B S R & Co. LLP
Chartered Accountants

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Independent Auditors' Report

To the Board of Directors of

Ajanta Pharma Limited

Report on the Financial Statements

Opinion

At the request of Ajanta Pharma Limited (APL), the Holding Company of Ajanta Pharma USA Inc. ('APUI' or 'the Company'), registered as a limited liability Company in New Jersey, United States of America, we have audited the financial statements of the Company, which comprise the Balance sheet as at 31 March 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SA) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Matter-Restriction on Use

These financial statements are prepared for the use of the Company and the Holding Company, Ajanta Pharma Limited and are prepared for the sole purpose of consolidation of financial statements of Holding Company. These financial statements are not the statutory financial statements of the Company. As a result, these financial statements may not be suitable for any other purpose. Our report must not be copied, disclosed, quoted, or referred to, in correspondence or discussion, in whole or in part to anyone other than the purpose for which it has been issued without our prior written consent.

Management's and Board of Directors' Responsibility for the Financial Statements

The Holding Company, APUI's Management and their Board of Directors are responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive Income), changes in equity and cash flows of the Company in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). This responsibility also includes maintenance of adequate accounting records 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.

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Auditors' Responsibility for the Audit of the Financial Statements *(Continued)*

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the 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.

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

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sreeja Marar

Partner

Mumbai

Membership No: 111410

02 May 2024

UDIN: 24111410BKGQNX4305

Ajanta Pharma USA Inc

Balance Sheet
as at 31 March 2024

(Currency: USD)

	Note	31 March 2024 USD	31 March 2023 USD
Assets			
Non-current assets			
Property, plant and equipment	7	**533,647**	547,991
Other intangible assets (other than self generated)	7	**240,572**	343,678
Right-of-use assets	7	**308,637**	55,910
Deferred tax assets (net)	8	**12,829,382**	9,168,156
Total non-current assets		**13,912,238**	10,115,735
Current assets			
Inventories	9	**26,687,273**	21,394,579
Financial assets			
Trade receivables	10	**83,539,406**	72,698,524
Cash and cash equivalents	11	**5,559,742**	3,245,971
Other current assets	12	**1,140,146**	430,121
Total current assets		**116,926,567**	97,769,195
Total assets		**130,838,805**	107,884,930
Equity and Liabilities			
Equity			
Equity share capital	13	**1,000,000**	1,000,000
Other equity	14	**14,469,603**	11,387,812
Total equity		**15,469,603**	12,387,812
Liabilities			
Non current liabilities			
Financial liabilities			
Lease liabilities	15	**132,256**	-
Current liabilities			
Financial liabilities			
Lease liabilities	16	**177,250**	79,080
Trade payables	17	**91,020,953**	72,631,874
Other financial liabilities	18	**21,039,513**	16,871,641
Other current liabilities	19	**2,103,398**	3,286,478
Current tax liabilities (net)	20	**895,832**	2,628,045
Total current liabilities		**115,236,946**	95,497,118
Total liabilities		**115,369,202**	95,497,118
Total equity and liabilities		**130,838,805**	107,884,930
Material accounting policies	1 to 6		
The note referred to above form an integral part of financial statement	7 to 39		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place : Mumbai
Date : 02 May 2024

For and on behalf of Board of Directors of Ajanta Pharma USA Inc.

Yogesh M. Agrawal
Director
DIN : 00073673

Place : Mumbai
Date : 02 May 2024

Ajanta Pharma USA Inc

Statement of Profit and Loss Account

for the year ended 31 March 2024

(Currency: USD)

	Note	31 March 2024 USD	31 March 2023 USD
Income			
Revenue from operations	21	**114,063,199**	104,814,084
Other income	22	**78,242**	-
Total income		**114,141,441**	104,814,084
Expenses			
Purchase of stock-in-trade	23	**101,436,799**	81,920,958
Changes in inventories of finished goods/work-in-progress/stock-in-trade	24	**(5,292,694)**	5,753,340
Employee benefits expense	25	**5,412,128**	5,645,743
Finance costs	26	**36,797**	58,863
Depreciation and amortisation expense	27	**262,552**	308,682
Other expenses	28	**8,345,414**	9,269,025
Total expenses		**110,200,996**	102,956,611
Profit before tax		**3,940,445**	1,857,473
Tax expense			
For current year		**4,594,962**	5,761,640
Deffered tax		**(3,661,227)**	(5,341,759)
Profit for the year		**3,006,710**	1,437,592
Other comprehensive income / (loss)			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
Net other comprehensive income / (loss) to be reclassified subsequently to profit or loss		-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Net nther comprehensive income not to be reclassified to profit or loss in subsequent years		-	-
Other comprehensive income / (loss) for the year, net of tax		-	-
Total comprehensive income for the year		**3,006,710**	1,437,592
There are no exceptional items and discontinuing operations.			
Earning Per Equity Share (Basic & Diluted) (Face Value USD 100/-)	30	**300.67**	143.76
Material accounting policies	1 to 6		
The note referred to above form an integral part of financial statement	7 to 39		

