b) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

**c) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023. The company is currently assessing the impact of the amendment.



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3 Property, plant and equipment

	Freehold land	Buildings	Plant and machinery	Computer	Office equipments	Furniture and fittings	Total	Capital work in progress	Grand total
<b>Cost</b>									
As at March 31, 2022	141.12	664.23	462.09	2.33	11.42	19.09	1,300.29	4.65	1,304.94
Additions	62.09	-	7.62	-	0.80	0.11	70.62	143.16	213.78
Disposals/Adjustment			(2.80)		(0.08)		(2.89)		(2.89)
<b>As at March 31, 2023</b>	<b>203.21</b>	<b>664.23</b>	<b>466.91</b>	<b>2.33</b>	<b>12.13</b>	<b>19.20</b>	<b>1,368.02</b>	<b>147.81</b>	<b>1,515.83</b>
<b>Additions</b>	<b>154.69</b>	<b>42.38</b>	<b>2.74</b>	<b>1.67</b>	<b>10.16</b>	<b>211.64</b>	<b>275.92</b>	<b>487.55</b>	
Disposals/Adjustment	(0.08)	(53.77)				(53.86)	(147.81)	(201.66)	
<b>As at March 31, 2024</b>	<b>203.13</b>	<b>818.92</b>	<b>455.52</b>	<b>5.07</b>	<b>13.81</b>	<b>29.35</b>	<b>1,525.80</b>	<b>275.92</b>	<b>1,801.72</b>

<b>Depreciation</b>									
As at March 31, 2022	-	44.55	44.32	1.05	5.03	2.70	97.66	-	97.66
Charge for the year	25.32	35.18	0.71	1.82	1.75	64.78	-	-	64.78
Disposals/Adjustment	-								
<b>As at March 31, 2023</b>	<b>-</b>	<b>69.88</b>	<b>79.49</b>	<b>1.77</b>	<b>6.85</b>	<b>4.45</b>	<b>162.44</b>	<b>-</b>	<b>162.44</b>
<b>Charge for the year</b>	<b>29.48</b>	<b>29.55</b>	<b>1.02</b>	<b>1.93</b>	<b>2.22</b>	<b>64.20</b>	<b>-</b>	<b>-</b>	<b>64.20</b>
Disposals/Adjustment	-	(10.15)				(10.15)			(10.15)
<b>As at March 31, 2024</b>	<b>-</b>	<b>99.36</b>	<b>98.89</b>	<b>2.78</b>	<b>8.78</b>	<b>6.67</b>	<b>216.49</b>	<b>-</b>	<b>216.49</b>

<b>Net carrying amount</b>									
As at March 31, 2023	203.21	594.36	387.42	0.57	5.28	14.74	1,205.58	147.81	1,353.39
As at March 31, 2024	203.13	719.56	356.63	2.29	5.03	22.68	1,309.31	275.92	1,585.23

Notes

- (i) All property and equipment are held in the name of the company.
- (ii) Capital work in progress includes building under construction and machines under installation.
- (iii) Disclosure of Contractual commitment for the acquisition of property and equipment has been provided in note 26.



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**4 Intangible assets**

	Website	Trade Mark	Product Registration	Total other intangible assets	Intangibles assets under development	Total intangible assets
<b>Cost</b>						
As at March 31, 2022	-	1.20	33.65	34.85	1.46	36.31
Additions	-	1.63	-	1.63	5.38	7.00
Disposals/Adjustment	-	-	-	-	-	-
As at March 31, 2023	-	2.83	33.65	36.48	6.83	43.31
As at March 31, 2023	-	0.10	-	0.10	7.66	7.76
Additions	-	-	-	-	-	-
Disposals/Adjustment	-	2.93	33.65	36.58	14.49	51.07
As at March 31, 2024	-	-	-	-	-	-

	Amortization					
As at March 31, 2022	-	0.47	11.53	12.00	-	12.00
As at March 31, 2022	-	0.40	6.46	6.86	-	6.86
Charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2023	-	0.86	18.00	18.86	-	18.86
As at March 31, 2023	-	0.55	6.48	7.04	-	7.04
Charge for the year	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
As at March 31, 2024	-	1.42	24.48	25.90	-	25.90

	Net carrying amount					
As at March 31, 2023	-	1.96	15.66	17.62	6.83	24.45
As at March 31, 2024	-	1.51	9.18	10.68	14.49	25.18
As at March 31, 2024	-	-	-	-	-	-

**Notes:-**

(i) Intangible assets under development comprise of costs incurred towards creating product dossiers, fees paid to registration consultants, application fees to the ministries, data compensation costs and data call-in costs. The carrying value of same is reduced by impairment allowance which is estimated on past basis where in approvals could not be obtained or product development was shelved voluntarily due to reasons beyond the control of management.

(ii) The Company has availed the exemption under Ind AS 101 where the carrying value for all of intangible assets and intangible assets under development has been carried forward as its deemed cost as at the date of transition i.e. April 01, 2020



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 #Capital work in progress (CWIP) Ageing Schedule

	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
As at March 31, 2024				275.92
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>275.92</b>			<b>275.92</b>

	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
As at March 31, 2023				147.81
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>147.81</b>			<b>147.81</b>

#Intangible Asset under Development (IAUD) Ageing Schedule

	Amount in IAUD for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
As at March 31, 2024				14.59
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>7.76</b>	<b>6.73</b>		<b>0.10</b> 14.59

	Amount in IAUD for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
As at March 31, 2023				6.83
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>5.38</b>	<b>1.36</b>		<b>0.10</b> 6.83



5 Investment

	No. of equity shares	As at March 31, 2024	No. of equity shares	As at March 31, 2023
<b>Investments at fair value through OCI</b>				
Unquoted equity shares	1.00	0.38	1.00	0.38
1 Equity shares for Face value Tshs 15,50,000/- paid up value Ths 11,47,290 of Parijat Tanzania Limited	123.00	0.02	123.00	0.02
123 Equity shares for Face value Rs. 10/- Crimsun Organics Pvt Ltd (Include 10 Bonus Shares shares received)				
	<b>124.00</b>	<b>0.40</b>	<b>124.00</b>	<b>0.40</b>
<b>Total investment</b>				

