

Bilcare
Research

Caprihans
India Limited

77th Annual Report 2022-2023

Progress with a Smile





Vision

Transforming Health Outcomes,
Touching Lives



Values

Speed

Proactive and swift action are our mantras

Innovation

Our constant approach at all levels
is to seek better ways of listening,
thinking and doing - making our offerings
meaningful and impactful

Happiness

We are motivated by our customers' success
and happiness of our stakeholders



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Group Founder's Address

Dear Shareholders,

The global pharmaceutical industry has proven its capabilities once again, this time to handle the disastrous Covid pandemic. Post covid, the uncertain world has come to normalcy.

We at Caprihans are grateful to be playing our part in supporting this sector by serving with our innovative packaging solutions to pharma worldwide.

During the year, we acquired the pharma packaging division of our parent Bilcare to bring synergistic growth with complementary product lines. With two sites as a unified force, we look forward to offering one-stop-shop and end-to-end packaging solutions for all your solid dosage requirements with a product range from PVC, PVdC to Aluminum based cold form foil, lid foil, high barrier & ultra-high barrier laminates including Aclar. Along with acquisition of the business division, Caprihans has also adapted the Quality Management System (QMS), Product specifications (with Bilcare brand), Manufacturing processes etc. of Bilcare. Our team continues to deliver zero defects and timely services to all the pharma customers. Our innovation culture continues to thrive as before. The revenue of the Company is now Rs. 947 crores against Rs. 397 crores in the previous year and EBITDA are now Rs. 71 crores against Rs. 27 crores in the previous year.

On the global front, we have penetrated further into the emerging pharma markets in the MENA region, South America and Southeast Asia and we are seeing positive traction in Europe & the US as well. This sector is extremely regulated and requires a high standard of quality audits. With over 50 years of manufacturing excellence, your Company is well poised to serve the large addressable market of over \$3 bn.

Our focus continues to be research driven, patient centric innovations addressing patient convenience, brand communication, child protective blisters, anti-counterfeit solutions and dosage adherence designs. These comprehensive

offerings supplemented by medicine formulation understanding make our Company unique.

People have always been the strength of the Company and the challenging times we faced during the last few years have demonstrated the team spirit & the culture to lead the future of your Company.

With this, I conclude by humbly thanking you all for your continued support and trust in leading the Group and building Shareholder value.



Mohan H Bhandari

Group Founder

Corporate Information

BOARD OF DIRECTORS *

Mrs. Ankita J. Kariya	Chairperson & Managing Director
Mr. Siddharth S Shetye	Independent Director
Mr. Nitin K Joshi	Independent Director
Mr. Sudhir Pendse	Independent Director
Mr. Avinash Joshi	Independent Director
Mr. Somenath Mukherjee	Executive Director

CFO & COMPANY SECRETARY

Mr. Pritam Paul

CONSORTIUM BANKERS

The Cosmos Co- Operative Bank Ltd.
The Maharashtra State Co-Operative Bank Ltd.
Janata Sahakari Bank Ltd., Pune
The Vishweshwar Sahakari Bank Ltd., Pune

OTHERS BANKERS

Bank of Maharashtra
HDFC Bank Ltd.

STATUTORY AUDITORS

Batliboi & Purohit
Chartered Accountants

SECRETARIAL AUDITORS

DVD & Associates
Companies Secretaries

COST AUDITORS

Dhananjay V Joshi & Associates
Cost Accountants

INTERNAL AUDITORS

P G Bhagwat LLP,
Chartered Accounts

REGISTERED OFFICE

Block-D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
Tel. : 2497 8660, 2497 8661
Email : cil@caprihansindia.com
Web : www.caprihansindia.com
CIN : L29150MH1946PLC004877

FACTORIES

- 1028 Shirol, Rajgurunagar, Pune 410 505, Maharashtra.
- Plot Nos. 76/77, MIDC Industrial Estate, Trimbak Road, Satpur, Nasik 422 007, Maharashtra.
- Plot Nos. C-13/16, Road No. 16/T, Wagle Industrial Estate, Thane 400 604, Maharashtra.

*As on August 31, 2023

Director's Report

To THE MEMBERS

Your Directors present their 77th (Seventy Seventh) Annual Report on the business and operations of the Company together with the audited accounts for the financial year ended March 31, 2023.

FINANCIAL RESULTS:

(Rs. in Lacs)

Particulars	Financial Year 2022-23	Restated Financial Year 2021-22
Revenue from Operation	93643	79831
Other Income	1118	1054
Total Income	94761	80885
Total Expenses	96911	84258
Profit before finance cost, depreciation and tax	19815	6894
Finance cost	5953	6860
Depreciation	3329	3407
Profit before tax	10533	(3373)
Tax expense	3357	584.62
Profit after tax	7176	(3957)

DIVIDEND:

Considering the current business situation and future growth plans, your Board of Directors decided to conserve financial resources and therefore, did not recommended any dividend for financial year 2022-23.

FINANCIAL PERFORMANCE:

During the year, the Company acquired PPI (Pharma Packaging Innovations) division of Bilcare Limited by way of Slump Sale w.e.f. March 27, 2023. The Financials of the Company included the results of the said PPI division for the current year and previous year (restated wherever necessary).

On a consolidated basis (i.e. after acquisition of PPI division), Company's turnover for the year stood at Rs 94761 lacs as compared to Rs. 80885 lacs in the previous year. The Company earned a profit before tax of Rs. 10533 lacs as compared to Rs. 3373 lacs (loss) in the previous year.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;
- Appropriate accounting policies have been selected and applied consistently. The accounting estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and of the Profit of the Company for the year ended March 31, 2023.
- Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud.
- The annual accounts have been prepared on a going concern basis.
- The Company has laid down internal financial controls to be followed and that such financial controls are adequate and effective; and
- The Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following changes have been made to the composition of Board of Directors of the Company during the year :

There was change in responsibilities of Mr. Robin Banerjee, who resigned and ceased to be the Managing Director w.e.f. October 19, 2022.

Ms. Ankita J. Kariya was appointed as the Chairperson & Managing Director of the Company for a period of Five (5) year starting from October 19, 2022 till October 18, 2027, which was subsequently approved by the Shareholders at the Extra-Ordinary General Meeting (EOGM) held on March 27, 2023.

Mr. Tanuj Kumar Lodha, Non-Executive Independent Director was appointed w.e.f. May 03, 2022 and subsequently resigned and ceased to be Director w.e.f. December 28, 2022 due to prior engagement and continuous travel. There is no other material reason for his resignation other than those provided above.

Mr. Shreyans Bhandari, Non-Executive and Non-Independent Director was appointed w.e.f. October 19, 2022 and subsequently resigned and ceased to be Director w.e.f. March 17, 2022 due to pre-occupation. There is no other material reason for his resignation other than those provided above.

Mr. Sudhir Pendse, Non-Executive Independent Director was appointed w.e.f. December 12, 2022.

As a consequence of sale of Shares by erstwhile Promoter Group (Kalpaturu Group), the nominated Non-Executives Non-Independent Director(s) namely Mr. Narendra Lodha and Mr. Chandrashekhar Joglekar resigned and ceased to be Directors w.e.f. December 28, 2022. There is no other material reason for their resignation other than those provided above.

Mr. Bhoumick Vaidya, Non- Executive Independent Director resigned and ceased to be Director w.e.f. March 31, 2023 due to personal and unavoidable circumstances as he was not in a position to devote his time to the affairs of the Company. There is no other material reason for his resignation other than those provided above.

Re-appointment of a Director liable to retire by rotation:

In terms of Section 152 of the Companies Act, 2013, Ms. Ankita J Kariya, Director is liable to retire by rotation at the ensuing Annual General Meeting and offer herself for re-appointment.

Changes in Board Composition after the Balance Sheet date

Mr. Somenath Mukherjee was appointed as Whole Time Director of the Company and designated as Executive Director for a term of 5 (Five) years with effect from May 29, 2023 and upto May 28, 2028. On August 27, 2023, the Shareholders of the Company, by way of a special resolution passed through postal ballot, approved the appointment of Mr. Somenath Mukherjee as an Executive Director for the above-mentioned tenure.

Mr. Avinash Joshi (DIN: 05320116) was appointed as an Independent Director of the Company for a term of 5 (Five) years with effect from June 12, 2023 and upto June 11, 2028 on the recommendation of the Nomination & Remuneration Committee ('NRC') and the Board of Directors. The Shareholders of the Company on August 27, 2023 by way of a special resolution passed through postal ballot, approved the

appointment of Mr. Avinash Joshi as an Independent Director of the Company for the above-mentioned tenure.

Independent Director(s) Declaration:

The Independent Directors have submitted their "Declaration of Independence", as required pursuant to Section 149 (7) of the Companies Act, 2013, and Listing Regulations, stating that they meet the criteria of independence as provided therein.

EVALUATION OF THE BOARD'S PERFORMANCE:

Pursuant to the provisions of Section 134(3), Section 149(8) and Schedule IV of the Act read with Listing Regulations, the performance evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, a separate meeting of the Independent Directors was held on February 07, 2023 without the attendance of Non-Independent Directors and Company executives. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views.

CONSERVATION OF ENERGY:

Details relating to the Conservation of Energy and Technology absorption and foreign exchange earnings and outgoings as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in **Annexure I** forming part of the Directors' Report.

CORPORATE GOVERNANCE:

In terms of Listing Regulations and Companies Act, 2013, a report on the Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance and Management Discussion and Analysis Report are given in **Annexure II and III** respectively, to this report.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In line with company's CSR policy, the company has continued helping in educating the under-privileged and economically challenged children. Keeping this in mind, the company initiated to upgrade facilities and enhance the quality of education / training of identified educational institutions. Accordingly, the company is involved with three educational institutions through direct participation in their upliftment as under:

- i. Dharmveer Anand Dighe Jidd Special School at Thane (Special School for Specially abled Children) and
- ii. Daang Seva Mandal Ashram School at Nasik (boarding and day-scholar school for adivasis and the under privileged children).

The Annual Report on CSR activities is given in **Annexure IV** to this report.

INTERNAL FINANCIAL CONTROL:

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

VIGIL MECHANISM:

Under the vigil mechanism of the Company, by way of a whistle blower Policy, protected disclosure can be made by a whistle blower to the Managing Director. The Whistle Blower Policy may be accessed on the Company's website at the link: <http://www.caprihansindia.com/corporate-policy>

SEXUAL HARASSMENT MECHANISM:

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace and formed a committee to address the complaints in this regard.

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

During the financial year 2022-23, no complaints were received in this regard.

AUDITORS AND AUDITORS REPORT:

STATUTORY AUDITOR:

At the Seventy-fourth Annual General Meeting (AGM) held on September 30, 2020, M/s. Batliboi & Purohit, Chartered Accountants (Firm Reg.No 101048W), were appointed as the Statutory Auditors of the Company to hold office for five years, from the conclusion of the Seventy-fourth AGM until the conclusion of Seventy-ninth AGM of the Company to be held in the year 2025.

COST AUDITOR:

At the Seventy Sixth Annual General Meeting (AGM) held on August 10, 2022, M/S. Dhananjay V Joshi & Associates, Cost

Accountants (Firm Reg. No 000030), were appointed as Cost Auditors of the Company, for conducting the audit of cost records of the Company for the financial year 2022-23.

SECRETARIAL AUDITOR:

The Board had appointed M/s DVD & Associates, Practising Company Secretaries, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2022-23.

The Report of the Secretarial Auditor pursuant to Section 204(1) of the Companies Act, 2013 and the rules made thereunder is given in **Annexure VI** to this report.

DISCLOSURES:

a. AUDIT COMMITTEE:

All the recommendations made by the Audit Committee were accepted by the Board.

b. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

In terms of the provisions of Section 197(12) of the Companies Act (herein referred as Act), read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of the Annual Report.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 also forms part of the Annual Report.

However, as per the provisions of Section 136(1) of Act, the Report and Accounts are being sent to the Members, excluding the aforesaid information. Any member interested in obtaining such particulars may inspect the same at the Registered Office of the Company.

c. EXTRACT OF ANNUAL RETURN:

Draft Annual Return in form MGT 7 has been uploaded on the website of the Company i.e. www.caprihansindia.com

d. NUMBER OF BOARD MEETINGS:

The Board of Directors met 10 (Ten) times during the year 2022-23. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

e. RELATED PARTY TRANSACTIONS:

The Related party transactions not in the ordinary course of business are reported in Form AOC-2 as required under provisions of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in **Annexure V** to this report.

The related party transaction policy is available on the Company's website at the link: <http://www.caprihansindia.com/corporatepolicy>

The disclosure relating to the transaction with related parties are mentioned in Note No. 33 to the notes on financial statement.

f. PARTICULARS OF LOAN GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

Particulars of loan given are provided in the Note No 6, 7 & 16A to the notes on financial statements.

INDUSTRIAL RELATIONS:

The industrial relations remained cordial during the year.

ACKNOWLEDGEMENT:

The Board wishes to place on record its appreciation of the services rendered by the employees of the Company. The Board also wishes to thank the Bankers for their continued co-operation and assistance extended by them.

On behalf of the Board of Directors

Ankita J. Kariya
Chairperson & Managing Director
Place: Mumbai

Siddharth S. Shetye
Director
Place: Mumbai

Dated: August 31, 2023

Annexure I to the Directors' Report

A. CONSERVATION OF ENERGY

i. Steps taken for conservation of Energy:

- Continuous monitoring of power factors as per new rule.
- Installation of energy efficient lighting system.
- Periodical replacement of old pumps with latest generation energy efficient pumps.
- Regular maintenance of insulation of Steam and hot water pipes.
- Regular servicing of heating valves, heat exchangers and steam traps to eliminate heating wastage leading to energy costs savings.
- Need based replacement of belt driven exhaust fan with direct driven exhaust fan for power saving.

ii. Steps taken by the Company for utilizing alternate source of energy:

- Started use of LDO (Light Diesel Oil) replacing FO (Furnace Oil).
- Implementation of Solar Plant unit at Nashik and Thane are under active evaluation.

iii. The Capital investment on energy conservation equipment

- Evaluation of new generation machines for better quality and energy saving.
- Replacement of DC motor by energy efficient AC motors.

B. TECHNOLOGY ABSORPTION

i. Major efforts made towards technology absorption:

- Established ISO 15378:2017 bringing better systems and processes, improved quality in all production lines, which is in line with customer expectations.
- Established ISO 14001:2015 bringing better systems and processes, improved utilization of natural resources.

- Established ISO 45001:2018 bringing better occupational health and safety (OH&S) management system, leading to prevention of work-related injury and ill health, as well as by proactively improving its OH&S performance.
- Continuous focus on developing alternate raw-materials from global sources, impacting product quality, market competitiveness and cost effectiveness.

ii. The benefit derived like product improvement, cost reduction, product development or import substitution:

- Various Cost reduction initiatives by sourcing low cost alternate raw materials from India and abroad.
- Achieved better quality and higher line efficiency.
- Cost effective finished products.

iii. Information regarding imported technology: NIL (Imported during last three years)

iv. Expenditure incurred on Research and Development (R&D)

The Current recognition of Company's In-house R&D unit(s) from Department of Scientific & Industrial Research (DSIR), Government of India for both factories viz. Nashik & Thane is valid upto 31-03-2025.

Both the R&D units continuously focus on developing new products as per customer needs while trying to optimizing cost, enhanced product quality & deliverables as per customer satisfaction. The Company has taken the following initiatives regarding development of new products which includes-

- Anti-static rigid PVC film for electronics and other applications, which is sensitive with static charge generation.
- New design rollers in flexible PVC film segment especially for sheeting and rainwear applications.
- Various import substituted products in flexible PVC films as detailed below:
 - ▶ UV stabilised with low gloss and matt surface finish auto-grade films.
 - ▶ UV stabilised film complying REACH and RoHS standards.

- ▶ Antistatic PVC film for pharma and medical packaging application.
- ▶ Development of customer specific special films.

Following are the details of expenditure incurred on R&D for the financial year ended March 31, 2023

		Year ended 31.03.2023			
		Rs. in lacs			
	Head of expenditure	Thane	Nasik	Pune	Total
(a)	Capital	0.34	0.81	11.03	12.18
(b)	Recurring	20.64	53.87	95.31	169.82
	Total	20.98	54.68	106.34	182.00

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating : The CIF value of to Exports exports of goods during the year amounted to Rs. 17261 Lakhs.
2. Total foreign exchange :
 - (a) Used
 - (i) CIF Value of Imports – Rs. 34162 lakhs.
 - (ii) Expenditure in foreign currency- 417 lakhs
 - (b) Earned : FOB value of exports – Rs. 16301 lakhs.

Annexure II to the Directors' Report - Corporate Governance

Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance envisages the attainment of high level of transparency and accountability across all facets of its operations and in all its interactions with its stakeholders, including shareholders, employees, customers, suppliers and statutory authorities.

Board of Directors

(a) Composition:

The composition of the Board as on March 31, 2023 is as follows:

Name and Designation of the Director	Category	Particulars of Attendance		* No of Directorship and Committee Membership / Chairmanship (Other than Caprihans India Limited)		
		Board Meeting	Last AGM	Other Directorship	** Other Committee Membership	** Committee Chairmanship
Mrs. Ankita J. Kariya (Managing Director) (w.e.f October 19, 2022)	Promoter Chairperson Executive & Managing Director	10	Yes	–	–	–
Mr. Robin Banerjee (Upto October 19, 2022)	Managing Director	5	Yes	2	4	–
Mr. Bhoumick S Vaidya (Upto March 31, 2023)	Independent Non-Executive	7	No	–	–	–
Mr. Siddharth S Shetye	Independent Non-Executive	10	Yes	–	–	–
Mr. Nitin K Joshi	Independent Non-Executive	10	No	–	–	–
Mr. Sudhir Pendse (w.e.f. December 28, 2022)	Independent Non-Executive	6	No	–	–	–
Mr. Chandrashekhar Joglekar (Upto December 28, 2022)	Non- Independent Non-Executive	2	No	–	–	–
Mr. Narendra Lodha (Upto December 28, 2022)	Non-Independent Non-Executive	5	Yes	4	–	–
Mr. Tanuj Kumar Lodha (Upto December 28, 2022)	Independent Non-Executive	5	Yes	–	–	–
Mr. Shreyans Bhandari (from October 19, 2022 to March 17, 2023)	Non-Independent Non-Executive	3	No	1	2	–

Note

* Directorships in private companies, foreign companies and associations are excluded.

** Represent Membership/Chairmanship of Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee only.

(b) Profile of Directors:

A brief profile of Directors seeking re-appointment is given in Annexure IIA to this report.

(c) Number of Board Meetings, attendance at Board Meetings and previous Annual General Meeting:

During the year ended March 31, 2023, Ten (10) Board Meetings were held on April 27, 2022, May 12, 2022 & May 13, 2022 (Adjourned Meeting), August 05, 2022, September 08, 2022, October 19, 2022, November 08, 2022, December 28, 2022, February 07, 2023, March 04, 2023 and March 27, 2023.

Shareholding of Non-Executive Directors as on March 31, 2023 is as under:

Name of the Director	No of Shares
Mr. Bhoumick Vaidya (upto March 31, 2023)	-
Mr. Siddharth S Shetye	-
Mr. Nitin K Joshi	-
Mr. Sudhir Pendse (w.e.f. December 28, 2022)	-

(d) Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics for all the Board Members, and all the Senior Management employees of the Company. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company's website at the link:

<http://www.caprihansindia.com/corporatepolicy>

A declaration signed by Managing Director is published in this report.

(e) Meeting of Independent Directors and Declaration of Independence:

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, a separate meeting of the Independent Directors was held on February 07, 2023 without the attendance of non-independent Directors and company executives. The meeting was attended by Mr. Nitin K. Joshi and Mr. Siddharth S. Shetye. The Independent Directors discussed matters pertaining to the Company's affairs and functioning of the Board and presented their views.

Committees of the Board

A. Audit Committee:

Composition and Attendance at the meeting:

During the year ended March 31, 2023 6 (Six) Audit Committee meetings were held viz. May 12, 2022 & May 13, 2022 (Adjourned Meeting), August 05, 2022, November 08, 2022, December 28, 2022, February 07, 2023 and March 04, 2023.

The details of the Audit Committee are as under:

Name of the Director	Designation	Category	No of meetings Attended
Mr. Siddharth S Shetye	Chairman	Independent Non-Executive	6
Mr. Bhoumick S Vaidya (upto March 31, 2023)	Member	Independent Non-Executive	4
Mr. Narendra Lodha (Upto December 28, 2022)	Member	Non-Executive	1
Mr. Sudhir Pendse (w.e.f. December 28, 2022)	Member	Independent Non-Executive	2

The terms of reference, role and scope are in line with those prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Mr. Pritam Paul, the Company Secretary, acts as the Secretary to the Committee.

B. Nomination and Remuneration Committee:

Composition and Attendance at the meeting:

During the year ended March 31, 2023, 4 (Four) meetings were held viz. April 27, 2022, May 12, 2022, October 19, 2022 and December 28, 2022.

The details of the Nomination and Remuneration Committee are as under:

Name of the Director	Designation	Category	No. of meetings Attended
Mr. Nitin K Joshi	Chairman	Independent Non-Executive	4
Mr. Bhoumick S Vaidya (Upto March 31, 2023)	Member	Independent Non-Executive	3
Mr. Siddharth S Shetye (w.e.f. December 28, 2022)	Member	Independent Non-Executive	0
Mr. Narendra Lodha (Upto December 28, 2022)	Member	Non-Executive	1

The terms of reference, role and scope are in line with those prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees.

Remuneration to Non-Executive Directors:

All Non-Executive Directors shall be paid sitting fees for participation in the Board/Committee Meetings as approved by the Board of Directors within the limits prescribed under the Companies Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration of Managing Director & CEO:

At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes Nomination & Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under Companies Act.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Managing Director is broadly divided into fixed and variable component. The fixed compensation shall be salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of performance linked incentives based on the EBITDA and other parameters targets as set by the Board.

The Company decides revisions in the remuneration of the Managing Director from time to time, as it deems fit.

The details of remuneration of Ms. Ankita J. Kariya and Mr. Robin Banerjee, Managing Director during financial year 2022-23 is as under:

(Rs. in lakhs)

Sl. No	Particulars	Ms. Ankita J. Kariya (Held office from October 19, 2022)	Mr. Robin Banerjee (Held office upto October 19, 2022)
1	Gross Salary including perquisites	27.41	62.12
2	Company's contribution to Provident & Other Fund	2.00	4.58
3	Performance Linked Incentives [for F.Y. March 31, 2023]	0.00	40.00
	TOTAL	29.41	106.70

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall Company basis.