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place : Mumbai
Date : 02 May 2024

For and on behalf of Board of Directors of Ajanta Pharma USA Inc.

Yogesh M. Agrawal
Director
DIN : 00073673

Place : Mumbai
Date : 02 May 2024

Ajanta Pharma USA Inc

Statement of Changes in Equity

for the year ended 31 March 2024

(Currency USD)

A. Equity Share Capital (Refer note 13)

	Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2024
Authorised :	1,000,000	-	1,000,000	-	1,000,000
Issued :	1,000,000	-	1,000,000	-	1,000,000
Subscribed & Paid up:	1,000,000	-	1,000,000	-	1,000,000

	Balance as at 01 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2023
Authorised :	1,000,000	-	1,000,000	-	1,000,000
Issued :	1,000,000	-	1,000,000	-	1,000,000
Subscribed & Paid up:	1,000,000	-	1,000,000	-	1,000,000

B. Other equity (Refer note 14)

Particulars	General Reserve	Retained Earnings	Equity contribution from Holding Company	Total Equity
As at 1 April 2022	(1,567,902)	11,382,386	135,738	**9,950,222**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance as at 1 April 2022	**(1,567,902)**	**11,382,386**	**135,738**	**9,950,222**
Profit for the period	-	1,437,592	-	**1,437,592**
Other comprehensive income	-		-	-
Total comprehensive income	-	**1,437,592**	-	**1,437,592**
Stock options of holding company granted	-	-	-	-
At 31 March 2023	**(1,567,902)**	**12,819,975**	**135,738**	**11,387,813**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance as at 1 April 2023	**(1,567,902)**	**12,819,975**	**135,738**	**11,387,813**
Profit for the period		3,006,710		**3,006,710**
Other comprehensive income	-	-	-	-
Total comprehensive income	-	3,006,710	-	**3,006,710**
Dividend Paid	-	-	-	-
Stock options of holding company granted	-	-	75,081	**75,081**
At 31 March 2024	**(1,567,902)**	**15,826,685**	**210,819**	**14,469,603**

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Ajanta Pharma USA Inc

Statement of Changes in Equity
for the year ended 31 March 2024

(Currency: USD)

Nature of Reserves

a) General Reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes

b) Retained Earnings

Retained Earnings are the profits that the Company has earned till date less any transfer to general reserve, dividends or other distributions paid to shareholders

c) Equity Contribution from Holding Company

The fair value of options granted by Parent company to employees of the company are recognised as Equity Contribution from Holding Company with a corresponding charge to employee benefits expenses

Material accounting policies	1 to 6
The accompanying notes form an integral part of the financial statements	7 to 39

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No. 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place: Mumbai
Date: 02 May 2024

For and on behalf of Board of Directors of
Ajanta Pharma USA Inc.

Yogesh M. Agrawal
Director
DIN: 00073673

Place: Mumbai
Date: 02 May 2024

Ajanta Pharma USA Inc

Statement of cashflow
for the year ended 31 March 2024

(Currency: USD)