6 INCOME TAXES

	As at March 31, 2024	As at March 31, 2023
<b>(a) Income tax expense in the statement of profit and loss comprises:</b>		
Current income tax charge	(65.25)	(60.40)
Deferred Tax (credit)/ charge	(11.02)	(19.38)
Tax relating to earlier years	3.85	(5.52)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>(72.42)</b>	<b>(85.30)</b>
<b>(b) Other Comprehensive Income</b>		
Re-measurement (gains)/ losses on defined benefit plans	(0.02)	(0.41)
<b>Income tax related to items recognized in OCI during the year</b>	<b>(0.02)</b>	<b>(0.41)</b>
<b>(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :</b>		
Accounting Profit before tax	275.65	276.74
At India's statutory tax rate	25.168%	25.168%
<b>Computed Tax Expense</b>	<b>69.38</b>	<b>69.65</b>
Adjustment in respect of current income tax of earlier years	(3.85)	5.52
Income not considered for tax purpose	6.89	10.12
Net non-deductible expense for tax purpose		
Additional allowances for tax purpose		
Income not allowed for tax purpose	72.42	85.29
At an effective income tax rate of 26.27% (March 31, 2023, 30.82%)		
<b>Income tax expense reported in the statement of profit and loss</b>	<b>72.42</b>	<b>85.29</b>
<b>(d) Deferred tax assets/(liabilities) comprises :</b>		
Accelerated Depreciation for Tax purposes	(61.76)	(51.51)
Expenses allowable on payment basis ( Provision for employee benefit)	2.37	3.14
Allowance for doubtful debts	-	-
<b>Deferred tax asset / (liability)</b>	<b>(59.39)</b>	<b>(48.37)</b>
<b>Net deferred tax asset / (liability)</b>	<b>(59.39)</b>	<b>(48.37)</b>
<b>(e) Reconciliation of deferred tax assets/(liabilities) (net)</b>		
<b>Opening balance as per last balance sheet</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
- to Profit and Loss Account	(48.37)	(28.59)
- to Other comprehensive income	(11.02)	(19.37)
<b>Closing balance</b>	<b>(59.41)</b>	<b>(48.37)</b>

7 OTHER NON-CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good)</b>		
Capital advances ( refer note 26(B) )	12.27	0.97
Prepaid expenses	0.80	5.08
Security Deposits	1.77	1.77
	<b>14.84</b>	<b>7.82</b>

8 INVENTORIES

	As at March 31, 2024	As at March 31, 2023
<b>(Valued at lower of cost and net realisable value unless otherwise stated)</b>		
Raw material and Packing material	944.46	1,002.82
Works-in-process	268.71	52.76
Finished goods	102.68	386.84
Stores, Spares and Consumables	31.81	22.08
	<b>1,347.67</b>	<b>1,464.50</b>

Notes:

(a) The above includes goods in transit as under:  
 Raw material and Packing material  
 Finished goods



85.05 23.45  
 - 285.27

9 CURRENT FINANCIAL ASSETS

(A) TRADE RECEIVABLES (valued at amortised cost)

	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Trade receivables from contract with customers- considered good	344.05	1,861.85
Trade receivables from contract with customers - considered good - from related parties ( refer note 27(3) )	2,511.95	430.92
Trade receivables from contract with customers- doubtful	-	-
<b>Trade receivables (gross)</b>	<b>2,856.00</b>	<b>2,292.77</b>
Less: Impairment allowance for trade receivables - Credit impaired	-	-
<b>Trade receivables (net)</b>	<b>2,856.00</b>	<b>2,292.77</b>

Trade receivables Ageing Schedule

As at March 31, 2024

Particulars	not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	37.32	2,576.88	-	241.69	0.11	-	2,856.00
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Undisputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>37.32</b>	<b>2,576.88</b>	<b>-</b>	<b>241.69</b>	<b>0.11</b>	<b>-</b>	<b>2,856.00</b>

Trade receivables Ageing Schedule

As at March 31, 2023

Particulars	not due	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,623.40	0.09	238.16	431.11	-	-	2,292.77
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Undisputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Undisputed Trade Receivables – considered good	-	-	-	-	-	-	-
<b>Total</b>	<b>1,623.40</b>	<b>0.09</b>	<b>238.16</b>	<b>431.11</b>	<b>-</b>	<b>-</b>	<b>2,292.77</b>

Notes:

- a) Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.
- b) No trade or other receivable are due from directors or other officers of the company.
- c) Trade receivables are non-interest bearing and are generally on terms of 90-180 days.
- d) Ageing of trade receivable and movement of impairment allowance for expected credit loss is disclosed in note 26(6)(b).
- e) There are no unbilled receivables, hence the same is not disclosed in the ageing schedule

(B) CASH AND CASH EQUIVALENTS

	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks:</b>		
Current accounts	14.43	44.30
Cash on hand	10.63	15.66
<b>Total cash and cash equivalents</b>	<b>25.06</b>	<b>59.96</b>

Note: There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

(C) OTHER BANK BALANCES

	As at March 31, 2024	As at March 31, 2023
Margin money deposit with banks	187.92	81.07
<b>Total</b>	<b>187.92</b>	<b>81.07</b>

Note: Margin money deposits including accrued interest thereon are subject to first charge to secure the companies letter of credit and hence the same are disclosed in the other bank balances

(D) LOANS (carried at amortised cost)

(Unsecured, considered good)

Loan to employees

	As at March 31, 2024	As at March 31, 2023
	5.86	2.63
<b>Total</b>	<b>5.86</b>	<b>2.63</b>

(E) OTHER FINANCIAL ASSETS

	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good)</b>	<b>8.50</b>	<b>8.60</b>
Security Deposits	-	5.48
Derivative instrument - foreign currency forward contract (at fair value through profit and loss)	8.50	14.07

Note : Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for sales and purchases. The fair value gain is included in the Exchange difference head in the statement of profit and loss.



## 10 OTHER CURRENT ASSETS

	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Advances for material and services	6.53	79.25
Balance with government authorities:	269.35	525.22
Export incentives receivable	5.39	30.46
Prepaid expenses	5.87	4.32
	<u><u>287.14</u></u>	<u><u>639.24</u></u>

## 11 EQUITY

	As at March 31, 2024	As at March 31, 2023		
<b>(A) Share capital</b>				
a) Authorized (nos.)				
15,00,000 (15,00,000 March 31, 2023) 15,00,000 equity shares of Rs. 10/- each	150.00	150.00		
	<u><u>150.00</u></u>	<u><u>150.00</u></u>		
Issued, subscribed and fully paid-up (nos.)				
10,000 (March 31, 2023) 10,000, equity shares of Rs 10/- each	1.00	1.00		
	<u><u>1.00</u></u>	<u><u>1.00</u></u>		
b) Reconciliation of the shares outstanding at the beginning and at the end of the year				
Equity shares				
	As at March 31, 2024	As at March 31, 2023		
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
At the beginning of the year	10,000	-	10,000	1.00
Issued during the year				
At the end of the year	<u><u>10,000</u></u>	<u><u>-</u></u>	<u><u>10,000</u></u>	<u><u>1.00</u></u>

## c) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10/- per share (March 31, 2023 Rs 10/- per share). Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## d) Details of shareholders holding more than 5% shares and Promoter of the Company is set out below (representing legal and beneficial ownership):

Name of shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity Shares of Rs. 10 each fully paid Parijat Industries (India) Pvt Ltd*	10,000	100.00%	10,000	100.00%

\*Mr. Keshav Anand, Director of M/s Parijat Industries (India) Pvt Ltd hold 100 equity shares (1% equity shares) as nominee capasity.