The Balance performance linked incentives pertaining to financial year 2019-20 amounting to Rs. 17.50 lakhs stands paid to Mr. Robin Banerjee by way of postdated cheques.

There is no performance linked incentives due to be paid to the Managing Director(s) for the financial year 2022-23.

The details of Directors sitting fees paid to Non-Executive Directors (during their tenure) for the period financial year 2022-23 are given below:

Name of the Director	Rs. in lakhs
Ms. Ankita J. Kariya	2.50
Mr. Bhoumick S. Vaidya	4.75
Mr. Siddharth S. Shetye	6.50
Mr. Nitin K. Joshi	5.50
Mr. Narendra S. Lodha	1.50
Mr. Chandrashekhar Joglekar	0.25
Mr. Tanuj Kumar Lodha	2.50
Mr. Shreyans Bhandari	3.25
Mr. Sudhir Pendse	2.25
TOTAL	31.25

Remuneration of Senior Management Employees:

The remuneration including annual increment and performance linked incentives are decided based on the

criticality of the roles and responsibilities, Company's performance vis-à-vis the annual budget achievement and individual performance.

The Managing Director carries out individual performance review based on KRA's and other appraisal parameters and after taking into account the appraisal score, recommends to Nomination and Remuneration Committee revision in remuneration, if any.

Based on recommendation of the Managing Director, Nomination and Remuneration Committee reviews any revision in remuneration in respect of following Senior Management Employees and recommend the same to the Board:

1. CFO & Company Secretary
2. All India Sales & Marketing Head
3. Plant Head(s)
4. Group R&D Head

The remuneration of above category employees is divided into two components viz., (i) fixed component comprising of salary, allowances, perquisites, amenities, and retirement benefits (ii) variable component comprising of performance based incentives and rewards.

C. Stakeholders Relationship Committee:

Composition and Attendance at the meeting:

During the year ended March 31, 2023 only one meeting was held i.e. on February 07, 2023. The details of the Committee are as under:

Name of the Director	Designation	Category	No. of meetings Attended
Mr. Bhoumick S Vaidya (Upto March 31, 2023)	Chairman	Independent Non-Executive	0
Mr. Robin Banerjee (Upto October 19, 2022)	Member	Executive	0
Mr. Tanuj Kumar Lodha (Upto December 28, 2022)	Member	Independent Non-Executive	0
Mr. Shreyans Bhandari (Upto March 17, 2023)	Member	Non-Independent Non-Executive	1
Mr. Sudhir Pendse (w.e.f. December 28, 2022)	Member	Independent Non-Executive	1

The Committee oversees redressal of shareholders and Investor grievances/ complaints. Mr. Pritam Paul, CFO & Company Secretary is the Compliance Officer of the Company.

The Company is prompt in attending to complaints/ queries from Shareholders/ Investors. The total number of complaints received and resolved during the period April 01, 2022 to March 31, 2023 are 2 (Two). The number of complaints received from SEBI and resolved is 1 (one). No transfer(s) were pending as on March 31, 2023.

D. CSR Committee:

During the year ended March 31, 2023 only one meeting was held i.e. on February 07, 2023. The details of the Committee are as under:

Name of the Director	Designation	Category	No. of meetings Attended
Mr. Bhoumick S Vaidya (Upto March 31, 2023)	Chairman	Independent Non-Executive	0
Mr. Robin Banerjee (Upto October 19, 2022)	Member	Executive	0
Mr. Tanuj Kumar Lodha (Upto December 28, 2022)	Member	Independent Non-Executive	0
Ms. Ankita J. Kariya (w.e.f. November 08, 2022)	Member	Non-Independent Executive	1
Mr. Siddharth S. Shetye (w.e.f. December 28, 2022)	Member	Independent Non-Executive	1

The CSR committee have formulated and recommended to the Board a Corporate Social Responsibility Policy (CSR Policy) indicating the list of activities to be undertaken by the Company and the same has been approved by the Board.

During the year, the Company carried out its CSR activities (including ongoing projects) at the following educational institutions: -

- (i) Daang Seva Mandal Ashram School at Nasik (boarding and day-scholar school for Adivasi and the under privileged children), and
- (ii) Dharmveer Anand Dighe Jidd Special School at Thane (special school for physically abled children).

General Body Meetings

The date and time of General Meetings held during the preceding three years, and the details of special resolution(s) passed thereat, are as follows:

Financial year	Date	Time	Venue	Special Resolutions passed
2022-23	March 27, 2023	10.30 a.m.	VC or OAVM*	<ul style="list-style-type: none"> • Special Resolution for approving the to borrow in excess of paid-up capital & free reserves. • Special Resolution for approving the to create Charge/Security under Section 180(1)(A) of the Companies Act, 2013 • Special Resolution for approving the Alteration of Object Clause in the Memorandum of Association of the Company. • Special Resolution for approving the Adoption of new set of Articles of Association of the Company • Special Resolution for approving the to Issue 21,30,00,000 0.1% Non-cumulative, Non-participating Redeemable Preference Shares (hereinafter referred as RPS) at an issue price of Rs. 10/- per share (Face Value Rs. 10 per share) on Preferential Basis • Special Resolution for approving the Reclassification of Promoters of the Company as Public Shareholders. • Special Resolution for approving the appointment of Ms. Ankita J. Kariya (DIN: 08292735), as the Managing Director, designated as Chairperson & Managing Director of the Company for a period of Five (5) years starting from October 19, 2022, till October 18, 2027 and payment of remuneration. • Special Resolution for approving the re-appointment of Mr. Shreyans Mohan Bhandari as Non-Executive Non-Independent Director of the Company liable to retire by rotation. (subsequently withdrawn vide addendum to EOGM Notice date March 04, 2023). • Special Resolution for approving the re-appointment of Mr. Sudhir Pendse as Non-Executive Independent Director of the Company for a period of five (5) years starting from December 28, 2022 to December 27, 2027.
2021-22	August 10, 2022	11.00 a.m.	VC or OAVM*	<ul style="list-style-type: none"> • Special Resolution for approving the re-appointment of Mr. Tanuj Kumar Lodha as Non-Executive Independent Director of the Company for a period of five (5) years starting from May 03, 2022 till May 02, 2027. • Special Resolution for approving the re-appointment of Mr. Robin Banerjee as Managing Director of the Company for a period of one (1) years starting from April 29, 2022 till April 28, 2023 and payment of remuneration to him for the said period.
2020-21	September 28, 2021	11.00 a.m.	VC or OAVM*	<ul style="list-style-type: none"> • Special Resolution for approving the re-appointment of Mr. Robin Banerjee as Managing Director of the Company for a period of one (1) years starting from April 29, 2021 till April 28, 2022 and payment of remuneration to him for the said period.
2019-20	September 30, 2020	1:00 p.m.	VC or OAVM*	<ul style="list-style-type: none"> • Insertion of new Object Clause in Memorandum of Association ("MOA") of the Company.

* Video Conferencing (VC) and Other Audio Visual Means (OAVM).

Disclosures

- Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large:-

The company has assigned its receivable of Rs.245.74 lacs (Outstanding since 2005) from disposal of assets of the activities identified as non-core (referred to as Non-Core Assets) of the company to M/s Durable Stationery Pvt. Ltd. at a consideration of Rs.63.98 lacs due to prolonged litigation. Further, the company entered into a Share Purchase Agreement with M/s Durable Stationery Pvt. Ltd. for sale of 2,34,000 Equity shares of Rs.10 each of Roha Paper Mills Ltd. (under voluntary winding up) for a consideration of Rs.23.40 lacs. The net loss is Rs.158.36 lacs has been recorded in the books.

The Company has acquired PPI (Pharma Packaging Innovation) division of M/s Bilcare Limited (Ultimate Holding Company) on March 27, 2023 as a business undertaking on a going concern basis by way of Slump Sale in terms of Business Transfer Agreement dated March 27, 2023 for a net purchase consideration of Rs. 21300 lacs by issue of 21,30,00,000 0.1% Non-Cumulative, Non-Participating Redeemable Preference Shares of Rs.10/- each (face value). The said transaction has been accounted under common control as per IND AS-103, based on which the carrying value of assets amounting to Rs.59161.57 and liabilities amounting to Rs. 84534.68 lacs have been taken over and consequently Capital Reserve of Rs. 46673.11 lacs have been recorded on acquisition in the books of the Company.

As part of the Business Transfer Agreement, of the total liabilities, the carrying amount of public fixed deposit liability of Rs. 10959.79 lacs taken over from PPI division of Bilcare Limited has remained unpaid as on March 31, 2023. The responsibility of repayment of the principal and interest to the fixed deposit holders and the related compliances under the Companies Act, 2013 and claims, if any, lies with Bilcare Ltd.

The Company in the past had entered into various transactions from time to time with Bilcare Ltd such as sale and purchase of goods, job work and placement of Inter-Corporate Deposit (ICD). The

principal outstanding of ICD stands re-paid as on March 31, 2022. In terms of Board resolution dated May12, 2022, the interest applicable for the period November 01, 2017 till May 12, 2022 amounted to Rs. 51.04 lacs @ 6.812% p.a. (being the higher of average G-sec rate of last three years i.e. 6.812% and 6%) was repaid in full on November 07, 2022.

Subsequently the Company further placed Inter-Corporate Deposit (ICD) upto an amount of Rs. 75 Crs at interest rate of 10% p.a. for tenure of 18 months for the purpose of Short term working capital to Bilcare Limited on December 12, 2022. The said ICD of Rs. 75 Crs was enhanced to Rs. 80.17 Crs on same terms and conditions in terms of Board resolution dated March 27, 2023 and the said amount stood repaid in full as on March 31, 2023.

The petition filed before the National Company Law Tribunal, Mumbai Bench by K.C. Holdings Pvt. Ltd & Others against the Company & Others for seeking relief under section 241 to 244 of Companies Act, 2013 stood amicably settled and closed vide NCLT Order dated January 10, 2023.

- Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to Capital markets, during the last three years:

Financial Year 2022-23:

Regulation 23(9) of SEBI (LODR) Regulations, 2015 – Disclosure of Related Party Transactions:

There was one-day delay in submission of Disclosure of Related Party Transactions Report for quarter ended September 2022 owing to some technical error arising during the filing. The Company paid the requisite penalty to BSE Ltd.

Financial Year 2021-22:

Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018:

There was delay in submission of Reconciliation of Share Capital Audit Report for quarter ended June 2021 (date of submission August 09, 2021, The due date for the same was July 30, 2021) owing to some medical emergency arising due to Covid Pandemic. The Company paid the requisite penalty to BSE Ltd and have also made application to BSE Ltd for refund of the same.

Financial Year 2020-21:

Regulation 29(2) of the SEBI (LODR) Regulations, 2015:

There was delay in filling intimation regarding notice of Board Meeting held on November 09, 2020 (date of intimation November 05, 2019) owing to some medical emergency arising due to Covid Pandemic. The Company paid the requisite penalty to BSE Ltd and have also made application to BSE Ltd for refund of the same.

• CEO (Managing Director)/CFO Certification:

A Certification from the CEO (Managing Director) and CFO in terms of Regulation 17(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was placed before the Board Meeting held on August 11, 2023 in connection with the Audited Annual Accounts for the year ended March 31, 2023.

Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a vigil mechanism and whistle blower policy under which employees are free to report violations of applicable laws and regulations and the Code of conduct. Employees may also report to the Chairman of the Audit Committee.

Means of Communication

The Company puts forth vital information about the Company and its performance, including quarterly results, official news releases, and communication to investors, on its website: www.caprihansindia.com regularly for the benefit of the public at large. The quarterly results are published in The Free Press Journal (English) and Navshakti (Vernacular). News releases, official news and media releases are sent to BSE Limited.

Statutory Auditor Fees

The details of Statutory fees to the Statutory Auditor during the financial year 2022-23 are provided in the Note No 27 to the notes on financial statements

General Shareholder Information

Financial calendar:

April 01, 2023 to March 31, 2024

- Q1 Results on or before 14 August 2023.
- Q2 Results on or before 14 November 2023
- Q3 Results on or before 14 February 2024
- Q4 & FY 2023-24 Results on or before 30 May, 2024

Corporate Identity Number (CIN):

L29150MH1946PLC004877

Listing on Stock Exchange: BSE Ltd

The Company has paid the applicable listing fee.

Stock Code

BSE (Physical form) : 9486

BSE (Demat form) : 509486

ISIN number for NSDL/CDSL : INE479A01018

Listing Fee: The Company has paid the applicable listing fees to BSE Limited, where the Company's shares are listed.

Market Price Data: High/Low during each month in the last 12 months (i.e. from April 04, 2022 to March 31, 2023) and performance in comparison to BSE Sensex.

Paid up value - Rs. 10/- per Share

Month	Share Price of Caprihans		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
2022				
Apr	151.95	126.50	60845.10	56009.07
May	133.55	105.00	57184.21	52632.48
June	138.75	101.05	56432.65	50921.22
July	154.00	118.00	57619.27	52094.25
Aug	153.60	121.00	60411.20	57367.47
Sep	166.60	136.00	60676.12	56147.23
Oct	155.55	127.50	60786.7	56683.40
Nov	165.40	124.35	63303.01	60425.47
Dec	138.25	111.00	63583.07	59754.10
2023				
Jan	148.85	120.00	61343.96	58699.20
Feb	143.00	97.05	61682.25	58795.97
Mar	134.00	99.45	60498.48	57084.91

Name and Address of the Registrar & Transfer Agents:

Link Intime India Pvt Ltd

C 101, 247 Park, L B S Marg,

Vikhroli West, Mumbai 400 083

Tel No: +91 22 49186000 Fax: +91 22 49186060

Share Transfer System

M/s. Link Intime India Pvt Ltd is the Common agency (Registrar & Transfer Agents) for both physical and electronic mode of transfer of shares. The shares held in physical mode can be lodged at the above mentioned address for transfer. The Share Transfer Committee of the Company approves the transfer

of shares and share certificates are dispatched within the stipulated time, if the documents are complete in all respects.

Distribution of Shareholding as on March 31, 2023

Range	No. of Shareholders	% of Total	No. of Shares held	% of Total
1- 500	6747	90.58	712111	5.42
501 - 1000	328	4.40	270626	2.06
1001 - 2000	183	2.46	271411	2.06
2001 - 3000	47	0.63	119082	0.90
3001 - 4000	28	0.38	97965	0.75
4001 - 5000	25	0.34	117600	0.90
5001 - 10000	38	0.51	279237	2.13
Over 10000	53	0.71	11265939	85.78
TOTAL	7449	100.00	13133971	100.00

Shareholding pattern as on March 31, 2023

Type of shareholders	Total Shares	% of Total
Clearing Members	1400	0.01
Other Bodies Corporate	229622	1.75
Foreign Promoter Company	6698325	51.00
Hindu Undivided Family	327545	2.49
Mutual Funds	1816	0.01
Nationalised Banks	350	0.00
Foreign Nationals	105	0.00
Non-Resident Indians	8450	0.06
Non-Resident (Non Repatriable)	27371	0.21
Public	5730939	43.63
Trusts	35	0.00
Body Corporate - Ltd Liability Partnership	6082	0.05
Investor Education And Protection Fund	101931	0.78
TOTAL	13133971	100.00

Dematerialisation of shares and liquidity

As directed by SEBI, Company's shares are traded compulsorily in dematerialised form from August 28, 2000. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Service India Limited (CDSL) for this purpose. As of March 31, 2023 a total of 1,29,95,223 shares of the Company, which forms 98.94% of the share capital of the Company stands dematerialised.

Your Company's shares are liquid and actively traded on BSE.

Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity : The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments

Plant Locations :

- 1028 Shirol, Rajgurunagar Pune 410505, Maharashtra
- Plot Nos 76/77 MIDC Industrial Estate Trimbak Road, Satpur Nasik – 422007 Maharashtra
- Plot Nos C-13/16 Road No 16/T Wagle Industrial Estate Thane – 400604 Maharashtra

Address for correspondence : CAPRIHANS INDIA LIMITED
601, B-wing, 6th Floor,
ICC Trade Tower,
Senapati Bapat Road,
Laxmi Society,
Model Colony, Shivajinagar,
Pune, Maharashtra 411016

Unpaid / Unclaimed Dividend

In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, an amount of Rs. 2,15,998.50/- of unpaid / unclaimed dividends of the FY 2014-15 were transferred during the year to the Investor Education and Protection Fund

**List of Core of Skills/Expertise/
Competence identified by Board as
required in context of its Business**

Skills/expertise/ competence	Whether available with the Board or not?
Manufacturing Industry knowledge	Yes. Available with Ms. Ankita J. Kariya and Mr. Somenath Mukherjee
Technical ability in interpreting financial information	Yes. Available with Ms. Ankita J. Kariya, Mr. Somenath Mukherjee, Mr. Siddharth Shetye and Mr. Narendra Lodha and
Behavioral Competencies	Yes. Available with all Directors
Human Resources Abilities	Yes. Available with all Directors
Business Strategy	Yes. Available with all Directors
Legal Expertise	Yes. Available with, Mr. Bhoumick Vaidya* and Mr. Nitin Joshi

*Upto March 31, 2023

Non-Mandatory Requirements

The Company at present has not adopted the Non-Mandatory requirements including sending half-yearly financial performance to the shareholders to their residence. Postal ballots as may be required under the Companies Act, if any, will be followed from time to time.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members

Caprihans India Limited

Block D Shivsagar Estate, Dr. Annie Besant Road

Worli, Mumbai 400018

We have examined the compliance of conditions of Corporate Governance by Caprihans India Limited (the Company) for the year ended on 31st March, 2023, as stipulated under Regulation 15 (2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Except the following:

1. Mr. Tanuj Kumar Lodha was appointed as an additional Independent Director of the Company w.e.f. 3rd May 2022, the shareholders' approval for the same was taken in annual general meeting held on 10th August 2022. Mr. Robin Banerjee was reappointed as a Managing Director of the Company w.e.f. 29th April 2022, Shareholders approval for the same was taken on 10th August 2022 and Ms. Ankita Kariya was appointed as a Managing Director of the Company w.e.f. 19th October 2022, Shareholders approval for the same was taken on 27th March 2023. In these cases, the necessary approvals were taken after the expiry of 3 months from the date of their respective appointments.
2. Mr. Shreyans Mohan Bhandari was appointed as an additional Non executive non-Independent Director of the Company w.e.f. 19th October 2022 and the same was put before the shareholders for approval at the Extra Ordinary General Meeting scheduled on 27th March 2023, however Subsequent to the issuance of the Notice, the Company has received resignation from Mr. Shreyans Mohan Bhandari (DIN: 07737337) expressing his unwillingness to continue as the Director of the Company.
3. SEBI mandated that all listed companies must maintain a Structured Digital Database (SDD), to record the creation and movement of Unpublished Price Sensitive Information (UPSII). As on 31st March 2023 the company has maintained an Internal system and have been in process of maintaining it in Structured Digital Database (SDD) Software.
4. There was delay in filing return of related party transaction for the half year ended 31.03.2023 and 30.09.2022 as per Reg 23(9) of SEBI (LODR) Regulations, 2015. The BSE Ltd. had imposed a penalty of Rs. 5,900/- on the Company towards delayed submission (by 1 day only) of related party transactions on consolidated basis for the half year ended 30th September, 2022. The said Penalty has been paid by the Company

The Company was required to have six (06) directors on Board whereas due to the resignation of a Director on 17th March 2023, the Company had only five (05) Directors on Board between 17th March 2023 and 31st March 2023. On 31st March 2023 Mr. Bhoumick Vaidya (DIN: 06543492) resigned as an Independent Director of the Company. Further, as on date of issuance of this Report, the Company has complied with the said regulations.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR DVD& ASSOCIATES
COMPANY SECRETARIES

Devendra Deshpande

Proprietor

FCS No. 6099 CP No. 6515

PR No. 1164/2021

Place: Pune

Date: 11/08/2023

UDIN: F006099E000790311

**CERTIFICATE UNDER REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10) (I)
OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Members of
Caprihans India Limited,
Block D, Shivsagar Estate,
Dr. Annie Besant Road, Worli,
Mumbai – 400 018.

In my opinion and to the best of my information, verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) and according to our examination of the relevant records and information provided by CAPRIHANS INDIA LIMITED ('the Company') and based on representation made by the Management of the Company for the period from 1st April, 2022 to 31st March, 2023 for the purpose of issuing a Certificate as per Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the LODR Regulations') read with Part C of Schedule V of the LODR Regulations, I hereby certify that NONE of the directors on the Board of the Company have been debarred or disqualified from being appointed to continuing as directors of companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authority for the period as on 31st March, 2023.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mayank Arora & Co.

Company Secretaries
(ICSI Unique Code P2023MH094900)

Mayank Arora
(Proprietor)

Membership No: F10378
COP No: 13609

Place: Mumbai
Date: 09/06/2023
UDIN: F010378E000474611
PR No: 679/2020

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Regulation 17(8) of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time with the Stock Exchange, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2023.

For Caprihans India Limited

Ankita J. Kariya
Chairperson & Managing Director
Place: Mumbai
Date: August 31, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Outlook

India is the largest provider of generic drugs globally and is known for its affordable vaccines and generic medications. The Indian Pharmaceutical industry is currently ranked third in pharmaceutical production by volume after evolving over time into a thriving industry growing at a CAGR of 9.43% since the past nine years. Generic drugs, over-the-counter medications, bulk drugs, vaccines, contract research & manufacturing, biosimilars, and biologics are some of the major segments of the Indian pharma industry. India has the most number of pharmaceutical manufacturing facilities that are in compliance with the US Food and Drug Administration (USFDA) and has 500 API producers that make for around 8% of the worldwide API market.

Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US and 25% of all medicine in the UK. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units. India enjoys an important position in the global pharmaceuticals sector.

According to a recent EY FICCI report, as there has been a growing consensus over providing new innovative therapies to patients, Indian pharmaceutical market is estimated to touch US\$ 130 billion in value by the end of 2030. Meanwhile, the global market size of pharmaceutical products is estimated to cross over the US\$ 1 trillion mark in 2023.

Market Size

Market size of India pharmaceuticals industry is expected to reach US\$ 65 billion by 2024, and ~US\$ 130 billion by 2030. According to the government data, the Indian pharmaceutical industry is worth approximately US\$ 50 billion with over US\$ 25 billion of the value coming from exports. About 20% of the global exports in generic drugs are met by India. India is among the top 12 destinations for biotechnology worldwide and 3rd largest destination for biotechnology in Asia Pacific. In 2022, India's Biotechnology industry has crossed US\$ 80.12 billion, growing 14% from the previous year. The Indian pharmaceutical industry has seen a massive expansion over the last few years and is expected to reach about 13% of the size of the global pharma market while enhancing its quality, affordability, and innovation.