		31 March 2024	31 March 2023
		USD	*USD*
A.	**Cash flow from operating activities**		
	Profit before tax	**3,940,445**	1,857,473
	Adjustment for		
	Depreciation and amortisation expense	**262,552**	308,682
	Finance costs	**36,797**	58,863
	Provision for doubtful debt	**7,784**	-
	Employee stock option expense	**75,081**	-
	Operating cash flow before working capital changes	**4,322,660**	2,225,018
	Changes in working capital		
	Decrease / (Increase) in trade receivable	**(10,848,667)**	7,861,055
	(Increase) / Decrease in other current assets	**(710,024)**	229,495
	Decrease / (Increase) in inventories	**(5,292,694)**	5,753,340
	(Decrease) in other current liabilities	**(1,183,080)**	(526,448)
	(Decrease) / Increase in other current Financial liabilities	**4,167,872**	702,740
	(Decrease) / Increase in trade payables	**18,389,080**	(14,742,617)
	Cash generated from operations	**8,845,146**	1,502,583
	Net income tax (paid)	**(6,327,174)**	(1,809,530)
	Net cash flow generated from operating activities	**2,517,972**	(306,947)
B.	**Cash flow from investing activities**		
	Capital expenditure on property, plant and equipment including capital advances	**(35,789)**	(53,334)
	Net cash used in investing activities	**(35,789)**	(53,334)
C.	**Cash flow from financing activities**		
	Payment of lease liability (includes interest of $ 22976 in year ending on 31 March 2024)	**(154,590)**	(176,451)
	Interest paid	**(13,821)**	(58,863)
	Net cash used in / from financing activities	**(168,411)**	(235,314)
	Net (decrease) / increase in cash and cash equivalents (A + B + C)	**2,313,772**	(595,595)
	Cash and cash equivalents as at the beginning of the year	**3,245,971**	3,841,566
	Cash and cash equivalents as at the end of the year	**5,559,743**	3,245,971

Figures in brackets indicates outflow.

Note :

1. The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in Accounting Standard 7 (Ind AS - 7) "Statement of Cash Flow" under Section 133 of the Companies Act 2013.

2. Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

3. Movement in lease liabilities (refer note 33)

Material accounting policies	1 to 6
The notes referred to above form an integral part of the consolidated financial statements	7 to 39

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place : Mumbai
Date : 02 May 2024

For and on behalf of Board of Directors of Ajanta Pharma USA Inc.

Yogesh M. Agrawal
Director
DIN : 00073673

Place : Mumbai
Date : 02 May 2024

Ajanta Pharma USA Inc.
Notes to the Financial Statements as on 31 March 2024

1. Corporate Information

Ajanta Pharma USA Inc. is a limited liability company incorporated and domiciled in United States of America and is a wholly owned subsidiary of Ajanta Pharma Ltd., India. The address of its registered office is located at 440, US Highway, 22, East Bridgewater, New Jersey 08807, USA.

Company is primarily involved in the business of pharmaceutical and related activities.

2. Basis of preparation

Statement of Compliance

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Indian Companies Act, 2013 ("the Act").
These financial statements do not constitute a set of statutory financial statements in accordance with the local laws in which the Company is incorporated and are prepared for the sole purpose of the Consolidation of Ind AS financial statements of the Company with Ajanta.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except otherwise stated.

The Financial Statement for the year ended 31 March 2024 have been reviewed by the Audit Committee and subsequently approved by Board of Directors of Ajanta Pharma USA Inc at its meeting held on 02 May 2024.

3. Use of estimates and judgements:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and under lying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

The areas involving estimates or judgements are as follows:

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes

Classification of Lease as per Ind AS 116:

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account

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the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Estimates:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes.

Property, Plant and equipment

Useful lives of tangible assets, as determined by the company and assessed on an annual basis, is based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II of the Companies Act, 2013, prevalent in India, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

Intangible Assets

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not collectible. Impairment is made on the expected credit loss model.

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

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. The review involves comparison of the carrying value of the aged inventory items. The purpose is to ascertain whether an allowance is required to be made in the financial statement for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Management also reviews net realizable value for all its inventory and is satisfied that adequate allowance has been made in the financial statements.

Recognition of current and deferred tax assets and income tax

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of

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AJANTA PHARMA USA INC CORPORATE SEAL NEW JERSEY

deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved

Amounts deducted from revenue for the projected chargeback, sales returns, rebates and Medicaid

The significant adjustments to the revenue are broadly explained below:

(a) A chargeback is a claim made by the wholesaler for the difference between the prices at which the product is initially invoiced to the wholesaler and the net price at which it is agreed to be procured from the company. Provision for chargeback is calculated on the basis of historical experience and specific terms in the agreements

(b) Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

(c) Provision for rebate is calculated on the basis of historical experience and specific terms in the agreements. Charge back, rebates, returns and medicaid payments are variable consideration that is recognised and recorded based on historical experience, market conditions and specific contractual terms. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in line with contractual and legal obligations, trade practices historical trends, past experience and projected market conditions.