There is no changes in the promoters shareholding during the financial year 2023-24 and in the financial year 2022-23



(B) OTHER EQUITY

	As at March 31, 2024	As at March 31, 2023
Retained earnings	1,552.41	1,349.13
Equity on account of corporate guarantee by holding company	32.70	30.00
	<b>1,585.11</b>	<b>1,379.13</b>
<b>a) Retained Earnings</b>		
Opening balance	1,349.13	1,156.48
Net profit for the year	203.23	191.45
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
Remeasurement of post employment benefit obligation, net of tax (Item of OCI)	0.05	1.20
<b>Closing balance</b>	<b>1,552.41</b>	<b>1,349.13</b>
<b>b) Equity on account of corporate guarantee by holding company</b>		
Opening	30.00	22.50
** Equity on account of corporate guarantee by holding company	2.70	7.50
<b>Closing balance</b>	<b>32.70</b>	<b>30.00</b>

\*\*Parijat Industries (India) Private Limited (Holding Company) has given the Corporate Guarantee to Axis Bank Rs. 2000 Lacs (March 31, 2023 :Nil) and to HDFC Bank Limited Nil (March 31, 2023 : Rs 1500.00 lakhs) for facilities availed by Leeds Life Science Private Limited.

12 FINANCIAL LIABILITIES

	As at March 31, 2024	As at March 31, 2023
<b>(A) BORROWINGS (valued at amortised cost)</b>		
Non current		
Secured loans		
Indian rupees loan:		
Term loan from banks (refer note (i) below)	-	1.90
Total non current borrowings	<b>-</b>	<b>1.90</b>
Current		
Secured loans		
Indian rupees loan:		
Term loan from banks (refer note (i) below)	-	51.30
Loan from Holding Company (refer note (ii) below)	-	112.00
Vehicle Loan	0.67	0.67
Total current borrowings	<b>0.67</b>	<b>163.30</b>

(i) The Working Capital Term loan from HDFC Bank repaid during the year. It carries fixed interest rate between 8.65% to 11.15% p.a. amounting up to Nil March 31, 2024 (March 31, 2023: Rs.53.20 Lakhs).

(ii) The Working Capital loan demand from Parijat Industries (India) Pvt Ltd ("Holding Company") repaid during the year. It carries fixed interest rate of 11% p.a. amounting up to Nil as at March 31, 2024 (March 31, 2023: Rs. 112.00 Lakhs)

Particulars	Borrowings (Current+non current)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	165.20	1,034.31
Cash flow (net)	(164.53)	(869.11)
Interest expense	90.41	72.46
Interest paid	(90.41)	(72.46)
<b>Closing balance</b>	<b>0.67</b>	<b>165.20</b>

(B) TRADE PAYABLES

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro and small enterprises	5.58	8.51
Total outstanding dues of creditors other than micro and small enterprises	<b>4,642.18</b>	<b>3,512.92</b>
	<b>4,647.76</b>	<b>3,521.43</b>

Trade payables Ageing Schedule

As at 31 March 2024

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	2.53	3.03	0.02	-	-	5.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,712.04	685.27	0.97	225.69	18.20	4,642.18
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>3,714.57</b>	<b>688.30</b>	<b>1.00</b>	<b>225.69</b>	<b>18.20</b>	<b>4,647.76</b>

Trade payables Ageing Schedule

As at 31 March 2023

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	3.78	4.73	-	-	-	8.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,540.49	708.88	243.46	0.22	19.86	3,512.92
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>2,544.27</b>	<b>713.61</b>	<b>243.46</b>	<b>0.22</b>	<b>19.86</b>	<b>3,521.43</b>

Notes:

a) Trade Payables include due to related parties Rs. 30.99 lacs (March 31, 2023 : Rs. 255.61 lacs)

b) The amounts are unsecured and non-interest bearing are usually paid within 60-180 days of recognition.

c) For related parties, refer to Note 26.3

d) Trade payable includes vendors whose payment are secured via Letter of credit as at March 31, 2024 amounting to Rs.899.26 Lakhs (March 31, 2023 Rs. 742.73).

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



		As at March 31, 2024	As at March 31, 2023
i) Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
Principal	5.38	6.89	
Interest	0.20	1.62	
	<u>5.58</u>	<u>8.51</u>	
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	0.03	0.86	
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	0.18	0.77	
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year			
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.			

**(C) OTHER FINANCIAL LIABILITIES**

		As at March 31, 2024	As at March 31, 2023
<b>Current</b>			
Creditors for capital goods		5.82	0.02
		<u>5.82</u>	<u>0.02</u>

**Note:**

Foreign exchange forward contracts: While the Company entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss. The fair value loss is included in the Exchange difference head in the statement of profit and loss.

**13 PROVISIONS**

		As at March 31, 2024	As at March 31, 2023
<b>Non Current</b>			
Provision for employee benefits		2.18	5.52
Provision for Gratuity	4.45	3.32	
Provision for compensated absences	<u>6.63</u>	<u>8.84</u>	

**Current**

Provision for employee benefits	0.94	0.81
Provision for Gratuity	0.35	0.26
Provision for compensated absences	<u>1.29</u>	<u>1.07</u>

**14 OTHER LIABILITIES**

		As at March 31, 2024	As at March 31, 2023
<b>Current</b>			
Contract liabilities (advances from customers)		0.05	774.94
Other statutory dues payable		9.59	7.98
Interest on Loan from Holding Company		-	2.73
		<u>9.64</u>	<u>785.66</u>

**15 CURRENT TAX LIABILITIES**

		As at March 31, 2024	As at March 31, 2023
Income tax payable (net of advance tax and tax deducted at source)		26.47	29.59
		<u>26.47</u>	<u>29.59</u>

**16 REVENUE FROM CONTRACTS WITH CUSTOMERS**

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of products	10,381.94	9,233.50
<b>Other operating revenues</b>		
Sale of services	74.75	11.66
	<u>10,456.69</u>	<u>9,245.15</u>
<b>Other operating revenues</b>		
Export Incentives	22.34	38.92
	<u>10,479.04</u>	<u>9,284.07</u>

**Notes:**

a. Revenue for the year ended March 31, 2024 and March 31, 2023 are net of Goods and Service Tax (GST).  
 b. Disaggregated revenue information



Leeds Life Science Private Limited

Financial statements for the year ended March 31, 2024

(All amounts in Rs. in Lakhs unless otherwise stated)

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

Type of Goods or Service	For the year ended March 31, 2024	For the year ended March 31, 2023
Finished goods	7,146.24	7,333.99
Traded goods	3,310.45	1,911.16
<b>Total revenue from contracts with customers</b>	<b>10,456.69</b>	<b>9,245.15</b>