India is the 3rd largest producer of API accounting for an 8%

share of the Global API Industry. About 500+ different APIs are manufactured in India, and it contributes 57% of APIs to prequalified list of the WHO. The current market size of the medical devices sector in India is estimated to be US\$ 11 billion and its share in the global medical device market is estimated to be 1.5%. Indian pharma companies have a substantial share in the prescription market in the US and EU. In the global pharmaceuticals sector, India is a significant and rising player.

Source – India Brand Equity Foundation

Opportunities, Threats & Outlook

While leading pharmaceutical contract manufacturers in India are focusing on ensuring innovative products. To meet sustainability objectives, several manufacturers are also implementing innovative and environmental-friendly packaging. Packaging plays a crucial role in the pharma industry, where its function extends beyond serving as a branding aid and providing barrier protection to products for the shelf-life period. It is increasingly playing a vital role in ensuring overall patient safety by carrying key information pertaining to the product, ensuring tamper-evidence and traceability of products. The growing population, rising health awareness, and increasing life expectancy can be attributed to the growth of the pharmaceutical packaging industry. Moreover, growing awareness of environmental issues due to traditional packaging material and the adoption of new regulatory standards for packaging recycling is also driving the pharmaceutical packaging industry in India.

The market expansion, however, is projected to be restrained by growing packaging costs brought on by strict laws and anti-counterfeiting initiatives. Thus, one of the difficulties faced by makers of pharmaceutical packaging is containing these rising packaging costs. India provides one of the lowest manufacturing costs in the world and is more economical than the USA and almost half of Europe. It is the world's largest supplier of generic medicines (20% to 22% of global export volume). It fueled the research and development of efficient packing solutions for the pharmaceutical sector that substantially prevents contamination and provide drug safety and convenience of delivery and handling.

In emerging markets, India and China are quickly catching up with the US, Western Europe, and Japan markets as pharmaceuticals are exported in large quantities to developed countries from India. It became essential to comply

with the packaging standards of developed countries in emerging markets. As emerging markets offer cost-effective, standardized packaging solutions, many offshore companies are outsourcing their business to countries such as India and China for cost-effective solutions.

Business Performance

- Pharmaceutical companies rely more on packaging and labeling as media to promote and protect their products in the increasing counterfeit market and meet the new safety regulations. Plastic packaging gained popularity due to its properties such as barrier against moisture, high dimensional stability, high impact strength, resistance to strain, low water absorption, transparency, heat and flame resistance, etc.
- Polyvinyl chloride and PVDC (polyvinylidene chloride) are mostly used in pharmaceuticals as primary packaging materials that protect pharmaceutical products against oxygen and odor, moisture, water vapor transmission, contamination, and bacteria. It makes both PVC and PVDC the material of choice for blister packaging.
- PVC is the third most widely produced synthetic plastic polymer used across the globe as it includes excellent organoleptic properties, which means it does not affect the taste of packaged food or medicine. PVC mono films protect against contamination by helping to prevent the spread of germs during manufacture, distribution, and display and are sunlight and UV rays resistant.
- Blister packaging is used for various preformed plastic packaging in small consumer goods, food, and pharmaceuticals. The main component of a blister pack is a cavity in a moldable web, usually a thermoformed plastic. Drug packaging is a technology used to improve treatment compliance and patient safety. Sustainable plastic packaging in the pharmaceutical industry includes excellent potential for future development in the country.
- At Caprihans, we are working out various options of PVC free, environmentally sustainable options to replace the traditional packaging.

Internal Control System and Adequacy

The Company has a well-placed and adequate Internal Financial Control system, which ensures that all the transactions are authorized, recorded and reported correctly as well as is compliant with the Company's policies and Standard Operating Procedures (SOP's). The Internal Auditors independently evaluate the adequacy of the internal controls and report to the Audit Committee of any major deviations.

Financial Performance

The Company acquired the pharma packaging business of its holding Company Bilcare. As a result of the acquisition, the revenue of the Company is now Rs. 947 crores against Rs. 397 crores in the previous year and EBITDA are now Rs. 71 crores against Rs. 27 crores in the previous year. Similarly, PAT is now Rs. 72 crores against Rs. 17 crores (pre acquisition) in the previous year.

Key Change in Financial Ratios

In line with the Ind AS reporting requirement under the Business Combination (Ind AS 103), the effective date of the acquisition is 1st April, 2021 and hence the financials have been accordingly reinstated.

Due to the acquisition of the pharma packaging division of Bilcare, the sales & profitability has improved. Hence, current ratio, debt-equity ratio, debt service coverage ratio, return on equity, return on capital employed and net profit ratio have improved compared to previous year. Refer Note 40 for details.

Risks and Concern

The Company is subjected to various risks affecting its financial health, both in terms of external environment and internal operations. Raw material input prices linked to crude & LME fluctuations, currency fluctuations and financial costs are some of the major risks.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objective, projection, estimates, and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual outcome may differ substantially or material from those expressed or implied. Important developments that could affect the Company's operation include significant changes in the political and economic environment in India or overseas in key markets, applicable statutes, litigation, labor relations, exchange rate fluctuation, interest and other costs.

ANNEXURE – IV to the Directors' Report

Corporate Social Responsibility (CSR) Report:

1	A brief outline of the Company's CSR Policy, including overview projects or programs proposed to be undertaken and a reference to the Web-link to the CSR Policy and projects or programs.	The CSR activities are generally carried out directly by the Company by identifying activities. The Company has formed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Companies website : www.caprihans.india.com/Policy
2	The Composition of the CSR Committee as on 31.03.2023	1. Mr. Bhoumick S Vaidya – Chairman (upto March 31, 2023) 2. Ms. Ankita J. Kariya - Member (w.e.f. November 08, 2022) 3. Mr. Siddharth S. Shetye – Member (w.e.f. December 28, 2022)
3	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)	Not Applicable
4	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	None
5	Average net profit of the company for the preceding three financial year (Amount in Rs. Lakhs)*	Rs. 2019.90 lakhs
6	Prescribed CSR expenditure (a) Two percent of average net profit of the company as per section 135(5) (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. (c) Amount required to be set off for the financial year, if any (d) Previous year unsend amount Total CSR obligation for the FY (a+b-c)	Rs. 40.40 lakhs Nil Nil Rs. 14.02 lakhs Rs. 54.42 lacs
7	Details of CSR spent during the financial year Amount spent during F.Y. 2022-23 Amount unspent, if any as on 31.03.2022 Amount transferred to unspent CSR Account and date of transfer	Rs. 14.26 lakhs Rs. 40.16 lakhs Nil
8	Details of CSR amount spent against ongoing projects for the financial year	Nil

9	Manner in which the amount spent during the financial year other than ongoing projects:	<p>Dharmveer Anand Dighe Jidd Special School, Thane</p> <p>The Company helped to set up a modern 'sensory garden' which aids the handicapped and mentally challenged children to familiarise and learn the five human senses namely: sight, hearing, smell, taste and touch. The Company takes care of expenditure related to the maintenance of this garden. The Company pays for special physio and speech therapists at the school. The company also provides specialised medical equipments to the affected children.</p> <p>Daang Seva Mandal Ashram School, Nasik</p> <p>The Company constructed extension of boys hostel during F.Y. 2021-22. Further the Company has initiated construction of additional class rooms with the budget of Rs. 35 lacs approx. The Company will continue to focus on the needs of the school and providing better infrastructure and other essential needs of the students during F.Y. 2023-24.</p>
10	Reasons for CSR Amount unspent	<p>The construction of additional class room is under full swing of construction. The Company has already made advances for the same. Company will spend balance amount upon completion of the project in FY 2023-24.</p>

ANNEXURE – V to the Directors' Report

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended 31 March 2023, which were not at arm's length basis.
2. Details of material contracts or arrangements or transactions at arm's length basis

a) Name of the related party and nature of relationship	Bilcare Limited, Holding Company
b) Nature of contracts/ arrangements/ transactions	Acquisition of PPI Division by way of Slump Sale as a business undertaking from Bilcare Limited (Holding Company) on a going concern basis w.e.f. March 27, 2023
c) Duration of the contracts/ arrangements/ transactions	--
d) Salient terms of the contracts or arrangements or transactions including the value, if any	Acquisition of PPI Division by way of Slump Sale on a going concern basis as per the Business Transfer Agreement from Bilcare Limited (Holding Company) at a net consideration of Rs.213 Crores for consideration other than cash, by way of issue of 0.1% Non-cumulative, Non-participating Redeemable Preference Shares (RPS) to be redeemed within a period of 20 years
e) Date(s) of approval by the Audit Committee/ Board	March 04, 2023
f) Amount paid as advances	Nil
g) Date on which the special Resolution was passed in general meeting as required under first proviso to Section 188	March 27, 2023

For and on behalf of the Board of Directors

Ankita J. Kariya
Chairperson & Managing Director

Place : Mumbai
Date : August 31, 2023

ANNEXURE – VI to the Directors' Report

(FORM MR-3)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members
Caprihans India Limited
Block D Shivsagar Estate, Dr Annie Besant Road
Worli Mumbai 400018

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. Caprihans India Limited (hereinafter called "the Company").

The Secretarial Audit was conducted for the period from 1st April 2022 to 31st March 2023, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023 according to the provisions of the following list of laws and regulations with our observations on the same:

- (i) **The Companies Act, 2013 (the Act) and the Rules made there under:** The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review. except for the points reported below
- (ii) **The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under:** The Company has complied with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA').
- (iii) **The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:** The Company is a listed public company the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- (iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 (**Not applicable for the period under review**);
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable for the period under review**);
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable for the period under review**); and
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable for the period under review**);

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company. except for the points reported below.

I further report that, as per the opinion of the officers of the Company and information provided by them there are no specific applicable laws on the basis of activities of the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied with the Secretarial Standards for the period under review.
- (ii) The Listing Agreement entered into by the Company with BSE Limited, Mumbai in respect of Shares issued by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. which are mentioned above. Following are our observations on the same-

1. Mr. Tanuj Kumar Lodha was appointed as an additional Independent Director of the Company w.e.f. 3rd May 2022, the shareholders' approval for the same was taken in annual general meeting held on 10th August 2022. Mr. Robin Banerjee was reappointed as a Managing Director of the Company w.e.f. 29th April 2022, Shareholders approval for the same was taken on 10th August 2022 and Ms. Ankita Kariya was appointed as a Managing Director of the Company w.e.f. 19th October 2022, Shareholders approval for the same was taken on 27th March 2023. In these cases, the necessary approvals were taken after the expiry of 3 months from the date of their respective appointments.
2. Mr. Shreyans Mohan Bhandari was appointed as an additional Non executive non-Independent Director of the Company w.e.f. 19th October 2022 and the same was put before the shareholders for approval at the Extra Ordinary General Meeting scheduled on 27th March 2023, however Subsequent to the issuance of the Notice, the Company has received resignation from Mr. Shreyans Mohan Bhandari (DIN: 07737337) expressing his unwillingness to continue as the Director of the Company.
3. SEBI mandated that all listed companies must maintain a Structured Digital Database (SDD), to record the creation and movement of Unpublished Price Sensitive Information (UPSI). As on 31st March 2023 the company has maintained an Internal system and have been in the process of maintaining it in Structured Digital Database (SDD) Software.
4. There was delay in filing return of related party transaction for the half year ended 31.03.2022 and 30.09.2022 as per Reg 23(9) of SEBI (LODR) Regulations, 2015. The BSE Ltd. had imposed a penalty of Rs. 5,900/- on the Company towards delayed submission (by 1 day only) of related party transactions on consolidated basis for the half year ended 30th September, 2022. The said Penalty has been paid by the Company

We further report that: -

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. except the following-

The Company was required to have six (06) directors on Board whereas due to the resignation of a Director on 17th March 2023, the Company had only five (05) Directors on Board between 17th March 2023 and 31st March 2023. On 31st March 2023 Mr. Bhoumick Vaidya (DIN: 06543492) resigned as an Independent Director of the Company. Further, as on date of issuance of this Report, the Company has complied with the said regulations.

Adequate notice is given to all directors about the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions at Board Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that, the Company had received a Letter dated 3rd July 2020 in respect of matter pertaining to Ultimate Holding Company, asking for certain information and documents. The said matter has no relevance with the Company. The Company had responded to the same from time to time. Since August 2020, no further communication was received.

There are no major decisions, specific events / actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc other than following events happened during the year:

1. Company increased its Authorized Share Capital from Rs. 20,00,00,000 (Rs. Twenty Crores Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) to Rs.2,35,00,00,000/- (Rupees Two hundred & thirty-five Crores Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10/- (Rupees Ten Only) each and 21,50,00,000 (Twenty-one Crore fifty lacs) Preference Share of Rs. 10/- (Rupees Ten Only) each, by creation of additional 21,50,00,000 (Twenty-one Crore fifty lacs) Preference Share of Rs. 10/- (Rupees Ten Only) each vide special resolution passed in the Extra-Ordinary General meeting held on 27th March 2023.
2. Company has purchased/acquired Pharma Packaging Innovations (PPI) Business of Bilcare Limited by way of Slump Sale on a going concern basis by way of business transfer agreement for a net purchase consideration of Rs. 213.00 Crores (Rupees Two Hundred and Thirteen Crores only) vide special resolution passed in the Extra-Ordinary General meeting held on 27th March 2023.
3. Company has issued 21,30,00,000 0.1% Non-cumulative, Non-participating Redeemable Preference Shares (hereinafter referred as RPS) at an issue price of Rs. 10/- per share (Face Value Rs. 10 per share) to Bilcare Limited vide special resolution passed in the Extra-Ordinary General meeting held on 27th March 2023.
4. During the year, 9 shareholders holding 27,13,850 equity shares of the Company were reclassified from the "Promoter Category" to Public Category" since they sold their controlling stake vide declaration date December 30, 2022 and no more involved in the management of the Company.
5. During the year, the Company has passed special resolution for Alteration of Object Clause in the Memorandum of Association of the Company in the Extra-Ordinary General meeting held on 27th March 2023.

6. During the year, the company has passed special resolution pursuant to Section 180(1)(c) and (1)(a) and any other applicable provisions of the Companies Act, 2013 for borrowing in excess of paid-up capital & free reserves which shall not be in excess of Rs.1000 Crores (Rupees One Thousand crores) over and above the aggregate of the paid up share capital and free reserves of the Company.
7. Company has passed special resolution for adopting new set of Articles of Association in terms of Companies Act, 2013 and applicable rules thereof in place of existing Articles of Association of the Company.

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

Devendra Deshpande

FCS No. 6099

CP No. 6515

PR No. 1164/2021

Place: Pune

Date: 11/08/2023

UDIN: F006099E000790267

ANNEXURE A

To,

The Members
Caprihans India Limited
Block D Shivsagar Estate, Dr Annie Besant Road
Worli Mumbai 400018

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

DEVENDRA DESHPANDE
FCS No. 6099
CP No. 6515
PR No. 1164/2021

Place: Pune
Date: 11/08/2023
UDIN: F006099E000790267

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CAPRIHANS INDIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Caprihans India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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, 2023, the profit (including other 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.

Emphasis of matter:

We draw attention to Note 44 of the Financial Statements pertaining to the arrangement and agreement with Bilcare Limited in respect of repayment of principal and interest on the Public fixed deposit liability taken over by the Company, having carrying amount of ₹ 10959.79 lakhs as at March 27, 2023 as per the Slump sale agreement (as detailed in Note 43 of the Statement), which had matured but remained unpaid by the Pharma Packaging Innovation (PPI) division of Bilcare Ltd. As per the agreement the compliances related to Public fixed deposit under the Companies Act, 2013 is the responsibility of Bilcare Ltd.

We draw attention to note 46 in respect of interest free advances of ₹ 3049.90 given to a customer which was subsequently refunded. Based on the information and explanations received and documents verified, in our view, the aforesaid advances could be deemed in the nature of loan and therefore, compliances to the relevant sections of the Companies Act, 2013 may be required.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 2.2(xi) of the Financial statements)	
<p>Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, in accordance with the delivery terms agreed with the customer.</p> <p>The Company has a variety of delivery terms with customers which impact the timing of revenue recognition. Ascertainment of timing of revenue recognition is a key audit consideration for sales transactions occurring near to the year end.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained understanding of the Company’s process and design of the controls to recognize revenue in appropriate period and tested the operating effectiveness of the controls on a sample basis. • Read and assessed the Company’s accounting policy for recognition of revenue to assess compliance with relevant Accounting Standards. • Performed following substantive procedures on a sample of revenue contracts entered by the Company: • Read and identified the distinct performance obligations • In these contracts and compared these performance obligations with those identified and recorded by the Company. • Read the terms of the contracts and tested the basis used by the management for recognition of revenue at a point of time as per the requirements of Ind AS 115. • Tested the basis used by the management to measure revenue recognised at a point in time as per the requirements of Ind AS 115. • Tested on a sample basis that revenue has been recognised in the appropriate accounting period.
Business Transfer Agreement for acquiring PPI division of Bilcare Ltd – Business Combinations	
<p>Pursuant to the Business Transfer Agreement (“the BTA”) the Company acquired the Pharmaceutical Packaging Innovation (“the PPI”) division of Bilcare Ltd (ultimate Holding Company) on March 27, 2023 for a net consideration of 21,300 lakhs by issue of redeemable Preference shares. The said business combination has been accounted by applying the principles as set out in Appendix C of Ind AS 103 “Business Combinations” applicable for common control business combinations. Thus, it was considered to be key audit matter as this was significant event which happened during the year and it required compliance with the BTA and applicable Ind AS (For details refer note 43)</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Reviewed the BTA to understand the transaction. • Obtained understanding the process followed by the Company for assessment of the accounting treatment for the business combination. • We assessed and tested the design and operating effectiveness of the Company’s key controls over the accounting of the business combination. • Tested the completeness of the assets acquired and liabilities taken over as per the BTA. • Evaluated the year end income tax provision and recognition of deferred tax asset / liability for all temporary differences on date of business transfer. • Checked the and assessed the reasonability of assumptions of the management used in accounting of compound financial instruments.

Other Matter

As stated in Note 43 to the financial statements, pursuant to the common control business combination which has been accounted by applying the principles as set out in Appendix C of Ind AS 103 “Business Combinations”, the comparative financial information as at April 1, 2021 and for the year ended March 31, 2022 have been restated to give effect to the requirements of the said Ind AS. Further, the above restatement is based on the financial information pertaining to the relevant business of transferor Company (i.e. the Ultimate Holding Company) which has not been audited and has been certified by the Management of the Company and the Ultimate Holding Company.

Our opinion on the financial statements is not modified in respect of this matter.

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, Corporate governance and shareholders 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.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, remuneration paid /provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on audit procedures performed, nothing has come to our attention that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For BATLIBOI & PUROHIT
Chartered Accountants
Firm Reg. No.: 101048W

Kaushal Mehta
Partner

Membership No: 111749

ICAI UDIN: 23111749BGTIKM2423

Place: Mumbai

Date: May 30, 2023

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

(The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Caprihans India Ltd 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

(i) (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 regular programme of physical verification of its Property, Plant and Equipment by which all items of Property, Plant and Equipment are verified once in every three years. All fixed assets were physically verified by the management during the year in accordance with the planned programme, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in progress, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

(d) The Company has revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. The revaluation is based on the valuation by a registered valuer. The amount of change in the net carrying value of each class of assets is given below:

Class of assets	Net Upward Revaluation (₹ Lakhs)
Freehold and Leasehold Land	12,957.61
Buildings	7,118.70
Plant and Equipment	41,355.92
Furniture and Fixtures	952.33
Vehicles	10.44
Office Equipment	275.11
Software	291.58
Patents	622.68
Total	63,584.37

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, with regards to the nature and size of its inventories, the coverage and procedure of such physical verification carried out during the year were appropriate. Discrepancies noted during such physical verification were less than 10% of respective inventory classes. All discrepancies noted during the year were properly dealt with in the books of account.

(b) During the year, the Company had existing sanctioned working capital limits in excess of five crore rupees, in aggregate, from various banks on the basis of security of its current assets. The quarterly statements filed by the Company with such banks were in agreement with unaudited books of account of the Company as on respective quarter ended June 30, 2022, September 30, 2022 and December 31, 2022 and March 31, 2023.

(iii) (a) During the year, the Company had granted loans to its Holding Company. Details of which are follows:

Particulars	Loans (₹ in lakhs)
Aggregate amount of loans granted to the Holding Company during the year:	₹8,187 lakhs
Amount of loans outstanding as at Balance sheet date March 31, 2023	Nil (Eliminated on account of business combination during the year)

Based on the information and explanation given to us, the Company has not made any investments in, provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties.

(b) In respect of loans granted during the year, in our opinion, terms and conditions of the loans granted are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans outstanding during the year, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally regular as per stipulation, except in case of one company Kalpataru Limited where the repayment terms for principal of ₹ 158.36 lakhs were not stipulated which has been written off during the year.

(d) In our opinion in respect of loans outstanding, there is no overdue amount remaining outstanding as at balance sheet date. We are unable to comment on the overdue amounts in respect of loans where terms of repayment have not been stipulated.

(e) In our opinion and on the basis of information and explanations given to us, no loans have fallen due during the year. Hence, reporting under clause 3 (iii) (e) is not applicable.

(f) The Company has not granted any fresh loans or advances or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3 (iii) (f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or given guarantees in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly, reporting under paragraph (iv) of the Order is not applicable.

(v) According to information, explanations and representations given to us, the Company has an arrangement and agreement with Bilcare Limited ("the Bilcare") in respect of repayment of principal and interest of the Public fixed deposit liability taken over by the Company, having carrying amount of ₹ 10,959.79 lakhs as at March 27, 2023 as per the Business Transfer Agreement (as detailed in Note 44 of the financial statements), which had matured but remained unpaid by the Pharma Packaging Innovation (PPI) division of Bilcare. As per the agreement, the compliances related to Public fixed deposit under the Companies Act, 2013 is the responsibility of Bilcare.

Except the matter explained above, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder.

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

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues referred above were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable except as stated below:

Name of statute	Nature of dues	Amount (in lakh)	Period to which it relates	Due date	Date of payment
Income Tax, Act	Tax deducted at source	155.42	FY 2022 – 23	7th of subsequent month	Unpaid
Employees Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	38.96	FY 2022 – 23	15th of subsequent month	Unpaid
Profession Tax, Act	Profession tax	—*	FY 2022 – 23	varies from state to state	Unpaid
Employees State Insurance Act, 1948	ESIC	—*	FY 2022 – 23	15th /21st of subsequent month	Unpaid

*The number stated is in full Rupees.