(d) Following a decrease in the price of a product, the Company generally grants customers a "shelf stock adjustment" for a customer's existing inventory for the involved product. Provisions for shelf stock adjustments are determined at the time of the price decline or at the point of sale, if the impact of a price decline on the products sold can be reasonably estimated based on the customer's inventory levels of the relevant product.

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4. Functional and Presentation Currency

These financial statements are presented in United States Dollars (USD) which is also the functional currency. All the amounts have been rounded off to the nearest USD, unless otherwise indicated.

5. Current / non-current classification

An entity shall classify an asset as current when-

(a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;

(b) it holds the asset primarily for the purpose of trading;

(c) it expects to realise the asset within twelve months after the reporting period; or

(d) the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An entity shall classify all other assets as non-current.

An entity shall classify a liability as current when-

(a) it expects to settle the liability in its normal operating cycle;

(b) it holds the liability primarily for the purpose of trading;

(c) the liability is due to be settled within twelve months after the reporting period; or

(d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other liabilities as non-current.

Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

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

6. Material Accounting Policies

6.1 Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of assets, to their residual values over their estimated useful life as follows:

Particulars	Useful Life
Building	27.5 years
Furniture, Fixtures & Fittings	10 years
Computer Software's	5 years

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at each end of reporting period. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the statement of profit or loss.

Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in Statement of profit and loss in the period in which the expenditure is incurred.

Software is amortised over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test.

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 are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of intangible assets 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 and loss when the assets are derecognised.

Impairment on non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

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An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

6.2 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.

Financial Assets

Classification

Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:
- Financial assets at fair value (FVTPL / FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at Amortised Cost (net of any write down for impairment, if any)

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI")

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL"):

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Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Company has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind - AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

Financial Liabilities

Classification

Company classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

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

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6.3 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the moving weighted average basis, and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis. The Company considers various factors like shelf life, ageing of inventories, product discontinuation, price changes and other factors which impact the company's business in determining the allowance for obsolete, non-saleable and slow, non-moving inventories. The company considers the above factor and adjusts the inventory provision to reflect its actual performance on actual basis. Goods in transit are valued at actual cost incurred up to the date of balance sheet.

6.4 Cash and cash Equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

6.5 Cash Flow Statement

Cash flows are reported using the indirect metbod, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

6.6 Foreign Currency Transactions

Transactions in foreign currencies are translated into the Company's functional currency at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are not translated. Foreign currency exchange differences are generally recognised in the statement of profit and loss.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non-monetary item is recognised in

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Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Statement of Profit and Loss.

6.7 **Revenue Recognition**

Sale of Goods

The Company applied Ind AS 115 using the modified retrospective approach.

Revenue is measured based on the transaction price adjusted for chargebacks, discounts and rebates, which is specified in a contract with customer. Revenue are net of estimated returns and taxes collected from customers.

Revenue from sale of goods is recognized at point in time when control is transferred to the customer and it is probable that consideration will be collected. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognised when it is highly probable that a significant reversal will not occur.

Interest income is recognised on time proportion basis. Insurance and other claims are recognised as a revenue on certainty of receipt on prudent basis. Export benefits available under prevalent schemes are accounted to the extent considered receivable.

Dividend income is recognised when the Entity's right to receive the payment is established, which is generally when shareholders approve the dividend.

6.8 **Employee Benefits**

Short-term Benefits - The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, Medicare contributions, and other non-monetary benefits. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-Employment Benefits – The Company provides a 401(k) retirement program for full-time employees who are 21 years of age or older. Eligible employees are entitled to participate in the company offered plan with an option to contribute up to the maximum of 3% of annual base salary. For employees with an annual base salary above the annual compensation limits, as determined by the Federal Internal Revenue Service (Federal), the annual APUI contribution will be capped at 3% of the Federal allowed annual compensation limits. All contributions are 100% vested immediately to the employee.

Share-based compensation

Employees Stock Options Plans ("ESOPs"): The grant date fair value of options granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The company recognizes compensation expense relating to share-based payments in net profit using

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fair-value in accordance with Ind AS 102, Share-Based Payment. The ESOPs (shares of holding company) are granted to the employees of the company.