Revenue by location of customers	For the year ended March 31, 2024	For the year ended March 31, 2023
India	9,354.49	7,357.39
Outside India	1,102.20	1,887.76
<b>Total revenue from contracts with customers</b>	<b>10,456.69</b>	<b>9,245.15</b>

Revenue by timing of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Goods transferred at a point in time	10,381.94	9,233.50
Services transferred over the time	74.75	11.66
<b>Total revenue from contracts with customers</b>	<b>10,456.69</b>	<b>9,245.15</b>

c. Contract balances

	For the year ended March 31, 2024	As at March 31, 2023
Trade receivables	2,856.00	2,292.77
Contract liabilities	0.05	774.94
<b>Total revenue from contracts with customers</b>	<b>2,856.05</b>	<b>3,067.71</b>

Contract liabilities consist of short-term advances received from customer to supply goods against the same.

d. Performance obligation

**Sale of products:** Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods.  
**Sale of services:** The performance obligation in respect of 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 and acceptance of the customer.

17 OTHER INCOME

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest received on financial assets carried at amortised cost:</b>		
Bank deposits	5.01	2.48
Others	-	0.79
<b>Other non-operating income</b>		
Exchange fluctuation (net)	14.98	7.31
Liabilities no longer required written back	1.64	-
Miscellaneous income (net)	0.00	5.40
Gain on change in fair value of derivatives	-	6.62
Rental Income	-	28.01
Profit on sale of plant, property and equipment	-	0.03
	<b>21.63</b>	<b>50.64</b>

18 COST OF RAW MATERIAL AND PACKING MATERIAL CONSUMED

	For the year ended March 31, 2024	For the year ended March 31, 2023
Inventories at the beginning of the year	1,002.82	1,010.05
Add: Purchases	6,473.16	7,531.17
Less: Inventories at the end of the year	944.46	1,002.82
<b>Cost of raw material and packing material consumed</b>	<b>6,531.52</b>	<b>7,538.41</b>

19 PURCHASE OF TRADED GOODS

	For the year ended March 31, 2024	For the year ended March 31, 2023
Pesticides	1,591.99	1,194.10
Others	1,043.42	78.97
	<b>2,635.41</b>	<b>1,273.07</b>

20 (INCREASE) IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the end of the year</b>		
Finished goods	102.68	386.84
Work-in-progress	268.71	52.76
	<b>371.39</b>	<b>439.60</b>
<b>Inventories at the beginning of the year</b>		
Finished goods	386.84	72.73
Work-in-progress	52.76	23.58
	<b>439.60</b>	<b>96.31</b>
<b>(Increase) in inventories of finished goods, work in progress and traded goods</b>	<b>68.21</b>	<b>(343.29)</b>



(Increase) in inventories of finished goods, work in progress and traded goods

**21 EMPLOYEE BENEFITS EXPENSE**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, bonus and other benefits	216.22	205.71
Contribution to provident fund and other funds	5.42	4.73
Gratuity expense	2.86	2.76
Staff welfare expenses	36.23	26.31
	<b>260.72</b>	<b>239.50</b>

**22 DEPRECIATION AND AMORTISATION EXPENSES**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of tangible assets (refer note no. 3)	64.20	64.78
Amortization of intangible assets (refer note no. 4)	7.04	6.86
	<b>71.23</b>	<b>71.65</b>

**23 FINANCE COSTS**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expenses		
- Bank	88.12	55.08
- Others	2.29	17.39
Other finance charges	75.51	10.60
Interest on Corporate Guarantee (issued by Hodling Company)	10.92	7.50
	<b>176.84</b>	<b>90.57</b>

**24 OTHER EXPENSES**

	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spares	30.96	10.99
Power and fuel	34.25	17.12
Repair and maintenance	5.68	1.00
- Buildings	34.47	11.60
- Plant and machinery	6.28	4.17
- Others	21.53	19.96
Rent Expenses	14.77	10.39
Security Expenses	20.91	12.47
Legal and professional fees	79.90	0.10
Commission expenses	4.58	4.75
Insurance expenses	89.08	-
Job work charges	0.46	0.57
Product Analysis Charges	72.46	63.94
Freight and forwarding charges	29.34	9.51
Advertising and sales promotion	2.50	0.46
Research and Development Expenses	0.71	0.43
Printing and stationery & Postage charges	0.32	0.36
Communication expenses	2.67	1.40
Payment to Auditors (refer note below)	0.09	-
Bad debts	4.25	3.97
Rates and taxes	1.87	3.24
Software and website expenses	5.02	1.87
Miscellaneous expenses	6.82	5.99
Corporate social responsibility (refer note 27(4))	0.81	3.65
Bank charges	0.66	0.13
Prior Period Expenses	5.48	-
Loss on change in fair value of derivatives	5.20	-
Loss on sale of plant, property and equipment (net)	<b>481.09</b>	<b>188.06</b>

**Payment to auditors**

	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditors:		
Audit fees	1.40	0.70
In other capacity		
Other services	1.27	0.70
Reimbursement of expenses	<b>2.67</b>	<b>1.40</b>



25 COMMITMENTS AND CONTINGENCIES

As at  
 March 31, 2024      As at  
 March 31, 2023

A Contingent Liabilities

Note:

i The Company had claimed MEIS incentive on export of its products @3% instead of 2% due to interpretation of classification of few products in past years. The differential amount along with interest as on date amounting to Rs. 38.00 lakhs (March 31, 2023: Rs 38.00) was accepted and paid by the company to commissioner of customs Nava sheva and has been included in the statement of profit and loss for the year ended 31st March 2020. Subsequent to making this payment, company has received show cause notice dated 28th July 2020 from Directorate of Revenue Intelligence Ahmedabad, seeking as to why there shall be no penalty that shall be imposed on the company and that why respective exported goods should not be confiscated, custom duty of ineligible MEIS benefits availed and utilized should not be recovered back and that such amount Rs. 38.00 lakhs (March 31, 2023: Rs 38.00) paid by the company should not be appropriated against the amount due to be recovered. The company vide its reply dated September 08, 2020, denied all the allegations in Show Cause Notice and stated that allegations are being made in the show cause notice without appreciating the factual and legal position in proper perspective. The Commissioner of Customs, Delhi has passed order dated 15.02.2023 and M/s. Parijat Industries (India) Private Limited, a party to this case has already deposited penalty of Rs.45.19 Lakhs. The company has not received any closure letter of the matter and the management believes that ultimate resolution of the matter will not have any material or adverse impact on the company financial position of the company.

ii The company financial for the year 2017-18 to 2021-22 is under audit by the Central Goods and Service Tax, Commissionerate, Panchkula. The management believes that ultimate outcome of this audit will not have any material or adverse impact on the company financial position of the company.