(b) According to the information and explanations given to us, outstanding dues of sales tax and income tax that have not been deposited by the Company on account of disputes are given below #:

Name of the statute	Nature of the dues	Amount (In ₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty including penalty	119.62*	2004 to 2005	CESTAT
	Excise Duty	56.59	July 1992 to March 1996	Commissioner
	Excise Duty	32.47	April 2003 to January 2016	Assistant Commissioner
Finance Act, 1994	Service Tax	3.31	April 2005 to June 2013	Additional Commissioner
GST Act, 2017	SEZ –ITC	78.71	July 2017 to March 2018	Jt. Commissioner State Tax–BKC
Income Tax Act, 1961	Income Tax	529.36	April 2019 to March 2022	Commissioner of Income Tax (Appeals)

*the amounts disclosed above are net of the payments made to the respective authorities where the dispute is pending.

#as represented by the management.

(viii) According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which was not recorded in the books of account. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, read with our comments in point (v) above in response to paragraph 3(v) of the Order and Note 44 of the financial statements, the Company has not defaulted in repayment of loans to any lender during the year.

- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, term loans were obtained during the year by the Company were applied for the purpose for which the loans were obtained except in case of ₹ 13.95 Crores obtained for the purpose of repayment of principal and interest of public fixed deposit liabilities taken over in a business combination (Refer Note 43 and Note 44 of the financial statements) which is transferred in a earmarked bank account and pending to be utilised as at March 31, 2023.
- (d) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, funds raised on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year.
- (xi) (a) According to the information and explanations given to us, a contract staff had misappropriated funds of ₹ 12.31 lakhs during the year under audit. Investigations are completed and the staff was dismissed. Except for above no material fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was filed with the Central Government during the year or up to the date of the Report.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on the audit procedures performed by us, transactions with the related parties during the year were in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Provisions of Section 177 of the Act are not applicable to the Company.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system, however, it needs to be strengthened with the size and nature of its business. In our opinion, considering the size and natures of activities, the scope and frequency of internal audit needs to be increased.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Group (as defined the Core Investment Companies (Reserve Bank) Direction 2016) does not have any Core Investment Company ('CIC') as part of the Group. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us and based on audit procedures performed by us, there is an unspent amount of ₹ 40.16 lakhs towards Corporate Social Responsibility (CSR) which require a transfer to a fund specified in Schedule VII of the Companies Act in compliance with second proviso to sub section (5) of section 135 of the said Act.

(b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any ongoing project in terms of Section 135 of the Act during the year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

For BATLIBOI & PUROHIT

Chartered Accountants

Firm Reg. No.: 101048W

Kaushal Mehta

Partner

Membership No: 111749

ICAI UDIN: 23111749BGTIKM2423

Place: Mumbai

Date: May 30, 2023

ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

(The Annexure referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Caprihans India Ltd of even date.)

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

Opinion

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023 based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For BATLIBOI & PUROHIT
Chartered Accountants
Firm Reg. No.: 101048W

Kaushal Mehta
Partner

Membership No: 111749

ICAI UDIN: 23111749BGTIKM2423

Place: Mumbai

Date: May 30, 2023

BALANCE SHEET AS AT 31 MARCH 2023

(₹ lacs)

	Notes	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
ASSETS				
I. Non-current assets				
(a) Property, plant and equipment	3 (a)	102,140.45	44,615.38	47,071.83
(b) Capital work-in-progress	3 (b)	72.97	69.75	49.71
(c) Right of use Assets	3 (c)	142.46	17.87	–
(d) Investment property	4	–	60.08	63.11
(e) Intangible assets	5	639.45	942.43	1,135.65
(f) Financial assets				
(i) Investment	6	244.93	–	–
(ii) Loans	7	4.46	2.29	4.88
(iii) Other financial assets	6	7,872.70	534.70	577.58
(g) Deferred tax assets (net)	29	–	316.15	383.43
(h) Income tax assets (net)	12	51.45	47.00	30.28
(i) Other non-current assets	8	39.99	101.67	115.60
Total non-current assets		111,208.85	46,707.32	49,432.07
II. Current assets				
(a) Inventories	9	8,325.58	13,451.29	9,901.33
(b) Financial assets				
(i) Trade receivables	10	18,129.34	20,468.03	14,385.60
(ii) Cash and cash equivalents	11	795.98	932.73	1,389.61
(iii) Bank balance other than (ii) above	11	551.49	2,161.94	2,392.70
(iv) Loans	7	24.47	9.19	9.61
(v) Others financial assets	6	22.99	47.78	76.65
(c) Other current assets	13	3,086.44	1,853.84	1,960.12
Total current assets		30,936.29	38,924.80	30,115.62
Total assets		142,145.14	85,632.12	79,547.69
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	14	1,313.40	1,313.40	1,313.40
(b) Other equity	15	52,607.28	(31,817.50)	(32,090.93)
Total equity		53,920.67	(30,504.10)	(30,777.53)
LIABILITIES				
I. Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16 (a)	53,091.69	52,933.76	52,236.76
(ii) Lease liabilities		123.59	15.54	–
(iii) Other financial liabilities	17 (a)	–	1,718.40	26,126.24
(b) Provisions	18	370.47	272.98	268.39
(c) Deferred Tax Liabilities (net)		3,028.72	–	–
Total non-current liabilities		56,614.47	54,940.69	78,631.39
II. Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16 (b)	12,261.60	15,306.79	14,853.20
(ii) Lease liabilities		25.02	3.09	–
(iii) Trade and other payables				
(a) Outstanding dues of micro and small enterprises	19 (a)	1,151.02	94.32	155.16
(b) Outstanding dues other than micro and small enterprises	19 (a)	12,707.94	14,513.87	8,324.58
(iv) Other financial liabilities	17 (b)	2,480.86	27,672.84	4,707.64
(b) Other current liabilities	19 (b)	1,613.71	2,253.95	2,385.20
(c) Provisions	18	1,003.71	790.72	712.39
(d) Current tax liabilities (net)	12	366.14	559.98	555.66
Total current liabilities		31,610.00	61,195.56	31,693.83
Total liabilities		88,224.47	116,136.24	110,325.22
Total equity and liabilities		142,145.14	85,632.12	79,547.69

Summary of significant accounting policies

2

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

As per our report of even date

For and on behalf of the Board of Directors of Caprihans India Limited

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration No.: 101048W

Per Kaushal Mehta

Partner

Membership No.: 111749

Place: Mumbai

Date: May 30, 2023

Ankita J. Kariya

Chairperson and Managing Director

DIN: 08292735

Place: Mumbai

Date: May 30, 2023

Siddharth S. Shetye

Director

DIN: 06943119

Place: Mumbai

Date: May 30, 2023

Pritam Paul

CFO & Company Secretary

FCS Membership No: 5861

Place: Mumbai

Date: May 30, 2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

	Notes	Year ended 31 March 2023	Restated year ended 31 March 2022
INCOME			
Revenue from operations			
Revenue from contracts with customers	20	92,401.48	79,213.26
Other operating income	20	1,242.02	618.20
Revenue from operations		93,643.50	79,831.46
Other income	21	1,118.42	1,054.23
Total income (I)		94,761.92	80,885.69
Expenses			
Cost of raw materials and components consumed	22	66,709.44	57,302.69
Purchase of Traded Goods	22	404.98	104.83
(Increase) / decrease in inventories of finished goods and work-in-progress	23	212.23	(716.74)
Employee benefits expense	24	6,736.90	5,687.59
Finance costs	25	5,953.43	6,859.79
Depreciation and amortisation expense	26	3,329.25	3,406.75
Other expenses	27	13,564.83	11,613.42
Total expenses (II)		96,911.05	84,258.32
Profit before exceptional items and tax (I-II)		(2,149.12)	(3,372.66)
Exceptional items [Income / (Expense)]	28	12,681.85	-
Profit before tax		10,532.72	(3,372.66)
Tax expense			
Current tax	29	-	517.62
Adjustment of tax relating to earlier years	29	11.91	(0.28)
Deferred tax charge/ (credit)	29	3,344.87	67.28
Total tax expense		3,356.78	584.62
Profit for the year		7,175.94	(3,957.28)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement of losses on defined benefit plans	30 (a)	(93.11)	13.02
Income tax effect	29		(3.28)
		(93.11)	9.74
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		(93.11)	9.74
Total other comprehensive income for the year, net of tax		(93.11)	9.74
Total comprehensive income for the year, net of tax		7,082.83	(3,947.53)
Earnings per share [nominal value per share 31 March 2023 : ₹10/- (31 March 2022: INR 10/-)			
Basic and diluted	30 (b)	54.64	(30.13)

Summary of significant accounting policies

2

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

As per our report of even date

For and on behalf of the Board of Directors of Caprihans India Limited

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration No.: 101048W

Per Kaushal Mehta

Partner

Membership No.: 111749

Place: Mumbai

Date: May 30, 2023

Ankita J. Kariya

Chairperson and Managing Director

DIN: 08292735

Place: Mumbai

Date: May 30, 2023

Siddharth S. Shetye

Director

DIN: 06943119

Place: Mumbai

Date: May 30, 2023

Pritam Paul

CFO & Company Secretary

FCS Membership No: 5861

Place: Mumbai

Date: May 30, 2023

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

	Year ended 31 March 2023	Restated year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(2,149.13)	(3,372.66)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	3,329.25	3,406.76
Loss/ (Profit) on disposal of property, plant & equipment and investment property	(710.88)	–
Loss/ (Profit) on disposal of Non core assets	158.36	–
Bad debts and provision for doubtful debts	34.50	10.41
Foreign exchange differences	(104.59)	204.59
Finance costs	5,955.41	6,859.79
Interest income	(82.00)	(139.84)
Provision for doubtful debts and advances	–	–
Provision written back	(95.23)	(325.88)
Adjustment on Acquisition of PPI division	(5,674.69)	(4,168.04)
Working capital adjustments		
(Increase)/Decrease in trade receivables	2,409.89	(6,082.43)
(Increase)/ Decrease in inventories	5,125.71	(3,549.96)
(Increase)/ Decrease in non-current liabilities	157.93	696.99
(Increase) / Decrease in loans and other financial assets	(7,356.67)	74.76
(Increase) in other non-current assets	61.68	13.93
(Increase) in other non-current Financial assets	–	–
(Increase)/Decrease in other current assets	(1,232.55)	106.24
(Decrease / Increase in trade and other payables	(749.65)	6,128.45
Increase/(Decrease) in financial liabilities	(3,891.98)	1,665.20
(Decrease)/Increase in other current liabilities	(640.24)	(131.25)
Increase in provisions	217.37	82.91
Net cash generated from/(used in) operations	(5,237.51)	1,479.97
Income taxes paid	(55.04)	(527.76)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	(5,292.55)	952.21
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of investment property	770.00	–
Proceeds from Inter corporate deposit–Interest	94.54	–
Proceeds from Non core assets	87.38	–
Investment in Shares	(244.93)	–
Interest received	202.56	228.56
Purchase of property, plant and equipment	1,201.66	(338.49)
Purchase of intangible assets	2.09	(1.03)
Maturity of / (investment in) bank deposits – net	(5,910.43)	241.83
NET CASH (USED IN) /GENERATED FROM INVESTING ACTIVITIES	(3,797.13)	130.87
CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost	(2,981.08)	(1,926.29)
Proceeds from Long term borrowings	52,800.00	–
Movement in Short term borrowings (net)	(1,346.53)	453.59
Repayment of Borrowings	(36,020.54)	–
Repayment to Fixed deposit holders	(1,648.40)	(52.91)
Repayment to Capital creditor	(1,897.05)	–
Final dividend paid	–	–
Tax on final dividend paid	–	–
Proceeds From Bank Borrowing	–	–
Payment of unpaid dividend	(2.21)	(2.22)
NET CASH (USED IN) FINANCING ACTIVITIES	8,904.19	(1,527.83)
Net (decrease)/increase in cash and cash equivalents	(185.49)	(444.76)

STATEMENT OF PROFIT AND LOSS WITH CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

	Year ended 31 March 2023	Restated Year ended 31 March 2022
Cash and cash equivalents at the beginning of the year	932.73	1,377.47
Cash and cash equivalents at the end of the year	747.24	932.73
Components of cash and cash equivalents		
Cash on hand	3.08	4.40
Balance with banks		
Current accounts	742.76	343.49
Deposits with original maturity of less than three months	–	579.84
Remittances in transit	1.40	5.00
Total cash and cash equivalents (refer note 11)	747.24	932.73

As per our report of even date

For and on behalf of the Board of Directors of Caprihans India Limited

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration No.: 101048W

Per Kaushal Mehta

Partner

Membership No.: 111749

Place: Mumbai

Date: May 30, 2023

Ankita J. Kariya

Chairperson and Managing Director

DIN: 08292735

Place: Mumbai

Date: May 30, 2023

Siddharth S. Shetye

Director

DIN: 06943119

Place: Mumbai

Date: May 30, 2023

Pritam Paul

CFO & Company Secretary

FCS Membership No: 5861

Place: Mumbai

Date: May 30, 2023

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

A. Equity share capital

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2023
1,313.40	–	1,313.40	–	1,313.40

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
1,313.40	–	1,313.40	–	1,313.40

B. Other equity

1) Current reporting period

Particulars	Reserves and surplus						Total
	Equity Component of Preference shares	Securities premium	General reserve	Retained earnings	Capital reserve on slump sale	Revaluation reserve	
Restated As at 31 March 2022	–	6,497.27	575.00	7,783.34	(46,673.11)	–	(31,817.50)
Impact of common control business combination (Refer Note 43)	–	–	–	(4,788.14)	–	–	(4,788.14)
Profit for the year	–	–	–	7,175.94	–	–	7,175.94
Other comprehensive income for the year	–	–	–	(93.11)	–	–	(93.11)
Consideration issued on slump sale	18,545.92	–	–	–	–	–	18,545.92
Revaluation Reserve	–	–	–	–	–	63,584.37	63,584.37
As at 31 March 2023	18,545.92	6,497.27	575.00	10,078.59	(46,673.11)	63,584.37	52,607.27

2) Previous reporting period

Particulars	Reserves and surplus						Total
	Equity Component of Preference shares	Securities premium	General reserve	Retained earnings	Capital reserve on slump sale	Revaluation reserve	
	Note 15	Note 15	Note 15	Note 15	Note 15	Note 15	
Restated As at 01 April 2021	–	6,497.27	575.00	7,509.91	(46,673.11)	–	(32,090.93)
Impact of common control business combination (Refer Note 43)	–	–	–	4,220.97	–	–	4,220.97
Profit for the year	–	–	–	(3,957.28)	–	–	(3,957.28)
Other comprehensive income for the year	–	–	–	9.74	–	–	9.74
Restated As at 31 March 2022	–	6,497.27	575.00	7,783.34	(46,673.11)	–	(31,817.50)

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

As per our report of even date

For and on behalf of the Board of Directors of Caprihans India Limited

For Batliboi & Purohit

Chartered Accountants
ICAI Firm Registration No.: 101048W

Per Kaushal Mehta

Partner
Membership No.: 111749
Place: Mumbai
Date: May 30, 2023

Ankita J. Kariya

Chairperson and Managing Director
DIN: 08292735
Place: Mumbai
Date: May 30, 2023

Siddharth S. Shetye

Director
DIN: 06943119
Place: Mumbai
Date: May 30, 2023

Pritam Paul

CFO & Company Secretary
FCS Membership No: 5861
Place: Mumbai
Date: May 30, 2023

1 Corporate information

Caprihans India Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange in India. The registered office of the Company is located at Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai – 400018. The Company is engaged in the business of manufacturing of rigid and flexible PVC films, PVDC coated films and plastic extruded products, alu alu films and other allied products.

The financial statements of the Company were authorised for issue in accordance with a resolution of the Board of Directors at their meeting held on 30 May 2023.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis. The financial statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000) except when otherwise indicated.

2.2 Summary of significant accounting policies

The following are the significant accounting policies applied by the Company in preparing its financial statements:

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised 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 the normal operating cycle;
- It is held primarily for the 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.

The Company classifies all other liabilities as non-current.

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

Operating cycle

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

ii. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

iii. 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 orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset and liability.

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

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

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

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 minimising the use of unobservable inputs.

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

The Company's finance team determines the policies and procedures for recurring fair value measurement for items, such as derivative instruments.

External valuers are involved for valuation of significant assets such as investment properties. Involvement of external valuation experts is decided upon annually by the finance team after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The finance team decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the finance team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Finance team, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

On an interim basis, the finance team and the Company's external valuers present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- a) Disclosures for valuation methods, significant estimates and assumptions (note 2.3 and 36)
- b) Investment properties (note 4)
- c) Financial instruments (including those carried at amortised cost) (note 6, 7, 10, 11, 16, 17, 36, 38)

iv. Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. 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 the statement of profit and loss as incurred.

Depreciation

Depreciation is calculated on assets over the estimated useful life of assets and methods used as mentioned below:

Asset Category	Depreciation method	Useful lives estimated by the management (years)	Useful lives as per Schedule II (years)
Land leasehold	Straight line	95–99	N.A.
Buildings	Straight line	30–60	30–60
Plant & equipment (Production)	Straight line	15	15
Plant & equipment (other than production)	Straight line	10–15	10–15
Furniture & fixture	Straight line	10	10
Vehicles	Straight line	8	8
Office equipment	Straight line	3–6	3–6

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

The Company pursuant to a change in the accounting policy has adopted the fair valuation method for evaluation of the Property Plant & Equipment.

v. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

Depreciation

Depreciation on investment property is calculated on a written down value basis over the estimated useful life of assets as follows:

Asset Category	Useful lives estimated by the management (years)	Useful lives as per Schedule II (years)
Buildings	60	60

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

An investment property is derecognised on disposal or on permanent withdrawal from use and no future economic benefits are expected from its disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

vi. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation

Amortisation of intangible assets with finite useful life is calculated on a straight-line basis as follows:

Asset category	Life in years
Computer Software	5

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset

The ability to measure reliably the expenditure during development following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit.

Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets.

The Company pursuant to a change in the accounting policy has adopted the fair valuation method for evaluation of the Intangible assets.

vii. Non-current assets held for sale

The Company has disclosed non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

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

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

viii. 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 applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

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

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 (x) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments.

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.

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

The Company applies the short-term lease recognition exemption to its short-term leases of office spaces (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 of office equipment 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 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.

ix. Inventories

- a) Raw materials, components, including in transit, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, components and stores and spares is determined on a weighted average basis.
- b) Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

x. 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. 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 of the Company. 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 available. 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.

Whenever an impairment indicator exists or an annual impairment testing is required, the Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering 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.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss in those expense categories consistent with the function of the impaired asset.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses may 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.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

xi. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

However, GST is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally in accordance with the delivery terms agreed with the customer. The general credit term is 0 to 90 days upon delivery. The Company considers whether there are other promises in the contract that 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 considers the effects of variable consideration and consideration payable to the customer.

(i) Variable consideration

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. Some contracts for the sale of the products provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

Rights of return – Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

Volume rebates – The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

Contract balances

Contract assets

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 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.

Trade receivables

A receivable represents the Company's right to 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 (xii) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

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.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Rental income

Rental income arising from operating leases on investment properties is accounted for on an actual basis and is included under the head "other income" in the statement of profit and loss.

xii. 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.

(a) Financial assets

(i) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (xi) Revenue from contracts with customers.

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.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The financial assets are subsequently measured at amortised cost.

(ii) De-recognition of financial assets

A financial asset is derecognised 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 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 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.

(iii) Impairment of financial assets

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

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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

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

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables.

(ii) Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified and measured as follows:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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

(iii) De-recognition

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

xiii. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

xiv. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives

Export incentives under various schemes notified by government are accounted for in the year of exports as grant related to income and is recognized as other operating income in the profit or loss if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled. During the current financial year the same is recognised under other operative income.

xv. Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity, respectively, and not in the statement of profit or loss. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

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:

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;

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will

allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the profit or loss is recognised outside the profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales / value added tax / GST

Expenses and assets are recognised net of the amount of sales / value added taxes / GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

xvi. Retirement and other employee benefits

Retirement benefits in the form of provident fund, superannuation scheme and employee state insurance scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to the schemes. The Company recognizes contribution payable to the schemes as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the schemes are recognized as a 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 excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The employee's gratuity fund scheme is Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on a net basis.

Re-measurements, 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 recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the profit and loss:

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

Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet.

In regard to other long term employment benefits, the Company recognises the net total of service costs; net interest on the net defined benefit liability; and re-measurements of the net defined benefit liability in the profit or loss.

xvii. Earnings per share ('EPS')

Basic EPS is calculated by dividing the Company's earnings for the year attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The earnings considered in ascertaining the Company's Earnings per Share ('EPS') comprise the net profit after tax attributable to equity shareholders. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

xviii. Cash dividend

The Company recognises a liability to make cash distributions to the equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the provisions of Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

xix. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under any certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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 recognised as a finance cost.

Contingent liability

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a present obligation arising from past events, where no reliable estimate is possible; and
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

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

xx. Business combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed in the standalone statement of profit and loss as incurred, other than those incurred in relation to the issue of debt or equity securities which are directly adjusted in other equity.

2.3. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, 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 assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Judgements

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

Determining the lease term of contracts with renewal and termination options – Company as lessee

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.

b. Estimates and assumptions

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

Defined benefit plans

The cost of the defined benefit plans and other employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 31.

2.4. Recent Prouncements:-

Standard issued but not yet effective

On March 31, 2023, Ministry of Corporate Affairs ("MCA") amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

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

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 3 (a): PROPERTY, PLANT AND EQUIPMENT

	Freehold and Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
AT COST							
Restated As at 01 April 2021	4,898.37	7,300.50	70,894.49	1,055.16	17.17	323.13	84,488.82
Additions / Regrouping	–	55.26	1,040.97	25.66	–	38.46	1,160.35
Deletion / Regrouping	–	–	4,364.74	–	–	–	4,364.74
Restated As at 31 March 2022	4,898.37	7,355.75	67,570.73	1,080.82	17.17	361.59	81,284.44
Additions / Regrouping	–	22.14	1,930.31	4.68	–	15.85	1,972.98
Deletion / Regrouping	–	–	3,894.83	0.17	–	3.30	3,898.30
Revaluation	29,349.45	36,801.67	47,108.99	1,174.85	10.44	509.23	114,954.64
As at 31 March 2023	34,247.82	44,179.56	112,715.20	2,260.18	27.61	883.37	194,313.75
DEPRECIATION							
Restated As at 01 April 2021	0.26	1,145.27	35,147.54	896.82	8.27	218.83	37,416.99
Depreciation for the year	0.04	169.26	2,972.41	34.94	1.00	47.92	3,225.57
Deletion / Regrouping	–	–	3,973.50	–	–	–	3,973.50
Restated As at 31 March 2022	0.30	1,314.54	34,146.44	931.76	9.27	266.75	36,669.06
Depreciation for the year	(0.06)	165.98	2,994.36	26.46	1.00	33.37	3,221.12
Deletion / Regrouping	–	–	1.42	–	–	–	1.42
Revaluation	16,391.84	29,682.97	5,753.07	222.52	–	234.12	52,284.53
As at 31 March 2023	16,392.08	31,163.49	42,892.46	1,180.75	10.27	534.24	92,173.30
Net book value							
As at 31 March 2023	17,855.74	13,016.07	69,822.74	1,079.44	17.33	349.13	102,140.45
Restated As at 31 March 2022	4,898.07	6,041.22	33,424.29	149.06	7.89	94.84	44,615.38
Restated As at 01 April 2021	4,898.13	6,155.23	35,746.96	158.34	8.89	104.30	47,071.83

Note 3 (b) : Capital work in progress:

Capital work-in-progress comprises cost of assets that are not yet installed and ready for their intended use at the balance sheet date.