Provisions (other than employee benefits)
A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

6.9 Borrowing Costs

Borrowing costs comprise of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that takes substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

6.10 Lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

6.11 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

6.12 Income Taxes

Income tax expense comprises current and deferred income tax.
Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the respective Country's tax rates and tax laws that have been enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

6.13 Dividends to Shareholders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

6.14 Provisions, Contingent Liabilities, Contingent Assets and Commitments

General

Provisions (legal and constructive) are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If there is any expectation that some or all of the provision will be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any virtually certain 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 risk 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 is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimates is possible;

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- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognised but disclosed in the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and Non-cancellable operating lease.

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

6.15 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date in accordance with Ind AS 113.

Financials Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Derivative financial instruments in the nature of forward foreign exchange contracts are measured at fair value received from Bank.
- Mutual Funds are measured at fair values as per Net Asset Value (NAV).
- Employee Stock Option Plan (ESOP) at fair values as per Black Scholes option pricing model.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date.

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.

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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.

6.16 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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as at 31 March 2024

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7 Property, plant and equipment, capital work-in -progress, investment property and other intangible assets (other than self generated)

7.1 As at 31 March 2024

Particulars	Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block
	01 April 2023	Additions	Disposals	Adjustments	**31 March 2024**	**01 April 2023**	For the Year	Disposals	Adjustments	**31 March 2024**	**31 March 2024**
						-				-	-
A Property, Plant and Equipment											
Freehold land	256,500	-	-	-	256,500	-	-	-	-	-	256,500
Buildings	362,461	-	-	-	362,461	120,938	13,177	-	-	134,115	228,346
Furniture and fixture	218,252	8,267	-	-	226,519	168,284	9,434	-	-	177,718	48,801
Total	**837,214**	**8,267**	-	-	**845,480**	**289,222**	**22,611**	-	-	**311,833**	**533,647**
B Other intangible assets					-					-	-
Computer software	653,476	27,522	-	-	680,998	309,797	130,628	-	-	440,425	240,572
Total	**653,476**	**27,522**	-	-	**680,998**	**309,797**	**130,628**	-	-	**440,425**	**240,572**
					-						
Total (A) + (B)	**1,490,690**	**35,789**	-	-	**1,526,478**	**599,019**	**153,239**	-	-	**752,258**	**774,219**
C Intangible assets under development	164,367			-	164,367	164,367	-	-		164,367	-
Total (A) + (B) + (C)											**774,219**

7.2 As at 31 March 2023

Particulars	Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block
	01 April 2022	Additions	Disposals	Adjustments	31 March 2023	01 April 2022	For the Year	Disposals	Adjustments	31 March 2023	31 March 2023
A Property, Plant and Equipment											
Freehold land	256,500	-	-	-	256,500	-	-	-	-	-	256,500
Buildings	362,461	-	-	-	362,461	107,756	13,182	-	-	120,938	241,523
Furniture and fixture	218,252	-	-	-	218,252	164,724	3,560	-	-	168,284	49,968
Total	**837,214**	-	-	-	**837,214**	**272,481**	**16,742**	-	-	**289,223**	**547,991**
B Other intangible assets					-					-	-
Computer software	600,142	53,334	-	-	653,476	185,587	124,210	-	-	309,797	343,678
Total	600,142	**53,334**	-	-	**653,476**	**185,587**	**124,210**	-	-	**309,797**	**343,678**
					-						
Total (A) + (B)	**1,437,355**	**53,334**	-	-	**1,490,690**	**458,069**	**140,952**	-	-	**599,020**	**891,669**
C Intangible assets under development	164,367	-	-	-	164,367	164,367	-	-	-	164,367	-
Total (A) + (B) + (C)											**891,669**

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7 Right-of-use asset (Refer note 33)

7.3 Current Year

Particulars	Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block
	1 April 2023	Additions	Disposals	Adjustments	**31 March 2024**	1 April 2023	For the Year	Disposals	Adjustments	**31 March 2024**	**31 March 2024**
Leasehold properties (refer note 33)	726,830	362,040	-		1,088,870	670,920	109,313	-		780,233	308,637
Total	**726,830**	**362,040**	-	-	**1,088,870**	**670,920**	**109,313**	-	-	**780,233**	**308,637**

7.4 Previous Year

Particulars	Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block
	1 April 2022	Additions	Disposals	Adjustments	**31 March 2023**	1 April 2022	For the Year	Disposals	Adjustments	**31 March 2023**	**31 March 2023**
Leasehold properties (refer note 33)	726,830	-	-	-	726,830	503,190	167,730	-	-	670,920	55,910
Total	**726,830**	-	-	-	**726,830**	**503,190**	**167,730**	-	-	**670,920**	**55,910**