B Capital commitments

	As at March 31, 2024	As at March 31, 2023
Estimated amount of capital contracts remaining to be executed and not provided for	78.61	686.54
Less: Capital advances	(12.27)	(0.97)
	<b>66.34</b>	<b>685.57</b>

26 OTHER NOTES ON ACCOUNTS

26.1 Disclosures pursuant to Ind AS - 19 "Employee Benefits" are given below :

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's Contribution towards Provident fund (PF)	4.91	4.17
Employer's Contribution towards Employee state insurance (ESI)	0.51	0.56
	<b>5.42</b>	<b>4.73</b>

Defined Benefit Plan - Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The scheme is non funded.

The present value of obligation is determined based on actuarial valuation using the project unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the gratuity plans:-

	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)	2.39	2.02
Current Service Cost	0.47	0.73
Net Interest Cost	2.86	2.76
Net defined benefit expense debited to statement of profit and loss		
b) Remeasurement (gain)/ loss recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	0.41	(0.35)
Actuarial changes arising from changes in financial assumptions	(0.22)	(1.27)
Actuarial changes arising from changes in experience adjustments		
Return on Plan assets excluding interest income	0.19	(1.61)
Return on plan assets . excluding amount recognised in net interest expense		
Recognised in other comprehensive income		
c) Reconciliation of opening and closing balances of Defined Benefit obligation		
Defined benefit obligation as at the beginning of the year	11.33	10.19
Interest cost	0.85	0.73
Current service cost	2.39	2.02
Benefit paid	(0.70)	-
Remeasurement of (Gain)/loss recognised in other comprehensive income	-	-
Actuarial changes arising from changes in demographic assumptions	0.41	(0.35)
Actuarial changes arising from changes in financial assumptions	(0.22)	(1.27)
Actuarial changes arising from changes in experience adjustments		
Defined Benefit obligation as at year end	14.07	11.33



Current	0.94	0.81
Non-current	13.13	10.52
<b>d) Reconciliation of opening and closing balances of fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	5.00	
Investment Income	0.37	
Employer contribution	6.00	5.00
Benefits Paid	(0.70)	
Return on plan assets, excluding amount recognised in net interest expense	0.26	
<b>Fair value of plan assets at year end</b>	<b>10.94</b>	<b>5.00</b>
<b>d) Net defined benefit liability recognised in the balance sheet</b>		
Fair value of plan assets	(3.12)	(6.33)
Present value of defined benefit obligation	(3.12)	(6.33)
<b>Amount recognised in Balance Sheet Liability</b>	<b>(3.12)</b>	<b>(6.33)</b>
<b>f) Broad categories of plan assets as a percentage of total assets</b>		
Funds managed by insurer (Life Insurance Corporation)		
<b>g) Principal assumptions used in determining defined benefit obligation</b>		
Mortality Table	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	58 years	58 years
Discount rate (per annum)	7.20%	7.45%
Future Salary increase (per annum)	8.00%	8.00%
Attrition rate	Upto 30 Years - 10% above 30 Years - 5%	Upto 30 Years - 10% above 30 Years - 5%
<b>h) Quantitative sensitivity analysis for significant assumptions is as below:</b>		
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
<b>Discount Rate</b>	<b>1.55</b>	<b>1.23</b>
Increase by 1%	-1.87	-1.49
Decrease by 1%		
<b>Salary Increase</b>	<b>-1.43</b>	<b>-1.16</b>
Increase by 1%	1.30	1.10
Decrease by 1%		
<b>Attrition Rate</b>	<b>0.23</b>	<b>0.14</b>
Increase by 50%	0.23	0.14
Decrease by 50%		
<b>Mortality Rate</b>	<b>0.00</b>	<b>0.00</b>
Increase by 10%	0.00	0.00
Decrease by 10%		
<b>i) Maturity profile of defined benefit obligation</b>		
Within the next 12 months (next annual reporting period)	0.94	0.81
Between 2 and 5 years	3.29	2.92
Between 6 and 10 years	6.62	5.49
Beyond 10 years	31.54	26.49
<b>Total expected payments</b>	<b>42.39</b>	<b>35.71</b>

- i) The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (March 31, 2023: 12 years)
- k) The plan assets are maintained with HDFC Life
- l) The Company has contributed Rs 6.00 lakhs (March 31, 2023: Rs.5.00 Lakhs) to the plan during the financial year.
- m) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- j) The above information is as certified by the Actuary.
- n) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- o) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

## 26.2 Segment Reporting

As per Ind AS-108, "Operating Segment" ( specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act ) the Company's chief operating decision maker ('CODM') has identified that the Company's business activity falls within a single operating segment which is the production of agrochemical products and other related products and hence operates in a single business segment based on the nature of the products, the risk and returns, organisation structure and the internal financial reporting systems. Therefore, there is no reportable segment for the Company as per the requirement of Ind AS-108 "Operating Segments".

### Geographical Information

The "Geographical Segments" comprises of domestic segment which includes sales to customers located in India and the overseas segment includes sales to customers located outside India.  
 The following is the distribution of Company's revenue by geographical market, regardless of where the goods were produced.

	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue- within India	9,376.84	7,396.32
Revenue- outside India	1,102.20	1,887.76
	<b>10,479.04</b>	<b>9,284.07</b>
<b>Geographical Segment current assets</b>		
Within India	4,397.64	3,295.71
Outside India	320.50	1,258.53
	<b>4,718.15</b>	<b>4,554.25</b>
<b>Non-current assets</b>		
Within India	1,625.25	1,385.69
Outside India	0.40	0.38
	<b>1,625.65</b>	<b>1,386.07</b>

Note:- Non Current assets for this purpose excludes non current tax assets



**Revenue from Major Customers:**

Revenue from customers with more than 88% of total revenue (i.e the Holding company Parijat Industries (India) Private Limited) and 6% BENS AGROSTAR CO LTD

	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	9,122.71	7,135.40
Outside India	595.97	998.42
	<b>9,718.68</b>	<b>8,133.82</b>

**26.3 Related party transactions**

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

(A) Names of related parties and description of relationship :

(i) Related parties where control exists

Parijat Industries (India) Private Limited - Holding Company

(B) Names of related parties with whom transactions have taken place during the year :

ii) Key Management Personnel

Mr. Anil Kumar Sachdeva, Director  
 Mr. Uday Raj Anand, Director  
 Mr. Raj Deep Bhatia, Director  
 Mr. Shivraj Anand, Director

iii) Enterprises in which Key Managerial Personnel and relatives have significant influence:

Belin International Limited  
 Parijat Tanzania Limited  
 Crimsun Organics Private Limited

iv) Relatives of Key Management Personnel/Director

Miss. Sanya Anand  
 Mr. Viraj Anand



*(This space has been intentionally left blank)*

(C) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

S.No.	Particulars	Relative of KMP		Holding Company (Rupees)		Associate Enterprises		Total	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
<b>C1) Transactions during the year</b>									
<b>1 Sales of Products</b>								0.05	-
Crimsun Organics Private Limited	-	-	-	-	-	-	-	-	0.05
Parijat Industries ( India ) Pvt Ltd	-	-	9,122.71	7,143.84				9,122.71	7,143.84
<b>2 Purchase of Products</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	3,364.65	3,909.27	-	-	-	3,364.65	3,909.27
<b>3 Rent Expenses</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	0.36	0.36	-	-	-	0.36	0.36
<b>4 Rental Income</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	-	28.01	-	-	-	-	28.01
<b>5 Loan received from related Party</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	-	305.00	-	-	-	-	305.00
<b>6 Loan refund to Related Parties</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	112.00	-	-	-	-	112.00	-
<b>7 Salary Expenses</b>									
Sanaya Anand	23.78	23.78	-	-	-	-	-	23.78	23.78
Viraj Anand	23.78	23.78	-	-	-	-	-	23.78	23.78
<b>10 Interest given on Unsecured Loans</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	0.81	13.33	-	-	-	0.81	13.33
<b>11 Job Work Income</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	74.75	11.66	-	-	-	74.75	11.66
<b>12 Fixed Assets Sold</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	48.87	2.72	-	-	-	48.87	2.72
<b>13 Fixed Assets Purchase</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	9.77	1.63	-	-	-	9.77	1.63
<b>14 Investment</b>									
Crimsun Organics Private Limited	-	-	-	-	-	-	-	0.02	-
<b>15 CSR Expenses</b>									
Anand Foundation	-	-	-	-	-	6.82	3.97	6.82	3.97
<b>16 Job Work Charges</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	87.19	-	-	-	-	87.19	-
<b>17 Interest paid on CG</b>									
Parijat Industries ( India ) Pvt Ltd	-	-	10.92	7.50	-	-	-	10.92	7.50



(C) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

S.No.	Particulars	Relative of KMP		Holding Company (Rupees)		Associate Enterprises		Total	
		As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
<b>C2)</b>	<b>Outstanding balances at the year end</b>								
<b>1</b>	<b>Trade payable</b>								
	Parijat Industries ( India ) Pvt Ltd	-	-	11.80	236.69	-	-	11.80	236.69
	Belin International Ltd	-	-	-	-	19.19	18.92	19.19	18.92
<b>2</b>	<b>Advance from Customer</b>								
	Parijat Industries ( India ) Pvt Ltd	-	-	-	714.95	-	-	-	714.95
<b>3</b>	<b>Advance to Supplier</b>								
	Crimsun Organics Private Limited	-	-	-	-	-	13.56	-	13.56
<b>4</b>	<b>Trade Receivable</b>								
	Crimsun Organics Private Limited	-	-	-	-	-	430.92	-	430.92
	Parijat Industries ( India ) Pvt Ltd	-	-	2,511.89	-	-	-	2,511.89	-
<b>5</b>	<b>Unsecured Loans</b>								
	Parijat Industries ( India ) Pvt Ltd	-	-	-	112.00	-	-	-	112.00
<b>6</b>	<b>Payable for Fixed Assets</b>								
	Crimsun Organics Private Limited	-	-	-	-	-	-	-	-
<b>7</b>	<b>Interest payable on Unsecured Loan</b>								
	Parijat Industries ( India ) Pvt Ltd	-	-	-	2.73	-	-	-	2.73



#### 26.4 Corporate Social Responsibility

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

##### Details of CSR Expenditure:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Anand foundation	6.82	3.97
Others	0.00	2.02
<b>Total amount recognised in the statement of profit and loss account</b>	<b>6.82</b>	<b>5.99</b>
Less: excess amount spent during the year to be carry forward to next financial year	0.02	-0.02
<b>Net amount</b>	<b>6.84</b>	<b>5.97</b>
Amount required to be spent as per Section 135 of the Act	6.82	5.97
Amount approved by the Board to be spent during the year	6.82	5.97
Amount spent during the year ended on:	6.82	0.00
(i) Construction/ acquisition of assets	0.00	5.99
(ii) On purpose other than above	<b>6.82</b>	<b>5.99</b>
<b>Total amount spent</b>	<b>6.82</b>	<b>0.02</b>
Amount spent carried forward to next year	-	-
c) Unspent of last year	-	-
<b>Amount yet to be spent</b>	<b>0.02</b>	<b>0.02</b>
<b>Total</b>	<b>0.02</b>	<b>0.02</b>
Less: excess amount spent during the year to be carry forward to next financial year	-	-
<b>Net amount</b>	<b>0.02</b>	<b>0.02</b>

##### Details of ongoing project and other than ongoing project

In case of S. 135(6) (Ongoing Project)					
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With company
-	-	6.82	6.82	-	-

In case of S. 135(5) (Other than ongoing project)					
Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With company
-	-	0.00	0.00	-	-

#### 26.5 Fair value measurements

Set out below, is a comparison by class of the carrying amounts

Financial instruments by category	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Financial assets at fair value through amortized cost</b>				
Trade receivables	2,856.00	2,292.77	2,856.00	2,292.77
Cash and cash equivalents	25.06	59.96	25.06	59.96
Bank balances other than above	187.92	81.07	187.92	81.07
Loans (current and non-current)	5.86	2.63	5.86	2.63
Other financial assets (current and non-current)	8.50	14.07	8.50	14.07
Investment (non current)	0.40	0.40	0.40	0.40
<b>Financial assets at fair value through profit and loss</b>				
Derivative instrument - foreign currency forward contract	-	5.48	-	-
	<b>3,083.74</b>	<b>2,456.38</b>	<b>3,083.74</b>	<b>2,450.91</b>
<b>Financial liabilities at fair value through amortized cost</b>				
Borrowing (current and non-current)	0.67	165.20	0.67	165.20
Trade payables	4,647.76	3,521.43	4,647.76	3,521.43
Other financial liabilities	5.82	0.02	5.82	0.02
<b>Financial liabilities at fair value through profit and loss</b>				
Derivative instrument - foreign currency forward contract	-	0.00	-	-
	<b>4,654.25</b>	<b>3,686.65</b>	<b>4,654.25</b>	<b>3,686.65</b>

The management assessed that the fair value of cash and cash equivalents, other bank balances, trade receivables, other current financial assets, trade payables, short-term borrowings and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

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

- 1) The fair value of financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. These unobservable inputs are estimated by management and management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- 2) Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 3) The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2024, are as shown below:

##### Fair value hierarchy

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

**Level 1:** quoted (unadjusted) prices in active markets for identical assets or liabilities

**Level 2:** other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

**Level 3:** techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data



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

**Assets carried at amortized cost for which fair value are disclosed**

Trade receivables  
 Cash and cash equivalents  
 Bank balances other than above  
 Loans (current and non-current)  
 Other financial assets (current and non-current)  
 Investment (non current)  
 Derivative instrument - foreign currency forward contract