Capital work-in-progress ageing

Ageing for capital work-in-progress As at March 31, 2023 is as follows:

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress	72.97	–	–	–	72.97
	72.97	–	–	–	72.97

Ageing for capital work-in-progress Restated As at March 31, 2022 is as follows:

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress	69.75	–	–	–	69.75
	69.75	–	–	–	69.75

Ageing for capital work-in-progress Restated As at 01 April, 2021 is as follows:

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Projects in progress	49.71	–	–	–	49.71
	49.71	–	–	–	49.71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 3 (c): RIGHT-OF-USE OF ASSETS

	Godown	Building
Restated As at 01 April 2021		
Additions		20.23
Disposals		-
Restated As at 31 March 2022		20.23
Additions		143.17
Disposals		-
As at 31 March 2023		163.40
Depreciation		
Restated As at 01 April 2021		-
Amortisation for the year		2.36
Disposals		-
Restated As at 31 March 2022		2.36
Amortisation for the year		18.58
Disposals		-
As at 31 March 2023		20.94
Net Book value		
As as 31 March 2023		142.46
Restated As at 31 March 2022		17.87
Restated As at 01 April 2021		-

Lease as lessee

Lease contract entered by the company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitments towards variable rent as per the contract.

Information in respect of lease of which right-of-use assets and corresponding lease liabilities have been recognised are as follows:-

Particulars	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Additions to right-of-use assets during the year (commercial premises)	143.17	20.23	-
Amortisation of right-of-use assets during the year	18.58	2.36	-
Interest expense (unwinding of discount) on lease liabilities	9.44	1.23	-
Lease rental expenses relating to other short term lease/low value assets	22.61	2.80	-
Total cash outflow in respect of leases (including short term leases)	32.05	4.03	-
Lease income from sub-lease of one of the Right of use assets	30.00	60.00	-
Carrying amount right-of-use assets at year end(Commercial premises)	142.46	17.87	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 4: INVESTMENT PROPERTY

	Building
COST	
Restated As at 1 April 2021	84.70
Additions	–
Disposals	–
Restated As at 31 March 2022	84.70
Additions	–
Disposals	–
As at 31 March 2023	–
Depreciation	
Restated As at 1 April 2021	21.59
Depreciation for the year	3.02
Disposals	–
Restated As at 31 March 2022	24.61
Depreciation for the year	1.20
Disposals	–
As at 31 March 2023	–
Net Book value	
AS AS 31 MARCH 2023	–
Restated As at 31 March 2022	60.08
Restated As at 1 April 2021	63.11

Notes:

(i) Information regarding income and expenditure of investment property

	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Rental income derived from investment properties	–	–	–
Direct operating expenses (including repairs and maintenance) generating rental income	–	–	–
Direct operating expenses (including repairs and “maintenance) that did not generate rental income”	1.36	2.72	2.72
(Loss)/Profit arising from investment properties before depreciation and indirect expenses	(1.36)	(2.72)	(2.72)
Less: Depreciation	1.20	3.02	3.17
(Loss)/Profit arising from investment properties before indirect expenses	(2.56)	(5.74)	(5.89)

(ii) The Company's investment property at Bandra was not leased out throughout the year.

As at 31 March 2023 and 31 March 2022, the fair values of the properties are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of investment properties.

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

(iv) Fair value of the investment properties are as under

	Building
Fair value	
Balance as at 31 March 2021	878.16
Fair value movement for the year	18.96
Sale at fair value	–
Balance as at 31 March 2022	897.12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 4: INVESTMENT PROPERTY

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation techniques	Fair value hierarchy	Fair Value		
			31 March 2023	31 March 2022	31 March 2021
Flat at Bandra (West), Mumbai	Fair market value	Level 2	–	897.12	878.16

Fair value note as per valuation report of accredited valuer

The strengths and weakness of the said property, the environmental conditions, prevailing market conditions in the nearby locality and other relevant factors have been taken into account in carrying out the exercise of valuation.

NOTE 5: INTANGIBLE ASSETS

	Softwares	Patents	Total
COST			
As at 01 April 2021	628.77	1,389.73	2,018.50
Additions / Regrouping	10.80	–	10.80
Deletion / Regrouping	–	460.09	460.09
As at 31 March 2022	639.57	929.64	1,569.21
Additions / Regrouping	2.09	–	2.09
Deletion / Regrouping	–	1,130.99	1,130.99
Revaluation	557.26	622.69	1,179.96
As at 31 March 2023	1,198.93	421.34	1,620.27
Amortisation			
AS AT 01 APRIL 2021	394.27	488.57	882.85
Amortisation for the year	39.73	136.07	175.80
Deletion / Regrouping	–	431.86	431.86
As at 31 March 2022	434.00	192.78	626.79
Amortisation for the year	21.62	66.72	88.34
Deletion / Regrouping	–	–	–
Revaluation	265.69	–	265.69
As at 31 March 2023	721.31	259.51	980.82
Net Block			
As at 31 March 2023	477.62	161.84	639.45
As at 31 March 2022	205.57	736.86	942.43
As at 01 April 2021	234.49	901.16	1,135.65

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 6: OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Non-current (unsecured considered good unless otherwise specified)			
Security deposits	351.81	237.73	281.37
Interest accrued on deposits	–	1.23	1.54
Receivable in respect of non-core activities (net) (refer note 33)	–	245.74	245.74
Bank deposits with remaining maturity of more than 12 months	7,520.88	50.00	48.93
Interest accrued on intercorporate deposits (credit impaired) (refer note 33)	–	246.60	281.81
Investment in shares of Co-Operative Banks	244.93	–	–
	8,117.63	781.29	859.39
Less: Provision for credit impaired assets	–	(246.60)	(281.81)
Total Non-current financial assets	8,117.63	534.70	577.58
Current (unsecured considered good unless otherwise specified)			
Interest accrued on deposits	22.99	47.78	76.65
	22.99	47.78	76.65
Less: Provision for credit impaired assets	–	–	–
Total current financial assets	22.99	47.78	76.65
Total other financial assets	8,140.61	582.48	654.24

Note – Receivable in respect of non-core activities

The company has assigned its receivable of ₹.245.74 lacs (Outstanding since 2005) from disposal of assets of the activities identified as non core (referred to as Non Core Assets) of the company to M/s Durable Stationery Pvt.Ltd. at a consideration of ₹.63.98 lacs due to prolonged litigation. Further, the company entered into a Share Purchase Agreement with M/s Durable Stationery Pvt.Ltd. for sale of 2,34,000 Equity shares of ₹.10 each of Roha Paper Mills Ltd. (under voluntary winding up) for a consideration of ₹.23.40 lacs. The net loss is ₹.158.36 lacs has been recorded in the books.

NOTE 7: LOANS

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Non-current			
Loans (unsecured)			
– To employees (considered good)	4.46	2.29	4.88
– To related party (credit impaired) (refer note 33)	–	–	–
	4.46	2.29	4.88
Less: Provision for credit impaired loans	–	–	–
Total loans	4.46	2.29	4.88
Current			
Loans (unsecured)			
– To employees (considered good)	24.47	9.19	9.61
– To related party (credit impaired) (refer note 33)	–	–	97.50
	24.47	9.19	107.11
Less: Provision for credit impaired loans	–	–	(97.50)
Total loans	24.47	9.19	9.61
Total Loans	28.94	11.48	14.48

Loans are non-derivative financial assets carried at amortised cost which generate a fixed interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

There are no loans given to directors or firms / private companies where directors are interested for the periods presented.

Loans and advances

Type of borrower	As at 31 March 2023		Restated As at 31 March 2022	
	Amount	% of total loans & advances	Amount	% of total loans & advances
Promoters	–	0.00%	–	0.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 8: OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Capital advances (unsecured considered good)	5.39	97.54	110.23
Prepaid expenses (unsecured considered good)	34.60	4.14	5.37
Total	39.99	101.67	115.60

There are no advances given to directors or firms / private companies where directors are interested for all the periods presented.

NOTE 9: INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Raw materials			
Raw materials and components	2,590.56	4,647.93	4,293.22
Raw materials in transit	2,735.17	5,842.68	3,180.58
Work-in-progress	1,503.43	1,248.33	1,217.34
Finished goods	1,034.59	1,302.99	824.39
Stores and spares parts	284.02	255.72	243.52
Packing materials and fuel	150.69	143.87	115.72
Scrap	27.12	9.77	26.57
Total	8,325.58	13,451.29	9,901.33

NOTE 10: TRADE RECEIVABLES

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Secured considered good	–	–	–
Unsecured considered good	16,423.04	20,708.86	14,237.91
Unsecured debts dues from related party	1,622.59	1.00	97.50
Unsecured which have significant risk	146.82	124.70	196.78
Unsecured which have credit impaired	273.88	349.50	721.47
	18,466.32	21,184.06	15,253.66
Less: Allowance for doubtful trade receivables – Billed	336.98	716.03	868.07
Total	18,129.34	20,468.03	14,385.60

Ageing for trade receivables–billed–current outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following period from due date of payment						Total
	Not due	Less than 6 months	6 months– 1 year	1–2 years	2–3 years	More than 3 years	
Undisputed trade receivables– considered good	10,851.53	7,070.59	105.74	0.29	0.60	6.62	18,035.36
Undisputed trade receivables– which have significant in credit risk	–	139.90	3.99	2.92	0.01	–	146.82
Undisputed trade receivables– credit impaired	–	2.48	2.53	14.73	11.29	22.17	53.20
Disputed trade receivables– considered good	–	–	–	9.82	0.44	–	10.27
Disputed trade receivables–which have significant in credit risk	–	–	–	–	–	–	–
Disputed trade receivables–credit impaired	–	–	–	–	129.47	91.20	220.67
	10,851.54	7,212.97	112.26	27.76	141.81	119.99	18,466.32

Less: Allowance for doubtful trade receivables – Billed

336.98
18,129.34

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 10: TRADE RECEIVABLES

Ageing for trade receivables–billed–current outstanding Restated As at March 31, 2022 is as follows:

Particulars	Outstanding for following period from due date of payment						Total
	Not due	Less than 6 months	6 months–1 year	1–2 years	2–3 years	More than 3 years	
Undisputed trade receivables–considered good	12,633.80	6,880.45	468.46	720.60	4.77	1.78	20,709.86
Undisputed trade receivables–which have significant in credit risk	64.59	47.10	12.73	0.29	–	–	124.70
Undisputed trade receivables–credit impaired	1.40	11.29	6.33	145.13	34.79	56.11	255.05
Disputed trade receivables–considered good	–	–	–	–	–	–	–
Disputed trade receivables–which have significant in credit risk	–	–	–	–	–	–	–
Disputed trade receivables–credit impaired	–	–	–	–	8.13	86.32	94.45
	12,699.80	6,938.83	487.51	866.02	47.69	144.22	21,184.06

Less: Allowance for doubtful trade receivables – Billed

716.03

20,468.03

Ageing for trade receivables–billed–current outstanding Restated As at 01 April 2021 is as follows:

Particulars	Outstanding for following period from due date of payment						Total
	Not due	Less than 6 months	6 months–1 year	1–2 years	2–3 years	More than 3 years	
Undisputed trade receivables–considered good	9,711.89	4,509.67	14.78	62.77	4.19	32.10	14,335.41
Undisputed trade receivables–which have significant in credit risk	143.63	27.27	22.95	2.93	–	–	196.78
Undisputed trade receivables–credit impaired	1.58	86.14	59.42	50.48	46.76	178.53	422.90
Disputed trade receivables–considered good	–	–	–	–	–	–	–
Disputed trade receivables–which have significant in credit risk	–	–	–	–	–	–	–
Disputed trade receivables–credit impaired	–	–	–	–	10.58	288.00	298.57
	9,857.11	4,623.09	97.15	116.18	61.53	498.62	15,253.66

Less: Allowance for doubtful trade receivables – Billed

868.07

4,385.60

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 0–90 days. For terms and conditions relating to related party receivables, refer note 33.

See note 38 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 11: CASH AND BANK BALANCES

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Cash and cash equivalents			
Balance with banks			
Current accounts	791.50	343.49	324.27
Unpaid dividend accounts			12.14
Deposits with original maturity of less than three months	–	579.84	1,049.86
Remittances in transit	1.40	5.00	0.33
Cash on hand	3.08	4.40	3.01
Total cash and cash equivalents	795.98	932.73	1,389.61
Other bank balances			
Deposits with remaining maturity of less than 12 months	–	1,630.70	2,124.04
Unpaid dividend accounts	7.71	9.92	
Margin money deposits	543.79	521.32	268.66
	551.49	2,161.94	2,392.70
Total	1,347.47	3,094.67	3,782.32

Deposits are made for varying periods generally between one day and twelve months; and occasionally for periods beyond 12 months; depending on the immediate cash requirement of the Company and earn interest at the respective short term deposit rate.

Financial assets carried at amortised cost

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Loans (Note 6)	28.94	11.48	14.48
Other financial assets (Note 7)	8,140.61	582.48	654.24
Trade receivables (Note 10)	18,129.34	18,129.34	20,468.03
Cash and bank balances (Note 11)	1,347.47	3,094.67	3,782.32
Total	27,646.37	21,817.97	24,919.06

NOTE 12: INCOME TAX ASSETS (NET) / CURRENT TAX LIABILITIES

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Provision for taxation	314.70	559.98	555.66
Income tax receivables (net of provision)	–	47.00	30.28
Total Current tax liabilities (net)	314.69	512.97	525.38
Total Current tax asset (net)	–	–	–
Non-current tax assets	51.45	47.00	30.28
Current tax assets	–	–	–
Current tax liabilities (net)	(366.14)	(559.98)	(555.66)
Total	(314.69)	(512.97)	(525.38)

NOTE 13: OTHER CURRENT ASSETS

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Unsecured considered good			
– Advances recoverable	1,485.02	1,348.24	1,424.26
– Balances with GST authorities	1,347.53	367.54	410.12
– Prepaid expenses	253.88	138.06	125.74
Total	3,086.44	1,853.84	1,960.12

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 14: EQUITY SHARE CAPITAL

Authorised share capital

Equity shares of INR 10 each

Particulars	No. of shares	INR lacs
At 01 April 2021	20,000,000	2,000.00
Increase/(decrease) during the year	–	–
At 31 March 2022	–	–
Increase/(decrease) during the year	–	–
At 31 March 2023	2,00,00,000	2,000

Terms / rights attached to the equity shares

The Company has only one class of equity shares having a par value of INR 10/– each. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

The Board of Directors has not recommended any dividend on the equity shares during the year ended 31 March 2023 (31 March 2022: NIL).

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.

Issued, subscribed & fully paid up share capital

Equity shares of INR 10 each

Particulars	No. of shares	INR lacs
At 01 April 2021	13,133,971	1,313.40
Changes during the year	–	–
At 31 March 2022	13,133,971	1,313.40
Changes during the year	–	–
At 31 March 2023	13,133,971	1,313.40

14 (a) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding Company are as follows:

Particulars	As at 31 March 2023		Restated As at 31 March 2022		Restated As at 01 April 2021	
	No. of shares	INR lacs	No. of shares	INR lacs	No. of shares	INR lacs
Bilcare Mauritius Limited						
Equity shares of INR 10 each	6,698,325	669.83	6,698,325	669.83	6,698,325	669.83
Equity share holding (%)		51.00%		51.00%		51.00%

14 (b) Number of shares held by each shareholder holding more than 5% shares in the Company

Name of the shareholder/ Relationship	As at 31 March 2023		Restated As at 31 March 2022		Restated As at 01 April 2021	
	No. of shares	% of shareholding	No. of shares	% of shareholding	No. of shares	% of shareholding
Bilcare Mauritius Limited– (Holding Company)	6,698,325	51.00%	6,698,325	51.00%	6,698,325	51.00%
K. C. Holdings Private Limited– (Enterprise in which person having significant influence is a promoter) (upto 28/12/2022)	–	–	1,242,609	9.46%	1,242,609	9.46%
Mofatraj P. Munot– (Person having significant influence) (upto 28/12/2022) #	–	–	664,371	5.06%	664,371	5.06%

The Company has received a letter dated 28th December, 2022, informing sale of entire shareholding held by them on the floor of the Stock Exchange, requesting the Company to de-classify their shareholding from the Promoter Group of Caprihans India Limited. The Board of Directors of the Company has approved the above de-classification and passed the necessary resolution at its meeting held on 28.12.2022. The intimation is made in compliance with Regulation 31A (8) of the Listing Regulations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 14: EQUITY SHARE CAPITAL

14 (c) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter Name	Shares held by promoters				% Change during the year
	As at March 31,2023		Restated As at March 31, 2022		
	No. of shares	% of total shares	No. of shares	% of total shares	
Bilcare Mauritius Limited	6,698,325	51.00%	6,698,325	51.00%	0.00%
Mofatraj P Munot*	–	0.00%	664,371	5.06%	–5.06%
Parag M Munot*	–	0.00%	445,496	3.39%	–3.39%
Imtiaz Kanga*	–	0.00%	38,288	0.29%	–0.29%
Monica Parag Munot*	–	0.00%	26,300	0.20%	–0.20%
K. C. Holdings Private Limited*	–	0.00%	1,242,609	9.46%	–9.46%
Kalpataru Properties Private Limited*	–	0.00%	273,736	2.08%	–2.08%
Yugdharm Investment & Trading Company Private Limited*	–	0.00%	22,350	0.17%	–0.17%
Mrigashish Investment & Trading Company Private Limited*	–	0.00%	140	0.00%	0.00%
Shouri Investment & Trading Company Private Limited*	–	0.00%	140	0.00%	0.00%
Total	6,698,325	51.00%	9,411,755	71.66%	–20.66%

*upto 28/12/2022

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter Name	Shares held by promoters				% Change during the year
	Restated As at March 31,2022		Restated As at April 01, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Bilcare Mauritius Limited	6,698,325	51.00%	6,698,325	51.00%	0.00%
Mofatraj P Munot	664,371	5.06%	664,371	5.06%	0.00%
Parag M Munot	445,496	3.39%	445,496	3.39%	0.00%
Imtiaz Kanga	38,288	0.29%	38,288	0.29%	0.00%
Monica Parag Munot	26,300	0.20%	26,300	0.20%	0.00%
K. C. Holdings Private Limited	1,242,609	9.46%	1,242,609	9.46%	0.00%
Kalpataru Properties Private Limited	273,736	2.08%	273,736	2.08%	0.00%
Yugdharm Investment & Trading Company Private Limited	22,350	0.17%	22,350	0.17%	0.00%
Mrigashish Investment & Trading Company Private Limited	140	0.00%	140	0.00%	0.00%
Shouri Investment & Trading Company Private Limited	140	0.00%	140	0.00%	0.00%
Total	9,411,755	71.66%	9,411,755	71.66%	0.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 14.1 : PREFERENCE SHARE CAPITAL

Authorised Preference share capital

Equity shares of INR 10 each

Particulars	No. of shares	INR lacs
At 01 April 2021	-	-
Increase/(decrease) during the year	-	-
At 31 March 2022	-	-
Increase/(decrease) during the year	215,000,000	21,500.00
At 31 March 2023	215,000,000	21,500.00

Terms / rights attached to the Preference shares

The Redeemable Preference Shares (RPS) carry a fixed non-participating non-cumulative dividend of 0.1% per annum. The RPS will be redeemed on or before completion of 20 years from the date of allotment at the discretion of the Board of Directors of the Company. The RPS shall be redeemed out of profits of the Company which would otherwise be available for dividend distribution or out of proceeds of fresh issue of shares made for the purpose of such redemption. The RPS are unsecured and do not carry any voting rights subject to the provisions for Section 48 of the Companies Act 2013. The RPS are subject to the other terms and conditions as specified in the business transfer agreement.