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Notes to the Financial Statements (Continued)
as at 31 March 2024

(Currency USD)

			31 March 2024 USD	31 March 2023 USD
8	**Defered tax assets (net)**			

The tax effects of significant temporary difference that resulted in deferred tax asset and liabilities and a description of that created these difference in given below (refer note 38)

		31 March 2024	31 March 2023
Tax effect of items constituting - Deferred tax assets			
Leave Encashment	(A)	25,654	27,174
Provision for Loss Allowance	(B)	24,287	45,083
Others	(C)	7,150	(9,097)
Chargebacks, Rebates, Admin Fees	(D)	8,218,315	5,452,190
263A Capitalization Cost	(E)	37,400	25,976
Accrual for Sales Return for expired Goods	(F)	4,528,455	3,667,426
Tax effect of items constituting - Deferred tax liabilities			
Difference in tax base of property, plant and equipment	(G)	11,879	40,596
Deferred tax assets (net)	(A+B+C+D+E+F)-(G)	12,829,382	9,168,156
		12,829,382	9,168,156

9 Inventories

	31 March 2024	31 March 2023
Stock-in-Trade (including in transit USD 587,821, 31 March 2023 USD 541,943)	26,687,273	21,394,579
	26,687,273	21,394,579

During the year, the group recorded inventory write downs of USD 108,311 (31 March 2023 USD 116,702). These adjustments were included in cost of material consumed and changes in inventories

10 Trade receivables

	31 March 2024	31 March 2023
Unsecured, considered good unless otherwise stated		
-Trade receivables considered good	83,539,406	72,698,524
Trade receivables which have significant increase in credit risk	-	
Trade receivables credit impaired	-	
	83,539,406	72,698,524
Less Loss allowance	-	-
Total Trade receivables	83,539,406	72,698,524
	83,539,406	72,698,524

Ageing Schedule for trade receivables as on 31 Mar 2024

Particulars	Not Due	Outstanding for following period from due date of payment					
		Less than 6 months	6 months -1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered doubtful	83,539,406	-	-	-	-	-	83,539,406
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	83,539,406	-	-	-	-	-	83,539,406
Less - Loss Allowance							-
Total Trade Receivables							83,539,406

Ageing Schedule for trade receivables as on 31 Mar 2023

Particulars	Not Due	Outstanding for following period from due date of payment					
		Less than 6 months	6 months -1 year	1 -2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered doubtful	72,698,524	-	-	-	-	-	72,698,524
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	72,698,524	-	-	-	-	-	72,698,524
Less - Loss Allowance							-
Total Trade Receivables							72,698,524

11 Cash and cash equivalents

	31 March 2024	31 March 2023
Cash and cash equivalents		
Balance with banks - in current accounts	5,559,742	3,245,971
	5,559,742	3,245,971

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(Currency USD)

	31 March 2024 USD	31 March 2023 USD
12 Other current assets		
Prepaid expense	1,129,412	429,577
Advances to suppliers	10,630	151
Advances to employees	104	393
	1,140,146	430,121

13 Equity share capital

	31 March 2024		31 March 2023	
	Number of Shares	USD	Number of Shares	USD
Authorised :				
Common Stocks of USD 100 each	10,000	1,000,000	10,000	1,000,000
Issued, Subscribed & Paid up :				
Common Stocks of USD 100 each fully Paid up	10,000	1,000,000	10,000	1,000,000

(a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

	31 March 2024		31 March 2023	
	Number of Shares	USD	Number of Shares	USD
Number of shares outstanding as at the beginning of the year	10,000	1,000,000	10,000	1,000,000
Add Number of shares allotted as fully paid-up during the year	-	-	-	-
Less Number of shares bought back during the year	-	-	-	-
Number of shares outstanding as at the end of the year	10,000	1,000,000	10,000	1,000,000

(b) Rights, preferences and restrictions attached to shares

The company has issued only one class of equity shares with voting rights having a par value of USD 100 per share.
The company has not declared any dividend.
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company.
The distribution will be in proportion to the numbers of equity shares held by shareholders.