**Liabilities carried at amortized cost for which fair value are disclosed**

Borrowing (current and non-current)  
 Trade payables  
 Other financial liabilities  
 Financial instruments by category  
 Derivative instrument - foreign currency forward contract

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

**Assets carried at amortized cost for which fair value are disclosed**

Trade receivables  
 Cash and cash equivalents  
 Bank balances other than above  
 Loans (current and non-current)  
 Other financial assets (current and non-current)  
 Investment (non current)  
 Derivative instrument - foreign currency forward contract

**Liabilities carried at amortized cost for which fair value are disclosed**

Borrowing (current and non-current)  
 Trade payables  
 Other financial liabilities  
 Financial instruments by category  
 Derivative instrument - foreign currency forward contract

	Carrying Value (Rs. in Lakhs)			
	March 31, 2024	Level 1	Level 2	Level 3
Trade receivables	2,856.00	-	-	2,856.00
Cash and cash equivalents	25.06	-	-	25.06
Bank balances other than above	187.92	-	-	187.92
Loans (current and non-current)	5.86	-	-	5.86
Other financial assets (current and non-current)	8.50	-	-	8.50
Investment (non current)	0.40	-	-	0.40
Derivative instrument - foreign currency forward contract	-	-	-	-
<b>3,083.74</b>	<b>-</b>	<b>-</b>	<b>3,083.74</b>	
<b>Liabilities carried at amortized cost for which fair value are disclosed</b>	<b>0.67</b>	<b>-</b>	<b>-</b>	<b>0.67</b>
Borrowing (current and non-current)	4,647.76	-	-	4,647.76
Trade payables	5.82	-	-	5.82
Other financial liabilities	-	-	-	-
Financial instruments by category	-	-	-	-
Derivative instrument - foreign currency forward contract	-	-	-	-
<b>4,654.25</b>	<b>-</b>	<b>-</b>	<b>4,654.25</b>	

	Carrying Value (Rs. in Lakhs)			
	March 31, 2023	Level 1	Level 2	Level 3
Trade receivables	2,292.77	-	-	2,292.77
Cash and cash equivalents	59.96	-	-	59.96
Bank balances other than above	81.07	-	-	81.07
Loans (current and non-current)	2.63	-	-	2.63
Other financial assets (current and non-current)	14.07	-	-	14.07
Investment (non current)	0.40	-	-	0.40
Derivative instrument - foreign currency forward contract	5.48	-	-	5.48
<b>2,456.38</b>	<b>-</b>	<b>-</b>	<b>2,456.38</b>	
<b>Liabilities carried at amortized cost for which fair value are disclosed</b>	<b>165.20</b>	<b>-</b>	<b>-</b>	<b>165.20</b>
Borrowing (current and non-current)	3,521.43	-	-	3,521.43
Trade payables	0.02	-	-	0.02
Other financial liabilities	0.00	-	-	0.00
Financial instruments by category	-	-	-	-
Derivative instrument - foreign currency forward contract	-	-	-	-
<b>3,686.65</b>	<b>-</b>	<b>-</b>	<b>3,686.65</b>	



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#### 26.6 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations. The company also holds investments in subsidiaries and joint ventures.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective. The management assesses the recoverability of its assets, maturity of its liabilities to factor it in cash flow forecast to ensure there is enough liquidity in these situations through internal and external source of funds.

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

##### (a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at the date of financial statements. The analysis exclude the impact of movements in market variables on: the carrying values of assets and liabilities. The analysis for the contingent liability is provided in note 25. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as at the date of financial statements.

##### (i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure or a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises from future commercial transactions and recognised in assets and liabilities denominated in foreign currency that is not Company's functional currency. (i.e. INR). The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency).

##### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and other exchange rates, with all other variables held constant. The impact on the Company profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. The details of forward currency forward contracts outstanding and foreign currency exposure as at year end along with the sensitivity analysis of 1% are as under:

The year-end foreign exposures is as follows:	Currency	As on March 31, 2024 (Amount FCY)	As on March 31, 2024 (Amount in Rs.lakhs)	Gain/ (loss)	
				Impact on profit before tax and equity 1% increase	1% decrease
<b>Outstanding forward exchange contracts entered into by the Company</b>					
Sale of foreign currency	USD	-	-	-	-
Buy of foreign currency	USD	-	-	-	-
<b>The year-end foreign exposures is as follows:</b>					
<b>Receivables</b>					
Trade Receivable	USD	3.69	307.46	3.07	(3.07)
	RUB	14.51	13.03	0.13	(0.13)
<b>Payables</b>					
Trade Payable	USD	21.28	1,773.28	(17.73)	17.73
Commission Payable- (Foreign USD)	USD	2.97	247.85	(2.48)	2.48

The year-end foreign exposures is as follows:	Currency	As on March 31, 2023 (Amount FCY)	As on March 31, 2023 (Amount in Rs. lakhs)	Gain/ (loss)	
				Impact on profit before tax and equity 1% increase	1% decrease
<b>Outstanding forward exchange contracts entered into by the Company</b>					
Sale of foreign currency	USD	33.51	2,785.00	(27.85)	27.85
Buy of foreign currency	USD	9.21	759.90	(7.60)	7.60
<b>The year-end foreign exposures is as follows:</b>					
<b>Receivables</b>					
Trade Receivable	USD	21.74	1,785.80	17.86	(17.86)
<b>Payables</b>					
Trade Payable	USD	15.55	1,277.46	(12.77)	12.77
Commission Payable- (Foreign USD)	USD	2.97	244.34	(2.44)	2.44

##### Note:

Figures in bracket represents loss.

##### (ii) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings at floating interest rates. The Company's borrowings outstanding also comprise of fixed rate loan (term loan taken by the company) and accordingly is exposed to risk of fluctuation in market interest rate.

##### Interest rate Sensitivity of Borrowings

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

	As at March 31, 2024		As at March 31, 2023	
	Increase/ decrease in basis points	Impact on profit before tax (loss)/gain)	Increase/ decrease in basis points	Impact on profit before tax (loss)/gain)
Borrowings (Rs.)	+50 -50	(0.00) 0.00	+50 -50	(0.83) 0.83



**(iii) Commodity Price Risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacturing and trading of agrochemical products and therefore require a continuous supply of technical chemicals, solvents, emulsifiers, packing material etc., being the major input used in the manufacturing and trading. Due to Covid-19 and international environmental regulations, the prices of the technical chemicals used as input witnessed volatility in the markets and also might lead to a situation of increase in lead time to procure the goods. The Company has entered into various purchase contracts for these material for which there is an active market. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation through its procurement and production strategy. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material based on average price.