Issued, subscribed & fully paid up Preference share capital

Equity shares of INR 10 each

Particulars	No. of shares	INR lacs
At 01 April 2021	-	-
Changes during the year	-	-
At 31 March 2022	-	-
Changes during the year	213,000,000	21,300.00
At 31 March 2023	213,000,000	21,300.00

14.1 (a) Preference Shares held by holding company

Out of Preference shares issued by the Company, Preference shares held by its ultimate holding Company are as follows:

Particulars	As at 31 March 2023		Restated As at 31 March 2022		Restated As at 01 April 2021	
	No. of shares	INR lacs	No. of shares	INR lacs	No. of shares	INR lacs
Bilcare Limited (Ultimate holding company)						
Preference shares of INR 10 each	213,000,000	21,300.00	-	-	-	-
Preference share holding (%)		100.00%		-		-

14.1 (b) Number of shares held by each shareholder holding more than 5% shares in the Company

Particulars	As at 31 March 2023		Restated As at 31 March 2022		Restated As at 01 April 2021	
	No. of shares	% of shareholding	No. of shares	% of shareholding	No. of shares	% of shareholding
Bilcare Limited (Ultimate holding company)						
Preference shares of INR 10 each	213,000,000	100.00%	-	-	-	-
Preference share holding (%)						

14 (c) Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 is as follows:

Promoter Name	Preference Shares held by promoter					
	As at March 31,2023		Restated As at March 31,2022		% Change during the year	
	No. of shares	% of total shares	No. of shares	% of total shares		
Bilcare Limited (Ultimate holding company)	213,000,000	100.00%	-	-	100.00%	
Total	213,000,000	100.00%	-	-	100.00%	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 14.1 : PREFERENCE SHARE CAPITAL

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter Name	Preference Shares held by promoters				% Change during the year
	Restated As at March 31,2022		Restated As at April 01, 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Bilcare Limited (Ultimate holding company)	-	-	-	-	-
Total	-	-	-	-	-

NOTE 15: OTHER EQUITY

Note 15.1 Other reserves

Particulars	Equity Component of Preference shares	Securities premium	General reserve	Retained earnings	Capital reserve on slump sale	Revaluation reserve
Restated As at 01 April 2021	-	6,497.27	575.00	7,509.91	(46,673.11)	-
Add: Impact of common control business combination (Refer Note 43)	-	-	-	4,220.97	-	-
Add: Profit for the year	-	-	-	(3,957.28)	-	-
Add: Other comprehensive income for the year	-	-	-	9.74	-	-
As at 31 March 2022	-	6,497.27	575.00	7,783.34	(46,673.11)	-
Add: Impact of common control business combination (Refer Note 43)	-	-	-	(4,788.14)	-	-
Add: Profit for the year	-	-	-	7,175.94	-	-
Add: Other comprehensive income for the year	-	-	-	(93.11)	-	-
Add: Consideration issue on slump sale	18,545.72	-	-	-	-	-
As at 31 March 2023	18,545.72	6,497.27	575.00	10,078.03	(46,673.11)	63,584.37

Other reserves

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Equity Component of Preference shares	18,545.72	-	-
Securities premium	6,497.27	6,497.27	6,497.27
General reserve	575.00	575.00	575.00
Retained earnings	10,078.03	7,783.34	7,509.91
Capital reserve on slump sale	(46,673.11)	(46,673.11)	(46,673.11)
Revaluation Reserve	63,584.37	-	-
Total other reserves	52,607.28	(31,817.50)	(32,090.93)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 16 (a): NON CURRENT–BORROWINGS

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Secured Loan #			
(i) Rupee Term loans–From Banks	50,539.70	15,170.60	17,087.65
(ii) Rupee Term loans–From financial institution and others	–	26,629.96	24,605.00
Unsecured #			
(i) Rupee Term loans–From Banks	–	4,475.00	4,475.00
(ii) Deferred sales tax loan	–	265.26	407.47
Non Convertible Debentures (Zero coupon Bonds)	–	6,392.94	5,661.64
Liability component of Preference shares	2,551.99	–	–
Total Non Current Borrowings	53,091.69	52,933.76	52,236.76

Refer Annexure A to the Notes

NOTE 16 (b): CURRENT–BORROWINGS

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Secured Loan #			
(i) Rupee Term loan–From Bank	1,253.08	–	–
Bank Cash Credit	48.74	2,698.60	2,200.34
Public Fixed Deposits (Refer Note 44)	10,959.79	12,608.19	12,652.86
Total Current Borrowings	12,261.60	15,306.79	14,853.20

Refer Annexure A to the Notes

NOTE 17 (a): OTHER FINANCIAL LIABILITIES–NON CURRENT

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Capital Creditor	–	1,718.40	4,826.24
0.1%, Non–cumulative, Non–participating redeemable preference shares of ₹10/– each	–	–	21,300.00
Other financial liabilities–Non current	–	1,718.40	26,126.24

NOTE 17 (b): OTHER FINANCIAL LIABILITIES

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Current			
Financial liabilities at amortised cost			
0.1%, Non–cumulative, Non–participating redeemable preference shares of ₹.10/– each	–	21,300.00	–
Deposits from customers and others	13.00	18.00	18.00
Unclaimed dividends	7.71	9.92	12.14
Other payables	2,460.15	6,344.92	4,677.50
Total financial liabilities at amortised cost	2,480.86	27,672.84	4,707.64
Total current other financial liabilities	2,480.86	27,672.84	4,707.64
Total other financial liabilities	2,480.86	27,672.84	4,707.64

For explanations on the Company's interest risk, foreign currency risk and liquidity risk management processes, refer to note 38.

Financial liabilities at amortised cost

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Trade Payables (Note 19 (a))	13,858.96	14,608.19	8,479.74
Other financial liabilities (Note 17 (b))	2,480.86	27,672.84	4,707.64
Total financial liabilities carried at amortised cost	16,339.82	42,281.03	13,187.38

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 18: PROVISIONS

Particulars		As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Non-current				
Employee benefit obligations:				
Compensated absences		370.47	272.98	268.39
Total non-current employee benefit obligations	(a)	370.47	272.98	268.39
Current				
Employee benefit obligations:				
Compensated absences		126.72	205.33	182.73
Gratuity		876.99	585.38	529.66
Total current employee benefit obligations	(b)	1,003.71	790.72	712.39
Total Provisions	(a+b)	1,374.18	1,063.69	980.78

Employee benefits obligations

a) Gratuity

The Company provides gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement or termination whichever is earlier. The level of benefits provided depends on the member's length of service and salary. The gratuity plan is funded plan. The gratuity obligation is calculated by the Company without keeping any upper limit.

b) Compensated absences

The leave obligation cover the Company's liability for earned leaves.

Also refer note 31 for detailed disclosure.

NOTE 19 (a): TRADE AND OTHER PAYABLES

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Trade payables – current			
Outstanding dues of micro and small enterprises (refer note 35)	1,151.02	94.32	155.16
Outstanding dues other than micro and small enterprises	12,707.94	14,513.87	8,324.58
Total current trade payables	13,858.96	14,608.19	8,479.74

Trade payables are non-interest bearing and are normally settled on 0 – 90 days terms.

For explanations on the Company's foreign currency risk and liquidity risk management processes, refer to note 38.

Ageing for trade payables outstanding as at March 31, 2023 is as follows:

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1–2 years	2–3 years	More than 3 years	
Trade payables						
MSME	365.74	528.46	0.01	–	0.14	894.36
Others	7,795.05	4,854.51	13.11	11.44	33.83	12,707.94
Disputed dues – MSME	89.17	167.49	–	–	–	256.66
Disputed dues – Others	–	–	–	–	–	–
	8,249.96	5,550.47	13.12	11.44	33.97	13,858.96

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 19 (a): TRADE AND OTHER PAYABLES

Ageing for trade payables outstanding restated as at March 31, 2022 is as follows:

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME	-	94.27	-	-	0.05	94.32
Others	10,733.60	3,617.30	42.89	12.37	107.71	14,513.87
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-
	10,733.60	3,711.58	42.89	12.37	107.76	14,608.19

Ageing for trade payables outstanding restated as at 01 April 2021 is as follows:

Particulars	Outstanding for following period from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables						
MSME	117.23	37.77	0.12	0.04	-	155.16
Others	3,888.99	2,955.46	457.94	914.01	108.17	8,324.58
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-
	4,006.22	2,993.23	458.06	914.05	108.17	8,479.74

NOTE 19 (b): OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Current			
Advance from customers	564.79	1,039.56	1,230.04
Other payables			
Statutory dues including provident fund and tax	89.44	496.30	357.41
Tax deducted at source	737.79	25.57	30.57
Sales tax	159.28	-	-
Interest Payable	56.75	-	-
Others	5.66	692.52	767.18
Total other liabilities	1,613.71	2,253.95	2,385.20

NOTE 20: REVENUE FROM OPERATIONS

Particulars	As at 31 March 2023	Restated As at 31 March 2022
Revenue from contracts with customers		
Sale of products	92,401.48	79,213.26
	92,401.48	79,213.26
Other operating income		
Sale of scrap	764.15	106.76
Processing charges	454.64	447.22
Income from exports scheme	23.23	64.22
	1,242.02	618.20
Total	93,643.50	79,831.46

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 20: REVENUE FROM OPERATIONS

The Company collects GST on behalf of the government. Hence, GST is not included in revenue from operations.

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	31 March 2023	Restated As at 31 March 2022
Revenue as per contracted price	93,158.35	79,918.75
Adjustments		
Discounts	(272.68)	(241.61)
Sales return	(484.18)	(463.88)
Revenue from contract with customers	92,401.48	79,213.26

Performance obligation

The performance obligation is satisfied at the point in time when control of the goods are transferred to the customer, generally in accordance with the delivery terms agreed with the customer and payment is generally due within 0 to 90 days from the date of delivery.

Some contracts provide customers with volume rebates which give rise to variable consideration.

NOTE 21: OTHER INCOME

Particulars	31 March 2023	Restated As at 31 March 2022
Interest		
On bank deposits	70.39	109.45
On others	11.61	30.39
Rent received	0.84	0.84
Exchange differences (net)	266.28	77.48
Provision no longer required	503.80	320.00
Miscellaneous income	265.51	516.06
Total	1,118.42	1,054.23

NOTE 22: COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	31 March 2023	Restated As at 31 March 2022
Inventory at the beginning of the year (including goods in transit)	8,705.53	6,320.76
Add: Purchases	61,724.28	59,687.46
	70,429.81	66,008.21
Less: Inventory at the end of the year (including goods in transit)	(3,720.39)	(8,705.53)
Total	66,709.44	57,302.69
Purchase of Traded Goods	404.98	104.83
Total	404.98	104.83

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 23: (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	31 March 2023	Restated As at 31 March 2022
Opening inventory		
Work-in-process	1,278.88	1,246.49
Finished goods	2,626.97	1,925.79
Scrap	8.26	25.09
Closing inventory		
Work-in-process	1,920.98	1,278.88
Finished goods	1,760.03	2,626.97
Scrap	20.86	8.26
(Increase)/decrease in inventory	212.23	(716.74)

NOTE 24: EMPLOYEE BENEFITS EXPENSE

Particulars	31 March 2023	Restated As at 31 March 2022
Salaries, wages and bonus	5,985.65	4,876.81
Gratuity expense (refer note 31)	141.56	160.12
Contribution to provident and other funds	226.33	271.49
Staff welfare expenses	383.36	379.17
Total	6,736.90	5,687.59

NOTE 25: FINANCE COSTS

Particulars	31 March 2023	Restated As at 31 March 2022
Bank charges	271.80	150.54
Other Interest Charges	5,681.63	6,709.25
Total	5,953.43	6,859.79

NOTE 26: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2023	Restated As at 31 March 2022
Depreciation and amortisation expense		
Depreciation on tangible assets (refer note 3)	3,221.12	3,225.57
Depreciation on investment properties (refer note 4)	1.20	3.02
Amortisation on intangible assets (refer note 5)	88.34	175.80
Lease depreciation	18.58	2.36
Total	3,329.25	3,406.75

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 27: OTHER EXPENSES

Particulars	31 March 2023	Restated As at 31 March 2022
Consumption of stores	503.75	545.12
Consumption of packing material	2,043.17	726.76
Sub-contracting expenses	37.70	29.17
Power and fuel	4,252.67	3,367.04
Freight and forwarding charges	2,476.37	2,117.54
Rent	15.80	15.28
Rates and taxes	111.48	60.65
Insurance	221.84	110.64
Repairs and maintenance		
Plant and machinery	376.89	352.17
Building	80.07	57.75
Others	41.54	36.85
CSR expenditure (refer details below)	38.22	26.87
Sales commission	957.91	1,000.31
Travelling and conveyance	232.83	135.83
Communication costs	44.51	38.27
Printing and stationery	55.86	45.04
Advertising and sales promotion	48.49	81.21
Legal and professional fees	1,265.64	1,449.54
Directors sitting fees	31.25	21.25
Payment to auditor (refer details below)	24.98	15.15
Allowances for doubtful debts and advances (net)	34.50	10.41
Miscellaneous expenses	669.36	1,370.57
Total	13,564.83	11,613.42

Payment to auditors (net of GST)

Particulars	31 March 2023	Restated As at 31 March 2022
As auditor		
Audit fees	19.75	10.50
Limited review fees	4.50	4.50
Reimbursement of expenses	0.73	0.15
Total	24.98	15.15

Details of CSR expenditure:

Particulars	31 March 2023	Restated As at 31 March 2022
1. Amount required to be spent by the company during the year	54.42	28.38
2. Amount of expenditure incurred on:		
i) Construction of asset	10.00	23.40
ii) On purposes other than (i) above	4.26	3.00
3. Shortfall at the end of the year	40.16	1.98
4. Total of Previous years shortfall	1.98	12.05
5. Reason for shortfall	Due to unforeseen circumstances	
6. Nature of CSR activities	Promoting Education, Improving Infrastructure for School, Rural development project	
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	–	–

Note:– Unutilise/unspent CSR amount of ₹40.16 lacs for the year ended March 31, 2023 has not been deposited in the specified CSR Bank Account

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 28: EXCEPTIONAL ITEM (REFER NOTE NO. 45)

Particulars	31 March 2023	Restated As at 31 March 2022
Profit on sale of property, plant and equipment and investment property	711.12	–
Non Core Receivable – Written Off	(158.36)	–
Settlement of Bank loans	14,177.04	–
Expenses on Bank Combinations	(2,047.95)	–
Net Exceptional Income	12,681.85	–

NOTE 29: INCOME TAX

The note below details the major components of income tax expenses for the year ended 31 March 2023 and 31 March 2022. The note further describes the significant estimates made in relation to Company's income tax position and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

Particulars	31 March 2023	Restated As at 31 March 2022
Statement of profit and loss		
Current income tax		
Current income tax charge	–	517.62
Adjustment in respect of current income tax relating to earlier years	11.91	(0.28)
Deferred tax		
Relating to origination and reversal of temporary differences	3,344.87	67.28
Income tax expense reported in the statement of profit and loss	3,356.78	584.62

Other Comprehensive Income (OCI)

Particulars	31 March 2023	Restated As at 31 March 2022
Tax related to items recognised in OCI during the year	–	3.28
Income tax charged to OCI	–	3.28

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31 March 2023 and 31 March 2022.

A) Current tax

Particulars	31 March 2023	Restated As at 31 March 2022
Accounting profit before income tax expense	10,532.72	(3,372.65)
Other comprehensive income before tax	(93.11)	13.02
Total comprehensive income before tax	10,439.61	(3,359.63)
Current Tax @ 25.17% (31 March 2022: 25.17%)	2,627.65	(845.62)
Tax effect of adjustments in calculating taxable income:		
Adjustments of other allowances/disallowances (net)	717.22	1,433.81
Income tax adjustments (earlier years)	11.91	(0.28)
Change in deferred tax due to change in tax rates	–	–
At the effective income tax rate of 31 March 2023: 22.15% (31 March 2022: 22.15%)	3,356.78	587.90
Income tax effect on OCI	–	3.28
Income tax expenses reported in the statement of profit and loss	3,356.78	584.62
Income tax total	3,356.78	587.90

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 29: INCOME TAX

Particulars	Balance sheet			Statement of profit and loss		
	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Depreciation	(3,420.82)	(34.30)	(34.50)	(3,386.52)	0.20	14.85
Disallowances u/s 43B of Income Tax Act	315.00	108.21	121.42	206.79	(13.21)	22.77
Provision for doubtful debts & advances	77.10	242.24	296.50	(165.14)	(54.26)	35.47
Deferred tax income				(3,344.87)	(67.27)	73.09
Net deferred tax assets/ (Liability)	(3,028.72)	316.15	383.42			
Reflected in the balance sheet as follows:						
Deferred tax liabilities	(3,420.82)	(34.30)	(34.50)			
Deferred tax assets	392.10	350.45	417.92			
Deferred tax assets/ (Liability)	(3,028.72)	316.15	383.42			

Reconciliation of deferred tax assets net	31 March 2023	31 March 2022	31 March 2021
Opening balance	316.15	383.42	310.33
Tax income during the year recognised in profit or loss	(3,344.87)	(67.27)	73.09
Closing balance	(3,028.72)	316.15	383.42

The Company offsets tax assets and 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 tax authority.

NOTE 30 (a): COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	Retained earnings	Total
During the year ended 31 March 2023		
Re-measurement gains on defined benefit plans	(93.11)	(93.11)
	(93.11)	(93.11)
During the year ended 31 March 2022		
Re-measurement gains on defined benefit plans	13.02	13.02
	13.02	13.02

NOTE 30 (b): EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year by the weighted average number of equity shares outstanding during the year. The earnings considered in ascertaining the Company's earnings per share ('EPS') comprise the net profit after tax attributable to equity shareholders.

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

Particulars	31 March 2023	Restated As at 31 March 2022
Earning per share (Basic and diluted)		
Profit attributable to owners of the Company (INR in lacs)	7,175.94	(3,957.28)
Weighted average number of equity shares for the purpose of computing earnings per share (basic and diluted)*	13,133,971	13,133,971
Basic and diluted earnings per share	54.64	30.13

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 31: DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of INR 213.57 lakhs pertaining to contribution to PF and ESIC (31 March 2022: INR 98.72 lakhs) is recognised as expenses and included in note 24 "Employee benefit expense".

B. Defined benefit plans:

The Company has a defined benefit gratuity plan. The fund is administered by ICICI Prudential Life Insurance Company Ltd. and The following table summarises 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 gratuity.

Changes in the Present Value of Obligation

Particulars	For the period ending	
	31-03-2023 (In lacs)	31-03-2022 (In lacs)
Present Value of Obligation as at the beginning	1,315.51	1,305.84
Current Service Cost	94.27	159.39
Interest Expense or Cost	91.99	41.77
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
– change in demographic assumptions	-	0.40
– change in financial assumptions	(23.90)	(5.32)
– experience variance (i.e. Actual experience vs assumptions)	91.56	(1.05)
– others	-	-
Past Service Cost	-	-
Effect of change in foreign exchange rates	-	-
Benefits Paid	(76.07)	(185.32)
Transfer In / (Out)	-	-
Effect of business combinations or disposals	-	-
Present Value of Obligation as at the end	1,493.37	1,315.51

Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	For the period ending	
	31-03-2023 (In lacs)	31-03-2022 (In lacs)
Current Liability (Short term)	241.90	202.49
Non-Current Liability (Long term)	1,251.47	1,113.03
Present Value of Obligation	1,493.37	1,315.51

Changes in the Fair Value of Plan Assets

Particulars	For the period ending	
	31-03-2023 (In lacs)	31-03-2022 (In lacs)
Fair Value of Plan Assets as at the beginning	648.28	652.00
Investment Income	44.70	41.05
Employer's Contribution	24.92	11.52
Employee's Contribution	-	-
Benefits Paid	(76.07)	(63.34)
Return on plan assets , excluding amount recognised in net interest expense	(25.45)	7.05
Transfer In / (Out)	-	-
Fair Value of Plan Assets as at the end	616.38	648.28

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 31: DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

Expenses Recognised in the Income Statement

Particulars	For the period ending	
	31-03-2023	31-03-2022
Current Service Cost	94.27	159.39
Past Service Cost	–	–
Loss / (Gain) on settlement	–	–
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	47.29	0.73
Expenses Recognised in the Income Statement	141.56	160.12

Other Comprehensive Income

Particulars	For the period ending	
	31-03-2023	31-03-2022
Actuarial (gains) / losses		
– change in demographic assumptions	–	0.40
– change in financial assumptions	(23.90)	(5.32)
– experience variance (i.e. Actual experience vs assumptions)	91.56	(1.05)
– others	–	–
Return on plan assets, excluding amount recognised in net interest expense	25.45	(7.05)
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	–	–
Components of defined benefit costs recognised in other comprehensive income	93.11	(13.02)

Major categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	As on	
	31-03-2023	31-03-2022
Government of India securities	–	–
State Government securities	–	–
High quality corporate bonds	–	–
Equity shares of listed companies	–	–
Property	–	–
Special Deposit Scheme	–	–
Funds managed by Insurer	100%	100%
Bank balance	–	–
Other Investments	–	–
Total	100%	100%

Financial Assumptions

Particulars	As on	
	31-03-2023	31-03-2022
Discount rate (per annum)	7.45%	6.90%
Salary growth rate (per annum)	10% p.a. for first two years 6.5% p.a. thereafter	10% p.a. for first two years 6.5% p.a. thereafter

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 31: DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

Demographic Assumptions

Particulars	As on	
	31-03-2023	31-03-2022
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	58 Years	58 Years
Attrition / Withdrawal rates, based on age: per annum		-
Upto 44 years	5.00%	5% to 7%
Above 44 years	7.00%	5% to 7%

Demographic Assumptions

Defined Benefit Obligation (Base)	As at 31-03-2023 (In lacs)		As at 31-03-2022 (In lacs)	
	1,493.37		673.19	
Particulars	31-03-23		Restated As at 31-03-2022	
	Decrease (In lacs)	Increase (In lacs)	Decrease (In lacs)	Increase (In lacs)
Discount Rate (- / + 1%)	1,594.83	1,402.68	1389.18	1248.42
(% change compared to base due to sensitivity)	6.80%	-6.10%	5.60%	-5.10%
Salary Growth Rate (- / + 1%)	1,413.59	1,576.60	1248.42	1387.87
(% change compared to base due to sensitivity)	-5.30%	5.60%	-5.10%	5.50%
Attrition Rate (- / + 50% of attrition rates)	1,494.34	1,491.71	1312.88	1376.83
(% change compared to base due to sensitivity)	0.10%	-0.10%	-0.20%	0.10%
Mortality Rate (- / + 10% of mortality rates)	1,493.45	1,493.28	1315.51	1315.51
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Gratuity amount of ₹0.63 lacs has become due to be paid in the year 2022-23, however the same has been paid in the year 2023-24.