**(b) Credit Risk**

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk principally from its operating activities (primarily trade receivables) and also from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

**(i) Trade Receivables**

Customer credit risk is managed by each customer segment department subject to the Company's established policy, procedures and control relating to customer credit risk management (including credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which company grants credit term in normal course of business). Credit quality of a customer is assessed by the Company on various parameters by its credit control department. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions to secure the risk of default by the customers. 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.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets, as per the management estimate no impairment provided during the year.

**(ii) Financial instruments and cash deposits**

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 deposits with banks, are past due or impaired. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds if any are made in bank deposits. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company is also exposed to credit risk in relation to loans and financial guarantees given to/ on behalf of subsidiaries. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 is the carrying amounts. The Company's maximum exposure relating to financial assets is noted in liquidity table below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

	As at March 31, 2024	As at March 31, 2023
<b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b>		
Cash and cash equivalents	25.06	59.96
Bank balances other than above	187.92	81.07
Loans (current and non-current)	5.86	2.63
Other financial assets (current and non-current)	8.50	14.07
	<u>227.34</u>	<u>157.74</u>
<b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b>		
Trade receivables	2,856.00	2,292.77
	<u>2,856.00</u>	<u>2,292.77</u>

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

The ageing analysis of trade receivables has been considered from the date the invoice falls due after considering the allowance for expected credit loss is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Neither past due nor impaired	37.32	1,623.40
0 to 180 days due past due date	2,576.88	0.09
More than 180 days past due date	241.80	669.27
<b>Total Trade Receivables</b>	<b>2,856.00</b>	<b>2,292.77</b>

The following table summarizes the change in impairment allowance measured using the life time expected credit loss model:

Particulars	As at March 31, 2024	As at March 31, 2023
As at the beginning of year	-	-
Impairment allowance for expected credit loss for during the year	-	-
Reversal of Impairment during the year	-	-
<b>As at the end of year</b>	<b>-</b>	<b>-</b>

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of working capital and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual maturities:

As at March 31, 2024	Less than 1 year	More than 1 year	Total
	4,402.87	244.89	4,647.76
Borrowings	5.82	-	5.82
Trade payables	-	-	-
Other financial liabilities	0.02	-	0.02
As at March 31, 2023	Less than 1 year	More than 1 year	Total
	3,257.88	263.54	3,521.43
Borrowings	163.30	1.90	165.20
Trade payables	-	-	-
Other financial liabilities	0.02	-	0.02

**26.7 Capital Management**

For the purposes of the Company's capital management, capital includes equity capital, compulsory convertible preference shares, securities premium 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 its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximizes shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022. The Company's policy is to keep the gearing ratio to the minimum.

The Company monitors capital using gearing ratio, which is net debt (interest bearing borrowings less cash and cash equivalents) divided by total capital plus net debt which is summarised as below:

The Company monitors capital using gearing ratio, which is net debt (interest bearing borrowings less cash and cash equivalents) divided by total capital plus net debt which is summarised as below:



	As at March 31, 2024	As at March 31, 2023
<b>Particulars</b>		
Borrowings	0.67	165.20
Cash and cash equivalents	(25.06)	(59.96)
<b>Net Debt</b>	<b>(24.39)</b>	<b>105.24</b>
 Equity		
<b>Total Capital</b>	<b>1,586.11</b>	<b>1,380.13</b>
 Capital and net debt		
<b>Gearing ratio (Net Debt/ Capital and Net Debt)</b>	<b>1.561.72</b>	<b>1,485.37</b>
	<b>-1.56%</b>	<b>7.08%</b>

26.8 Earnings per share (EPS)

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>a) Basic Earnings per share</b>		
Numerator for earnings per share	203.23	191.45
Profit after taxation	203.23	191.45
Net profit for calculation of basic EPS		
Denominator for earnings per share	(Nos.)	10,000
Weighted number of equity shares outstanding during the year	Rs.	10,000
<b>Earnings per share-Basic (one equity share of Re. 10 each)</b>	<b>2,032.29</b>	<b>1,914.54</b>
 <b>b) Diluted Earnings per share</b>		
Numerator for earnings per share	203.23	191.45
Profit after taxation	203.23	191.45
Denominator for earnings per share	(Nos.)	10,000
Weighted number of equity shares outstanding during the year	Rs.	10,000
<b>Earnings per share- Diluted (one equity share of Re. 10 each)</b>	<b>2,032.29</b>	<b>1,914.54</b>



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26.09 Ratio Analysis and its elements

S.No	Ratio	Numerator	Denominator	March 31, 2024	March 31, 2023	% change	Reason for variance
1	Current Ratio	Current Assets	Current Liabilities	1.01	1.01	1%	
2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.00	0.12	12%	
3	Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	(1.72)	(0.46)	126%	Note.1
4	Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.13	0.14	1%	
5	Inventory Turnover ratio	Cost of goods sold	Average Inventory	6.57	6.55	2%	
6	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	4.06	3.86	20%	
7	Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.48	2.76	28%	Note.2
8	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	395	173.87	22074%	Note.3
9	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.03	0.03	0%	
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.27	0.23	4%	
11	Return on Investment	Income on Investment	Investment				Note.4

Note:

- During the year the has completely repaid outstanding borrowing of the Holding company and working capital term loan of the HDFC Bank out of its internal accrual, this has resulted in the improvement in the Debt coverage ratio.
- The company trade payable increased during the year as compared to the previous year, this has resulted in the downfall in the trade payable turnover ratio in the current year as compared to the previous year.
- The company turnover increased during the year as compared to the previous year and working capital ratio deteriorate during the year as compared to the previous year this has resulted in to improvement in the net capital turnover ratio.
- The company has no numerator, accordingly ratio not calculated.

Other Statutory Information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company do not have any transactions with companies struck off.
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the 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
- The company has filed quarterly statement of stock and debtors with the Banks, there is no material discrepancies in the statement filed with the books of accounts.



Leeds Life Science Private Limited  
Financial statements for the year ended March 31, 2024  
(All amounts in Rs. in Lakhs unless otherwise stated)

27.00 Notes 1-27 forms an integral of these financial statements

As per our report of even date  
For V.K. THAPAR & COMPANY  
Chartered Accountants  
Firm Registration No. 181N

Mr. SACHCHIDA NAND JHA & CO. B.C.O.  
Partner  
Membership No.: 018281  
★ NEW DELHI ★  
CHARTERED ACCOUNTANTS

Place : New Delhi

Date : August 06, 2024

For and on behalf of the Board of Directors of  
Leeds Life Sciences Private Limited

UDAY RAJ ANAND  
DIRECTOR  
DIN:06432765

Place : New Delhi  
Date : August 06, 2024

ANIL KUMAR SACHDEVA  
DIRECTOR  
DIN:01830642

Place : New Delhi  
Date : August 06, 2024

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