The major categories of plan assets of the fair value of the total plan assets of gratuity are as follows:

Particulars	31-03-2023	31-03-2022
Insured managed funds (in Lacs)	616.38	648.28
(%) of total plan assets	100%	100%

The major categories of plan assets of the fair value of the total plan assets of gratuity are as follows:

Particulars	31-03-2023	31-03-2022
Discount rate	7.45%	6.90%
Future salary increase	10% p.a. for first two consecutive years 10% pa.to 6.5% p.a. thereafter	10% p.a. for first two consecutive years 10% pa.to 6.5% p.a. thereafter
Expected average remaining working lives (in years)		
Gratuity	15.93 Years	16.30 Years
Withdrawal rate (based on grade and age of employees)		
Gratuity		
Upto 44 Years	5.00%	5% to 7%
Above 44 Years	7.00%	5% to 7%

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 31: DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	31-03-2023
Within the next 12 months (next annual reporting period)	
Gratuity	
Between 2 and 5 years	241.90
Gratuity	
Between 6 and 10 years	595.35
Gratuity	
Beyond 10 years	854.42
Gratuity	
	972.10
Total expected payments	2663.77

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	31-03-2023 Years	31-03-2022 Years
Gratuity	5 years	5 years

The followings are the expected contributions to planned assets for the next year:

Particulars	31-03-2023 In lacs
Gratuity	876.99

NOTE 32: COMMITMENTS AND CONTINGENCIES

a. Capital and other commitments

Particulars	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Capital commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	168.79	244.72	140.65

b. Contingent liabilities

Particulars	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Contingent liabilities not provided for			
a. Demands of Excise authorities which are disputed in appeals by the Company	62.24	62.24	62.24
b. Other excise notices pending adjudication	92.37	92.37	190.50
a. Demands of GST which are disputed in appeals by the Company	78.71		
c. Demands of Income tax authorities which are disputed in appeals and not provided for	529.36	529.36	–
d. Claims against the company not acknowledged as debts – estimated	499.61	436.23	416.78
	1,262.29	1,120.20	669.52

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 33: RELATED PARTY TRANSACTIONS

Related parties have been identified on the basis of representation made by the Key Management Persons and taken on record by the Board. Disclosures of transactions with related parties are as under:

A. Description of related parties

i) Name of the related party and nature of relationship where control exists

Related party category	Name of the Entity
Holding company	Bilcare Mauritius Limited
Ultimate holding company	Bilcare Limited
Person having significant influence	Mofatraj P. Munot (Upto 28/12/2022)
Enterprise in which person having significant influence is a promoter	K. C. Holdings Pvt Ltd (Upto 28/12/2022) Kalpataru Limited (Upto 28/12/2022) Kalpataru Properties Private Limited (Upto 28/12/2022)
Relatives of person having significant influence	Parag Mofatraj Munot (Upto 28/12/2022) Monica Parag Munot (Upto 28/12/2022)
Relatives of Key Management Personnel	Mohan H. Bhandari Nutan M. Bhandari Shreyans M. Bhandari
Other related parties	Juniper Health LLP

ii) Key management personnel

Name	Name of the office held
Ankita J. Kariya (wef 19/10/2022)	Chairperson and Managing Director
Mr. Robin Banerjee (upto 19/10/2022)	Managing Director
Mr. Bhoumik S. Vaidya (Upto 31/03/2023)	Independent Director
Mr. Nitin K Joshi	Independent Director
Mr. Siddharth S. Shetye	Independent Director
Mr. Narendra Lodha (Upto 28/12/2022)	Non Independent Director
Mr. Chandrashekhar Joglekar (Upto 28/12/2022)	Non Independent Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 33: RELATED PARTY TRANSACTIONS

B. Transactions with related parties

Related party category	Name of the related party	31 March 2023	31 March 2022	Nature of transaction
Ultimate Holding Company	Bilcare Limited	–	30.33	Interest accrued (gross)
Enterprise in which person having significant influence is a promoter	Kalpataru Limited	10.91	14.70	Interest accrued (gross)
Total		10.91	45.03	
Ultimate Holding Company	Bilcare Limited	–	97.50	Intercorporate Deposits principal received (old)
Ultimate Holding Company	Bilcare Limited	51.04	62.50	Interest on Intercorporate Deposits
Ultimate Holding Company	Bilcare Limited	1.00	160.00	Received against outstanding receivables
Ultimate Holding Company	Bilcare Limited	80.17	–	Fresh ICD @10% p.a. issued
Ultimate Holding Company	Bilcare Limited	80.17	–	Fresh ICD repaid in full on 31.3.23
Total		212.38	320.00	
Ultimate Holding Company	Bilcare Limited	–	27.30	Expense recognised during the period in respect for bad or doubtful debts/ advances
Ultimate Holding Company	Bilcare Limited	(503.80)	(320.00)	Reversal of provision as no longer required
Total		(503.80)	(292.70)	
Ultimate Holding Company	Bilcare Limited**	74.71	–	Purchase of goods or services
Ultimate Holding Company	Bilcare Limited	30.00	60.00	Rental Income
Ultimate Holding Company	Bilcare Limited**	223.55	–	Sale of goods or services
Ultimate Holding Company	Bilcare Limited	21,300.00	–	Purchase of PPI division– net consideration paid (slump sale)
Total		21,628.26	60.00	
Other related parties	Juniper Health LLP	–	14.99	Purchase of goods or services
Other related parties	Juniper Health LLP	–	407.54	Sale of goods or services
Other related parties	Juniper Health LLP	323.18	217.85	Commission Paid
Other related parties	Juniper Health LLP	950.36	5,307.84	Sales bill discounting availed
Other related parties	Juniper Health LLP	3,254.51	3,003.69	Sales bill discounting repaid
Total		4,258.05	8,951.90	

C. Outstanding with / from related party

Nature of balances	Name of the related party	31 March 2023	Restated As at 31 March 2022
Accounts receivable from Ultimate Holding company			
Trade and other receivables	Bilcare Limited**	1,622.59	1.00
Trade and other payables	Bilcare Limited	88.08	–
Debts (Redeemable Preference shares)	Bilcare Limited	21,300.022	–
Trade and other payables	Bilcare Mauritius Limited	164.43	998.21
Intercorporate Deposits	Bilcare Limited	–	–
Interest on Intercorporate deposits	Bilcare Limited	–	246.61
Total		23,175.10	1245.82

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 33: RELATED PARTY TRANSACTIONS

Nature of balances	Name of the related party	31 March 2023	Restated As at 31 March 2022
Provision for doubtful receivables			
Ultimate Holding Company	Bilcare Limited	–	1245.82
Total		0.00	1245.82
Receivables in respect of non core activities			
Enterprise in which person having significant influence is a promoter	Kalpataru Limited	–	246.95
Total		0.00	246.95
Accounts receivable from related parties			
Trade and other receivables	Juniper Health LLP	–	172.04
Sales bill discounting payable	Juniper Health LLP	–	2304.15
Total		0.00	2,476.19

* During the year, the Company has assigned its non core receivable of ₹.245.74 lacs from disposal of assets of activity indentified as non core to Durable Stationery Pvt. Ltd. at consideration of ₹ 63.98 lacs due to prolonged litigation. Further, company entered into share purchase agreement with Durable Stationery Pvt. Ltd. for sale of 2,34,000 equity share of ₹.10/- each of Roha Paper Mills Ltd. under voluntary winding up for consideration of ₹.23.40 lacs.

** Company has acquired PPI division of Bilcare, refer note 43. However due to practical and operational reasons, goods are being sold by Bilcare to Customers as as agent.

Terms and conditions of transactions with related parties

Outstanding balances are unsecured and settlement occurs in cash. For the year ended 31 March 2023, the Company has recorded an impairment of receivables relating to amounts owed by related parties of INR 177.03 lacs on account of acquisition of PPI division w.e.f. 27/03/2023 (31 March 2022: INR 30.33 lacs). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	31 March 2023	Restated As at 31 March 2022
Mrs. Ankita Kariya, Managing Director (From 19.10.2022)		
Salary & allowances	26.99	–
Reimbursement of medical & leave travel expenses	0.56	–
Contribution to Provident & other funds	2.02	–
Total	29.57	0.00

Particulars	31 March 2023	Restated As at 31 March 2022
Mr. Robin Banerjee, Managing Director (Upto 19.10.2022)		
Salary & allowances	63.36	111.00
Reimbursement of medical & leave travel expenses	0.69	4.75
Contribution to Provident & other funds	4.58	8.28
Performance Linked Incentives* (for FY 21–22)	40.00	37.50
Total	108.63	161.53

The amount disclosed in the table are the amount recognised as an expense during the reporting period related to key management personnel.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 33: RELATED PARTY TRANSACTIONS

*An amount of ₹.17.50 lacs (balance amount) pertaining to Financial year 2019–20 yet to be paid to the Managing Director.

The above figures exclude provision for gratuity and leave encashment which are actuarially determined on an overall basis.

Sitting fees paid to key management personnel of the Company

Particulars	Name of the office held	31 March 2023	Restated As at 31 March 2022
Ms. Ankita J. Kariya (Managing Director wef 19.10.2022)	Chairperson & Managing Director	2.50	2.50
Mr. Bhoumik S. Vaidya (upto 31.03.2023)	Independent Director	4.75	4.25
Mr. Nitin K Joshi	Independent Director	5.50	3.00
Mr. Siddharth S. Shetye	Independent Director	6.50	3.50
Mr. Narendra Lodha (upto 28.12.2022)	Non-Independent Director	1.50	4.00
Mr. Chandrashekhar Joglekar (upto 28.12.2022)	Non-Independent Director	2.50	2.50
Mr. Tanuj Kumar Lodha (upto 28.12.2022)	Independent Director (Additional)	2.50	–
Shreyans Bhandari (from 19.10.22 to 17.3.23)	Non-Independent Director	3.25	–
Mr. Sudhir Pendse (from 28.12.2022)	Independent Director (Additional)	2.25	–
Total		31.25	19.75

NOTE 34: OPERATING SEGMENT

The Company is engaged mainly in processing of plastic polymers and its products are covered under a one business segment i.e. processing of plastic polymers as primary segment. The revenue from transactions with a single customer exceeds 10% of the total revenues of the Company. The geographical information required by Ind AS 108 is as under:

Particulars	31 March 2023	Restated As at 31 March 2022
a) Revenue from operations		
Sale of products		
Within India	74,590.06	66,403.22
Outside India	17,811.42	12,810.04
Total	92,401.48	79,213.26
b) Non-current assets*		
Within India	103,086.77	45,854.18
Outside India	–	–
Total	103,086.77	45,854.18

* Note: Non current assets excludes financial assets, deferred tax assets and post employment benefit assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 35: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars	31 March 2023	Restated As at 31 March 2022
(i) "The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year"		
– Principal amount due to micro and small enterprises	1151.02	94.32
– Interest due on above (*)	22.67	0.94
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	–	—
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. (*)	46.68	15.52
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	65.90	15.52
(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 and subsequent amendments from time to time (*)	65.90	15.52

(*) As per the terms of the commercial agreements with micro, small and medium enterprises there is no interest amount to be paid / payable by the Company.

NOTE 36: FAIR VALUE DISCLOSURES FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Management believes that the fair values of non-current financial assets (loans and others), current financial assets (e.g., cash and cash equivalents, trade and other receivables and loans), non-current financial liabilities and current financial liabilities (e.g., trade payables and other payables and others) approximate their carrying amounts and accordingly, separate disclosure have not been made. Refer note 11 and 16 to the financial statements.

NOTE 37: EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT (R&D) (INCLUDING PPI)

The Company received from Ministry of Science & Technology, Government of India recognition for In House R&D Unit at its Nashik Factory and at its Thane Factory. R&D cost that are not eligible for capitalisation have been expensed in the period incurred during the year ended 31 March 2023 INR 169.83 lacs) (31 March 2022 INR 296.70 lacs) and they are recognised in other expenses. The details of expenditure incurred on R&D for the financial year ended 31 March 2023 are as under:

Particulars	31 March 2023	31 March 2023	31 March 2023	31 March 2023
	Thane Unit	Nashik Unit	Pune Unit	Total
Capital	0.34	0.81	11.03	12.18
Revenue	20.64	53.87	95.31	169.83
Total	20.98	54.68	106.34	182.01

The details of expenditure incurred on R&D for the financial year ended 31 March 2022 are as under:

Particulars	Restated As at 31 March 2022	Restated As at 31 March 2022	Restated As at 31 March 2022	Restated As at 31 March 2022
	Thane Unit	Nashik Unit	Pune Unit	Total
Capital	2.42	0.60	2.51	5.53
Revenue	19.64	60.76	216.30	296.70
Total	22.06	61.36	218.81	302.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 38: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade and other payables and other financial liabilities. The Company's principal financial assets includes loans, trade receivables, cash and bank balances, other assets and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees and advises on these risks. The Company's senior finance team advises on financial risks and provides assurance that the Company's financial risk are identified, measured, managed and mitigated in accordance with general risk mitigation policies and objectives. All derivative activities are carried out by senior finance team who has the appropriate skills, expertise and experience and is being overseen by the Managing Director from time to time as per business needs. It is the Company's policy that no trading in derivatives for speculative purposes be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised 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 risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, trade and other receivables and trade and other payables.

The sensitivity analyses in the following sections relate to the position as at 31 March 2023 and 31 March 2022.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of the hedge designations in place at 31 March 2023.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2023 and 31 March 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term & short term borrowings.

The impact of +/- 25 bps in bank interest rates on deposits is estimated at +/- INR 20.16 lacs as on 31 March 2023, +/- INR 6.95 lacs as on 31 March 2022, without considering any change in deposit amounts.

Foreign currency risk

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

Following table demonstrates Company's foreign currency exposure

Nature of exposure	Currency	31 March 2023		Restated As at 31 March 2022	
		Foreign currencies	INR lacs	Foreign currencies	INR lacs
Receivables –					
Export Trade receivables	USD	5,107,114.09	4,200.34	5,070,909.61	3,843.88
	EUR	2,30,011.72	206.11	93,899.78	79.50
	AED	33,854.12	7.60	120,128.55	24.78
	SGD	–	–	–	–
	GBP	247,623.35	252.26	–	–
Payables –					
Import Trade payables	USD	5,284,759.00	4,357.99	7,435,921.40	5,629
	EUR	506,078.40	452.02	9,45,328.52	793.22
	AED	–	–	–	–
	SGD	–	–	3,065,250.00	1,718.40
	GBP	2,952.00	3.01	2,785.24	2.77

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material and have not covered in sensitivity analysis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 38: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Particulars	Change in USD rate	Effect on profit before tax- gain/ (loss) (INR lacs)
31 March 2023	+5%	(7.32)
	-5%	7.32
Restated As at 31 March 2022	+5%	(89.63)
	-5%	89.63

Commodity price risk

The Company is affected by the price volatility of resin, base raw material for manufacturing PVC Films and being sourced from both domestic and international suppliers. The price volatility is due to demand-supply position in international market and exchange impact arising due to delivery lead time. The upward or downward trend in raw material is generally being passed on to the end customer other than exceptional cases as per business needs and therefore neutralising the exchange risks arising therefrom and as such the impact of such volatility, is difficult to be quantified or measured.

Equity price risk

The Company has not made investments in equity securities, hence are not susceptible to market price risk arising from uncertainties about future values of the investment securities.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. A provision is created for a counter party whose payment is due more than 180 days after its due date.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. 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.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10. The Company does not hold collateral as security. 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.

The COVID-19 pandemic has brought economies, businesses and lives around the world to a standstill, and our country is no exception. On the basis of current assessment and estimates, the management foresees risk of recoverability from some of its customers. Accordingly, the Company has made appropriate provisions in the books of accounts arising from COVID-19 pandemic. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions."

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as at 31 March 2023 and 31 March 2022 is the carrying amounts as illustrated in note 10 and note 11. The Company's maximum exposure relating to financial instruments is noted in the liquidity table below.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 38: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(c) Liquidity risk

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

Particulars	Due in 1 year	Due in 1 to 5 years	Due after 5 years	Total
Year ended 31 March 2023				
Non-derivative financial liabilities				
Borrowings	–	20,115.79	36,884.21	57,000.00
Trade, other payables and other financial liabilities	14,522.00	–	–	14,522.00
Capital creditors	–	–	–	–
	14,522.00	20,115.79	36,884.21	71,522.00
Restated As at year ended 31 March 2022				
Non-derivative financial liabilities				
Borrowings	52,612.36	18,363.67	–	70,976.03
Trade, other payables and other financial liabilities	15,326.53	–	–	15,326.53
Capital creditors	1,718.40	–	–	1,718.40
	69,657.28	18,363.67	–	88,020.95
Restated As at 01 April 2021				
Non-derivative financial liabilities				
Borrowings	39,701.94	40,052.16	–	79,754.10
Trade, other payables and other financial liabilities	9,245.61	–	–	9,245.61
Capital creditors	4,425.92	531.73	–	4,957.65
	53,373.47	40,583.89	–	93,957.36

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net.

NOTE 39: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company does not have short term/ long term borrowings and manages its working capital requirements through internal sources.

The position of net current assets and total shareholders equity are as follows –

Particulars	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Current assets	30,936.29	38,924.84	30,115.62
Less: Current liabilities	31,610.00	61,195.56	31,693.83
Net current assets	(673.71)	(22,270.76)	(1,578.21)
Equity share capital	1,313.40	1,313.40	1,313.40
Other equity	52,607.26	(31,817.50)	(32,090.93)
Total capital	53,920.66	(30,504.10)	(30,777.53)

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022 and 01 April 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 40 : ADDITIONAL REGULATORY INFORMATION

Ratio	Numerator	Denominator	Current year	Previous year	% Variance	Remarks for variance more than 25%
Inventory Turnover Ratio	Average Inventory	Turnover	0.11	0.14	-20.40%	Not Applicable
Current ratio (in times)	Total current assets	Total current liabilities	0.98	0.64	52.45%	Reduction in current liabilities
Debt–Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	1.21	(2.24)	-154.29%	Improvement in total reserves compared to debt
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non–cash operating expenses + Interest + Other non–cash adjustments	Debt service = Interest and lease payments + Principal repayments	2.75	0.92	198.42%	Improvement in earnings for debt servicing
Return on equity ratio (in%)	Profit for the year less Preference dividend (if any)	Average total equity	539.28%	-300.56%	-279.42%	Improvement in EBT
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.85	4.58	5.92%	Not Applicable
Trade payables turnover ratio (in times)	Cost of Raw Material Consumed + Purchase of Traded Goods + Other Exp.	Average trade payables	5.67	5.98	-5.20%	Not Applicable
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	(139.00)	(3.68)	3680.06%	Higher Revenue
Net profit ratio (in%)	Profit for the year	Revenue from operations	7.56%	-4.94%	-252.96%	Improvement in EBT
Return on capital employed (in%)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	28.87%	-11.44%	-352.42%	Improvement in EBIT
Return on investment (in%)	Income generated from invested funds	Average invested funds in treasury Investments	-	-	-	Not Applicable

NOTE 41: TERM LOAN AND WORKING CAPITAL FACILITIES BY BANKS

Bank of Maharashtra has sanctioned working capital facilities (Including fund based limits of ₹.100 lacs) of ₹ 2275.00 lacs (31 March 2021 2275.00 lacs) which are secured by hypothecation of stock and book debts.

During the financial year new consortium of four banks comprising The Cosmos Co–operative Bank limited (Lead Bank), The Maharashtra State Co–operative Bank Limited, Janata Sahakari Bank Limited., Pune, The Visheshwar Sahakari Bank Limited., Pune have been formed for a term loan of ₹.570 Cr. and Working capital facilities of ₹.50 Cr. aggregating ₹.620 Cr. against charge of companies assets situated at Nashik, Thane and Rajgurunagar. The Term loan has tenure of eight (8) years including one year moratorium period. Apart from above the Cosmos Co–operative Bank Limited had sanctioned one time bill discounting facility of selected customers upto to an amount of ₹.25 Cr against primary charged on Thane Plant Assets.

During the Financial year the company has also borrowed term loan of ₹.15 Cr. from Utkarsh Small Finance Bank Limited against exclusive charge on companies assets at Worli Mumbai.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 42: NO TRANSACTIONS TO REPORT AGAINST THE FOLLOWING DISCLOSURE REQUIREMENTS AS NOTIFIED BY MCA PURSUANT TO AMENDED SCHEDULE III:

- 1) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 2) The Company does not have any transactions with struck off companies.
- 3) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 5) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 6) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 7) The Company does not have 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
- 8) The Company has filed monthly statements of current assets with the banks in agreement with the books of accounts.
- 9) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.
- 10) The Company has not made any Loans or Advances in the nature of loans that are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment
- 11) The company has not been declared as a wilful defaulter

NOTE 43:

The Company has acquired PPI (Pharma Packaging Innovation) division of M/s Bilcare Limited (Ultimate Holding Company) on March 27, 2023 as a business undertaking on a going concern basis by way of a Business Transfer Agreement for a net purchase consideration of ₹ 21,300 lacs by issue of 21,30,00,000 0.1% Non-Cumulative, Non-Participating Redeemable Preference Shares of ₹.10/- each (face value). The said transaction has been accounted under common control as per IND AS-103, based on which the carrying value of assets amounting to ₹.59161.57 and liabilities amounting to ₹ 84534.68 lacs have been taken over and consequently Capital Reserve of ₹ 46673.11 lacs has been recorded on acquisition in the books of the Company.

Summary are as follows:-

Sr. No.	Particulars	In Lacs
a.	Carrying value of assets	59,161.57
b.	Carrying value of liabilities	(84,534.68)
c.	Net carrying value of Assets and Liabilities (a-b)	(25,373.11)
d.	Net Purchase Consideration of Acquisition by way of issue of 21,30,00,000 0.1% Non-Cumulative, Non-Participating Redeemable Preference Shares of ₹.10/- each (face value)	(21,300.00)
e.	Capital Reserve on acquisition (c+d)	(46,673.11)

Pursuant to the above, the Company has restated the financial information of previous years in the statement of profit and loss, statement of cash flows and balance sheet to include the income, expenses, assets, liabilities and cash flows relating to the acquired business. The difference in net asset arising out of the above has been adjusted with retained earnings (as at March 31, 2022) resulting in a credit of ₹4220.97 lacs in retained earnings. Similarly, the impact of restatement included in the current financial year (for the period April 01, 2021 to March 27, 2023) has resulted into a debit of ₹4788.14 lacs in retained earnings.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

NOTE 44:

- 1) As part of the Business Transfer Agreement, of the total liabilities, the carrying amount of public fixed deposit liability of ₹ 10959.79 lacs taken over from PPI division of Bilcare Limited has remained unpaid as on March 31, 2023. The compliances and claim if any, in respect to this continues to be with Bilcare Limited.
- 2) The Company pursuant to the change in the accounting policy has adopted revaluation model for its Property Plant and Equipment and a revaluation surplus of ₹ 63584.37 lacs has been recognised in the books.
- 3) Public fixed deposits carries interest @9.55% to 11.75% p.a.

NOTE 45:

Exceptional Items are as under:

- a) During the year ended March 31, 2023 the company has sold the investment property for consideration of ₹.770 lacs and profit of ₹.711.12 lacs has been recorded.
- b) The company has assigned its receivable of ₹.245.74 lacs (Outstanding since 2005) from disposal of assets of the activities identified as non core (referred to as Non Core Assets) of the company to M/s Durable Stationery Pvt.Ltd. at a consideration of ₹.63.98 lacs due to prolonged litigation. Further, the company entered into a Share Purchase Agreement with M/s Durable Stationery Pvt.Ltd. for sale of 2,34,000 Equity shares of ₹.10 each of Roha Paper Mills Ltd. (under voluntary winding up) for a consideration of ₹.23.40 lacs. The net loss is ₹.158.36 lacs has been recorded in the books.
- c) Consequent upon business transfer of Assets and Liabilities, ₹.2047.95 lacs on account of additional compensation paid to capital creditor, stamp duty for conveyance deed and expenses relating to acquisition of PPI division.
- d) Consequent upon business transfer of Assets and Liabilities, gain of ₹.14177.03 lacs has been recorded on account of One time settlement of term loan and working capital loans of various banks, Asset Reconstruction Company and Other lenders.

NOTE 46:

The Company had given interest free advances aggregating to ₹ 3049.90 lakhs to a customer/vendor for proposed new line of products. Subsequently the advance was refunded in full in December 2022 on cancellation of the order by the customer/vendor. The advances were given as trade advances in the normal course of business and no further compliances under the Companies Act, 2013 are required.

NOTE 47:

The previous years numbers relating to income tax assets / liabilities have been regrouped to correspond with the current year's classification for better presentation.

NOTE 48:

The previous years numbers has been restated wherever application for better presentation.

NOTE 49:

The figures in the financial statements for the year ended March 31, 2022 and as at April 01, 2021 have been restated and certified by management to include the effect of Business Transfer Agreement of PPI division of Bilcare Limited acquired by the Company.

As per our report of even date

For Batliboi & Purohit

Chartered Accountants

ICAI Firm Registration No.: 101048W

For and on behalf of the Board of Directors of Caprihans India Limited

Per Kaushal Mehta

Partner

Membership No.: 111749

Place: Mumbai

Date: May 30, 2023

Ankita J. Kariya

Chairperson and Managing Director

DIN: 08292735

Place: Mumbai

Date: May 30, 2023

Siddharth S. Shetye

Director

DIN: 06943119

Place: Mumbai

Date: May 30, 2023

Pritam Paul

CFO & Company Secretary

FCS Membership No: 5861

Place: Mumbai

Date: May 30, 2023

ANNEXURE–A NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

Particulars	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Non Current–Borrowings			
Secured Loan			
Term loans–From Banks, Asset Reconstruction Company and Financial Institutions		48,193.49	47,354.29
(Represents term loans appearing in the books of Bilcare Limited (Ultimate Holding Company) in respect of business acquired from the Bilcare Limited which have been disclosed under restated comparative figures of previous years as per IND AS 103 Business Combination)			
1. Janata Sahakari Bank Ltd; Pune #	2,674.15	–	–
(Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031)			
2. Cosmos Co–operative Bank Ltd.#	4,722.38	–	–
(Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031)			
3. The Maharashtra State Co–operative Bank Ltd. #	41,819.88	–	–
(Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031)			
4. The Vishweshwar Sahakari Bank Ltd; Pune #	1,323.30	–	–
(Payable from 30.04.2024 in 84 monthly installments after completion of moratorium interest period of 1 year, rate of interest 10.70% p.a., Maturity date 31.03.2031)			
Unsecured Loan		4,740.26	4,882.47
(Represents term loans appearing in the books of Bilcare Limited (Ultimate Holding Company) in respect of business acquired from the Bilcare Limited which have been disclosed under restated comparative figures of previous years as per IND AS 103 Business Combination)			
Total	50,539.70	52,933.76	52,236.76

Maturity Profile of Secured loans

Particulars	Due in 1 year	Due in 1 to 5 years	Due after 5 years	As at 31 March 2023
1. Janata Sahakari Bank Ltd; Pune	–	16,417.76	30,082.24	46,500.00
2. Cosmos Co–operative Bank	–	2,118.42	3,881.58	6,000.00
3. The Maharashtra State Co–operative Bank Ltd.	–	1,050.00	1,950.00	3,000.00
4. The Vishweshwar Sahakari Bank Ltd; Pune	–	529.61	970.39	1,500.00
Total	–	20,115.79	36,884.21	57,000.00

During the financial year our new consortium of four banks comprising The Cosmos Co–operative Bank limited (Lead Bank), The Maharashtra State Co–operative Bank Limited, Janata Sahakari Bank Limited.,Pune, The Vishweshwar Sahakari Bank Limited., Pune have been formed for a term loan of ₹570 Crores. and Working capital facilities of ₹50 Crores aggregating ₹ 620 Crores against charge of companies assets situated at Nashik, Thane and Rajgurunagar. The Term loan has tenure of eight (8) years including one year moratorium period. Apart from above the Cosmos Co–operative Bank Limited had sanctioned one time bill discounting facility of selected customers upto to an amount of ₹25 Cr against primary charged on Thane Plant Assets. Of the above term loan facility, ₹505.39 Crores has been disbursed as on the balance sheet date.

ANNEXURE–A NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ lacs)

Particulars	31 March 2023	Restated As at 31 March 2022	Restated As at 01 April 2021
Current–Borrowings			
Secured Loan			
Term loan–From Bank			
Utkarsh Small Finance Bank Ltd (USFB)#	1,253.08	–	–
(Payable from 25.10.2022 in 36 monthly installments, rate of interest 10.00% p.a., Maturity date 25.09.2025. However, loan repayment schedule has been revised on 28.03.2023 with 9 monthly installments payable from 25.04.2023, rate of interest 10.54%; Maturity date 25.12.2023)			
	1,253.08	–	–

Maturity Profile of Secured loans

Particulars	Due in 1 year	Due in 1 to 5 years	Due after 5 years	As at 31 March 2023
Utkarsh Small Finance Bank Ltd	1,253.08	–	–	1,253.08
Total	1,253.08	–	–	1,253.08

Secured loan taken of ₹ 15 Cr. from Utkarsh Small Finance Bank Ltd (USFB) against exclusive charges on companies assets at Worli, Mumbai and the borrowings during the year are against specific charges as per terms and conditions of the Utkarsh Small Finance Bank Ltd (USFB) loan.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventy Seventh (77th) Annual General Meeting of the Shareholders of CAPRIHANS INDIA LIMITED will be held on **Saturday, the SEPTEMBER 30, 2023 at 12:00 noon** through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact following business:

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 together with the Reports of the Board of Directors and the Report of the Auditors thereon and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. Appointment of Ms. Ankita J. Kariya (DIN: 08292735) as a Director liable to retire by rotation.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

To appoint a Director in place of Ms. Ankita J Kariya (DIN: 08292735), who retires by rotation and being eligible, offers herself for re-appointment and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Ankita J Kariya (DIN: 08292735), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. Approval for Increase in the Remuneration of Mr. Shreyans Bhandari, President

To consider and, if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, (including statutory modification or re-enactment thereof for the time being in force), as per the recommendation and approval of the Nomination & Remuneration Committee and Audit Committee, approval of Shareholders be and is hereby accorded to the Board of Directors to increase the remuneration of Mr. Shreyans Bhandari, President of the Company, Brother of Ms. Ankita J. Kariya, Chairperson & Managing Director of the Company with such designation as the Board of Directors of the Company may, from time to time, decide.

RESOLVED FURTHER THAT as a President of the Company, he be paid a remuneration including other benefits as follows as set out herein below:

1. Remuneration: Salary, allowances and incentive as recommended and approved by the Board from time to time, subject to annual review.
2. Perquisites: In addition to the above, Mr. Shreyans Bhandari shall be entitled to perquisites which shall include Chauffeurs salary, Reimbursement of Medical Expenses, Telephone expenses at residence, Leave Travel Assistance for self and family, Club Fees, Premium on group personal accident Insurance, Group mediclaim Insurance, Contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and Encashment of Leave.

The total Remuneration and above mentioned Perquisites taken together shall not exceed Rs. 72,00,000/- (Rupees Seventy-Two lacs only) per annum which shall be paid on monthly basis as per the terms and conditions of his appointment. In addition to the above remuneration and perquisites, Mr. Shreyans Bhandari shall be provided with a Car by the Company for official use.

3. Performance linked incentives: In addition to the above remuneration and perquisites, Mr. Shreyans Bhandari shall also be entitled to Performance Linked Incentives [PLIs] based on the annual EBITDA target subject to maximum of Rs. 18,00,000/- (Rupees Eighteen Lacs only). along with other terms and conditions set forth in the explanatory statement annexed hereto, with the authority to the Board/Nomination and Remuneration Committee to alter/vary the terms and conditions of the said appointment as may be deemed fit and fix the quantum, composition and periodicity of the remuneration payable to the President of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things which are necessary and incidental to give effect to the above Resolution."

4. Approval for Increase in the Remuneration of Ms. Ruchi Gothi, Vice-President – International Business Development

To consider and, if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution.

"RESOLVED THAT Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions if any, read with Rule 15 of the Companies

(Meetings of Board and its Powers) Rules, 2014, (including statutory modification or re-enactment thereof for the time being in force), as per the recommendation and approval of the Nomination and Remuneration Committee and Audit Committee, approval of Shareholders be and is hereby accorded to the Board of Directors to increase the remuneration of Ms. Ruchi Gothi, Vice-President – International Business Development of the Company, wife of Mr. Shreyans Bhandari who is Brother of Ms. Ankita Kariya, Chairperson & Managing Director of the Company with such designation as the Board of Directors of the Company may, from time to time, decide.

RESOLVED FURTHER THAT as a Vice-President of the Company, she be paid a remuneration including other benefits as follows as set out herein below:

1. Remuneration: Salary, allowances and incentive as recommended and approved by the Board from time to time, subject to annual review.
2. Perquisites: In addition to the above, Ms. Ruchi Gothi shall be entitled to perquisites which shall include Reimbursement of Medical Expenses, Telephone expenses at residence, Leave Travel Assistance for self and family, Club Fees, Premium on group personal accident Insurance, Group mediclaim Insurance, Contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and Encashment of Leave.

The total Remuneration and above mentioned Perquisites taken together shall not exceed Rs. 42,00,000/- (Rupees Forty Two lacs only) per annum which shall be paid on monthly basis as per the terms and conditions of her appointment.

3. Performance linked incentives: In addition to the above remuneration and perquisites, Ms. Ruchi Gothi shall also be entitled to Performance Linked Incentives [PLIs] based on the annual EBITDA target subject to maximum of Rs. 6,00,000/- (Rupees Six Lacs only).

along with other terms and conditions set forth in the explanatory statement annexed hereto, with the authority to the Board/Nomination and Remuneration Committee to alter/vary the terms and conditions of the said appointment as may be deemed fit and fix the quantum, composition and periodicity of the remuneration payable to the Vice-President of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds and things which are necessary and incidental to give effect to the above Resolution.”

5. Ratification of remuneration of Cost Auditors

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

“**RESOLVED** that pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit & Auditors) Rules 2014 and as per the recommendation of the Audit Committee and approved by the Board of Directors, the remuneration of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per annum plus applicable taxes and other out of pocket expenses payable to M/s Dhananjay V Joshi & Associates (Firm Registration No: 000030) appointed as Cost Auditors for the Financial Year 2023-2024 be and is hereby ratified and confirmed.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Order of the Board of Directors

PRITAM PAUL
CFO & COMPANY SECRETARY

Registered Office:
Block D, Shivsagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018.
CIN : L29150MH1946PLC004877
E-mail: cil@caprihansindia.com
Website : www.caprihansindia.com
Dated: August 31, 2023.

NOTES:

- (a) The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out material facts relating to the special business to be transacted at the Annual General Meeting (“Meeting”) under item nos. 3-5 of the Notice as set out above is annexed hereto.
- (b) The Ministry of Corporate Affairs (“MCA”) has, vide its circular dated December 28, 2022, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- (c) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

- (d) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to umeshmaskeri@gmail.com with copies marked to the Company at pritam.paul@caprihansindia.com and to its RTA at instameet@linkintime.co.in.
- (e) Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Act.
- (f) In compliance with the MCA Circulars and SEBI Circular dated January 5, 2023, Notice of the Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form). Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2022-23 will also be available on the Company's website www. caprihansindia.com; website of BSE Limited www.bseindia.com.
- (g) Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- (h) The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
- (i) The Company's Share Transfer Books and the Register of Members will remain closed from Saturday, 23 September 2023 to Saturday, 30 September 2023 (both days inclusive).
- (j) Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depositories Participants and those holding shares in physical form are requested to intimate the above mentioned changes to the Secretarial Department at the Registered Office of the Company/Registrar and Transfer Agent of the Company.
- (k) Those Members who have not dematerialised their shareholding are advised to dematerialise their shareholding to avoid any inconvenience in future.
- (l) Non-Resident Indian Members are requested to inform the Company/Depository Participant, immediately of:
- (i) Change in their residential status on return to India for permanent settlement.
 - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
- (m) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
- (n) As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrars and Share Transfer Agent for assistance in this regard.
- (o) Shareholders who have not got their e-mail address registered or wish to update a fresh e-mail address may do so by submitting the attached E-mail Registration-Cum Consent Form duly filled and signed along with a self-attested scanned copy of their PAN Card and AADHAAR Card at the company's e-mail address pritam.paul@caprihansindia.com consenting to send the Annual Report and other documents in electronic form and to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company at mumbai@linkintime.co.in.
- (p) Since the AGM will be held through VC/OAVM, the Route map of the Venue of the AGM is not annexed to this Notice.
- (q) Details of Directors retiring by rotation / seeking re-appointment at this Meeting are provided in the "Annexure" to the Notice.
- (r) Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF) constituted by the Central Government. The Company had, accordingly, transferred Rs. 2,15,998.50/- being the unpaid and unclaimed dividend amount pertaining to Financial Year 2014-15 on November 15, 2022 to the IEPF. Members who have not encashed their dividend pertaining to Financial Year 2015-16 onwards are advised to write to the Company immediately.
- (s) Pursuant to the provisions of IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF Authority. The Company had transferred 11923 equity shares of Rs. 10/- each to the IEPF Authority on which the dividends remained unpaid or unclaimed for seven consecutive years on December 14, 2022 after following the prescribed procedure. Further, all the Shareholders who have not claimed / encashed their dividends in the last seven consecutive years i.e. Dividend for Financial Year 2015-16 onwards are requested to contact the Company Secretary of the Company or RTA to encash the unclaimed dividend. In this regard, the Company has individually informed the Shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer are uploaded on the website of the Company viz. www.caprihansindia.com. The shareholders whose dividend / shares has been transferred to the IEPF Authority can claim their dividend / shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority.
- (t) Shareholders who would like to express their views/ask questions during the Meeting may register themselves **as speaker** may send their request on or before September 25, 2023, mentioning their name demat account number/folio number, email id, mobile number at pritam.paul@caprihansindia.com.

- (i) Shareholders who would like to express their views/have questions may **send their questions in advance** mentioning their name demat account number/folio number, email id, mobile number at pritam.paul@caprihansindia.com. The same will be replied by the company suitably.
- (ii) The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of AGM.

Instructions

Process and manner for members opting for E-voting through electronics means:

- a) In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by LIPL, on all the resolutions set forth in this Notice.
- b) Members are provided with the facility for e-Voting at AGM during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM through electronic means.
- c) Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC / OAVM but shall not be entitled to cast their vote again on such resolution(s).
- d) Mr. Umesh Maskeri has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Wednesday, September 27, 2023, 9.00 A.M. IST	Friday, September 29, 2023, 5.00 PM IST

- f) Members of the Company holding shares either in physical form or electronic form as on the cut-off date of Saturday, September 23, 2023, may cast their vote by e-Voting.
- g) Pursuant to SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post **September 27, 2023**.
- h) Shareholders are advised to update their mobile number and in their demat accounts to access e-Voting facility.

Remote e-Voting Instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

- I. Individual Shareholders holding securities in demat mode with NSDL
 - 1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.
 - 2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select «Register Online for IDeAS Portal» or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
 - 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
- II. Individual Shareholders holding securities in demat mode with CDSL
 - 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
 - 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

3. If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

III. Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

Shareholders holding shares in **NSDL form, shall provide ‘D’ above*

- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click “confirm” (Your password is now generated).

3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'

o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Instructions for Shareholders/Members to Attend the Annual General Meeting through InstaMeet:

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

- ▶ Select the "Company" and 'Event Date' and register with your following details: -
 - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. **PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.**
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request on or before September 25, 2023, mentioning their name demat account number/folio number, email id, mobile number at pritam.paul@caprihansindia.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting. Notice of the Annual General Meeting and the Annual Report are available on the website of the Company at www.caprihansindia.com

Address of the Registrar and Transfer Agents:

Link Intime India Pvt. Ltd.

(Unit: Caprihans India Limited)

C-101, 247 Park,

L.B.S. Marg, Vikhroli (West),

Mumbai – 400 083

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.

ANNEXURE (I) TO THE NOTICE DATED AUGUST 11, 2023

ITEM NO. 3

Approval for Increase in The Remuneration of Mr. Shreyans Bhandari, President

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee and Audit Committee and has approved at their Meeting held on August 31, 2023, the increase in the Remuneration of Mr. Shreyans Bhandari, President of the Company, Brother of Ms. Ankita J. Kariya, Chairperson & Managing Director of the Company under Section 188(l)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force), at a consolidated remuneration as set out herein below:

1. Remuneration: Salary, allowances and incentive as recommended and approved by the Board from time to time, subject to annual review.
2. Perquisites: In addition to the above, Mr. Shreyans Bhandari shall be entitled to perquisites which shall include Chauffeurs salary, Reimbursement of Medical Expenses, Telephone expenses at residence, Leave Travel Assistance for self and family, Club Fees, Premium on group personal accident Insurance, Group mediclaim Insurance, Contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and Encashment of Leave.

The total Remuneration and above mentioned Perquisites taken together shall not exceed Rs. 72,00,000/- (Rupees Seventy-Two Lakh only) per annum which shall be paid on monthly basis as per the terms and conditions of his appointment. In addition to the above remuneration and perquisites, Mr. Shreyans Bhandari shall be provided with a Car by the Company for official use.

3. Performance linked incentives: In addition to the above remuneration and perquisites, Mr. Shreyans Bhandari shall also be entitled to Performance Linked Incentives [PLIs] based on the annual EBITDA target subject to maximum of Rs. 18,00,000/- (Rupees Eighteen Lakh only).

'Family' mentioned above means the spouse, dependent parents and dependent children.

The perquisite value for above reimbursements shall be determined in accordance with the Income Tax Rules in force.

His present role is crucial to provide impetus to the expanding Business in the emerging market business of the Company. Considering his qualification, vast experience and present role, limit of Remuneration prescribed under the Companies Act, 2013 is not commensurate., hence requires approval of the Shareholders.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 3 of the Notice for Approval for Increase in the Remuneration of Mr. Shreyans Bhandari, President of the Company.

Mr. Shreyans Bhandari (himself), Ms. Ankita J. Kariya and Ms. Ruchi Gothi, and/or his/her relatives are concerned and interested in passing the Resolution at Item No. 3 of the notice and none of the other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 4

Approval for Increase in the Remuneration of Ms. Ruchi Gothi, Vice-President – International Business Development

The Board of Directors, on the recommendation of the Audit Committee and Nomination and Remuneration Committee, has approved at their Meeting held on August 31, 2023, increase in the Remuneration of Ms. Ruchi Gothi, Vice-President – International Business Development of the Company, wife of Mr. Shreyans Bhandari who is Brother of Ms. Ankita Kariya, Chairperson & Managing Director of the Company under Section 188(l)(f) and all other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modifications(s) or re-enactment thereof, for the time being in force), at a consolidated remuneration as set out herein below:

1. Remuneration: Salary, allowances and incentive as recommended and approved by the Board from time to time, subject to annual review.
2. Perquisites: In addition to the above, Ms. Ruchi Gothi shall be entitled to perquisites which shall include Reimbursement of Medical Expenses, Telephone expenses at residence, Leave Travel Assistance for self and family, Club Fees, Premium on group personal accident Insurance, Group mediclaim Insurance, Contribution to Provident Fund, Superannuation Fund or Annuity Fund, Gratuity and Encashment of Leave.

The total Remuneration and above mentioned Perquisites taken together shall not exceed Rs. 42,00,000/- (Rupees Fourty-Two Lakh only) per annum which shall be paid on monthly basis as per the terms and conditions of his appointment.

3. Performance linked incentives: In addition to the above remuneration and perquisites, Ms. Ruchi Gothi shall also be entitled to Performance Linked Incentives [PLIs] based on the annual EBITDA target subject to maximum of Rs. 6,00,000/- (Rupees Six Lakh only).

'Family' mentioned above means the spouse, dependent parents and dependent children.

The perquisite value for above reimbursements shall be determined in accordance with the Income Tax Rules in force.

Her present role is crucial to provide impetus to the expanding Business in the emerging market business of the Company. Considering her qualification, vast experience and present role, limit of Remuneration prescribed under the Companies Act, 2013 is not commensurate., hence requires approval of the Shareholders.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 4 of the Notice for Approval for Increase in the Remuneration of Ms. Ruchi Gothi, Vice-President – International Business Development.

Ms. Ruchi Gothi (herself), Mr. Shreyans Bhandari and Ms. Ankita J. Kariya, and/or his/her relatives are concerned and interested in passing the Resolution at Item No. 4 of the notice and none of the other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 5**Ratification of remuneration of Cost Auditors**

The Board of Directors, as per the recommendation of the Audit Committee on August 11, 2023, has approved the appointment of M/s Dhananjay V Joshi & Associates (Firm Registration No: 000030), as the Cost Auditors of the Company for the Financial year 2023-24 at a fee of Rs. 3,50,000/- (Rupees Three Lakh Fifty Thousand Only) per annum plus applicable taxes and other out of pocket expenses, for conducting the audit of the cost accounting records of the Company for the financial year ending March 31, 2023. Pursuant to section 148(3) of the Companies Act, 2013 read with Rule 14(a) of the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the Cost auditors of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No 5 of the notice for ratification of remuneration payable to the Cost Auditors of the Company for the year ending March 31, 2023.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the Resolutions at Item No 5.

The Board recommends the Resolution at Item No 5 for approval of the Members.

By Order of the Board of Directors

PRITAM PAUL
CFO & COMPANY SECRETARY

Registered Office:
Block D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
CIN : L29150MH1946PLC004877
E-mail : cil@caprihansindia.com Website : www.caprihansindia.com
Dated: August 31, 2023.

ANNEXURE TO THE NOTICE

Details of Directors seeking Re-appointment at the forth coming 77th Annual General Meeting

Name of the Director	Ms. Ankita J. Kariya
DIN	08292735
Date of Birth & Age	July 01, 1988
Date of first appointment	October 19, 2022 *(as a Chairperson & Managing Director)
Qualifications	Chartered Account
Expertise in specific functional areas and experience	Ms. Ankita J. Kariya holds a Bachelor's Degree in Commerce from University of Pune and is a Chartered Accountant with ICAI. Earlier she spearheaded the Strategy and Business Growth functions at Bilcare Research Global Holding Companies and has been associated with the Group activities for the last several years. She comes with a prior experience from a Global Consulting major where she largely handled consulting assignments for their Key and Global Priority Accounts working with cross culture teams in India, Australia, Belgium and USA.
Directorships held in other companies (Excluding Private Companies)	None
Committee positions held in other companies	None
Committee positions held in other companies	None
Number of Equity shares held in the Company	Nil
Number of Equity shares held in the Company	Nil

By Order of the Board of Directors

PRITAM PAUL
CFO & COMPANY SECRETARY

Registered Office:
Block D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400 018.
CIN : L29150MH1946PLC004877
E-mail : cil@caprihansindia.com Website : www.caprihansindia.com
Dated: August 31, 2023.

Bilcare
Research

601, B-wing, 6th Floor,
ICC Trade Tower,
Senapati Bapat Road,
Pune - 411016, India

Caprihans
India Limited

Block D, Shivsagar Estate,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018,
India