(c) Details of equity shareholders holding more than 5% / Holding company / Promoter holding

Name of Shareholder	31 March 2024		31 March 2023	
	Number of Shares	% holding	Number of Shares	% holding
Ajanta Pharma Ltd., India*	10,000	100.00	10,000	100.00

* There is no change in % of promoter holding in the current year as well as previous year

(d) Shares reserved for issue under options	Nil	Nil	Nil	Nil

14 Other equity

	31 March 2024	31 March 2023
General reserve		
Balance at the beginning of the year	(1,567,902)	(1,567,902)
Add Transferred from Statement of Profit & Loss	-	-
Balance as at the year end	(1,567,902)	(1,567,902)
Exchange Fluctuation Reserve		-
Equity contribution from Holding Company		
Employee stock options		
Balance at the beginning of the year	135,738	135,738
Charge during the year	75,081	-
Balance as at the year end	210,819	135,738
Retained earnings		
Balance at the beginning of the year	12,819,975	11,382,385
Profit for the year	3,006,710	1,437,592
Balance at the year end	15,826,685	12,819,975
Total other equity	14,469,603	11,387,812

15 Lease liabilities (non current)

	31 March 2024	31 March 2023
Lease liabilities (refer note 33)	132,256	-
	132,256	-

16 Lease liabilities (current)

	31 March 2024	31 March 2023
Lease liabilities (refer note 33)	177,250	79,080
	177,250	79,080

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(Currency USD)

	31 March 2024 USD	31 March 2023 USD

17 Trade payables

	31 March 2024 USD	31 March 2023 USD
Trade payables to related party (refer note 36)	**87,205,390**	69,296,746
Other Payables	**3,815,563**	3,335,127
	91,020,953	72,631,874

The following is ageing schedule for Trade payables as at 31 March 2024

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others		58,390,009	32,630,944				91,020,953
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others							-
Total	-	58,390,009	32,630,944	-	-	-	91,020,953

The following is ageing schedule for Trade payables as at 31 March 2023

Particulars	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others		57,830,103	14,801,771				72,631,874
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others							-
Total	-	57,830,103	14,801,771	-	-	-	72,631,874

18 Other financial liabilities (current)

	31 March 2024 USD	31 March 2023 USD
Provision for anticipated sales return (Refer note 34)	**21,039,513**	16,871,641
	21,039,513	16,871,641

19 Other current liabilities

	31 March 2024 USD	31 March 2023 USD
Others payables	**2,103,398**	3,286,478
	2,103,398	3,286,478

20 Current tax liabilities (net)

	31 March 2024 USD	31 March 2023 USD
Provision for tax (net of advance tax USD 6,304,146 (31 March 2023 USD 1,836,687))	**895,832**	2,628,045
	895,832	2,628,045

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(Currency USD)

		31 March 2024 USD	31 March 2023 USD
21	**Revenue from operations**		
	Sale of products		
	Stock-in-Trade	**114,063,199**	104,814,084
		114,063,199	104,814,084
	Reconciliation of revenue from operations with contracted parties		
	Contracted price	**570,927,286**	542,922,837
	Adjustments		
	- Chargeback, rebates and discounts	**433,598,371**	415,521,501
	- Sales return	**6,880,774**	6,715,269
	- Others (price adjustment, anticipated sales return)	**16,384,943**	15,871,984
	Sale of products	**114,063,199**	104,814,084

The company normally sells goods on credit which varies from 14 to 21 days for domestic sales and 30 to 270 days in case of export sales This does not involve any significant financing element

Revenue from 3 customers exceed 10% of Company's Total Revenue amounting to $ 52 51 million

			31 March 2024 USD	31 March 2023 USD
22	**OTHER INCOME**			
	Miscellaneous Income		**78,242**	-
			78,242	-
23	**Purchase of stock-in-trade (Related party)**		101,436,799	81,920,958
24	**Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-**			
	Inventories at the end of the year :			
	Stock-in-trade		**26,687,273**	21,394,579
		(A)	**26,687,273**	21,394,579
	Inventories at the beginning of the year :			
	Stock-in-trade		**21,394,579**	27,147,919
		(B)	**21,394,579**	27,147,919
	Total changes in inventories of finished goods, work-in-progress			
	Total changes in inventories of finished goods, work-in-progress and stock-in-trade :	**(B) - (A)**	**(5,292,694)**	5,753,340
25	**Employee benefit expense**			
	Salaries, wages, bonus and allowances		**4,564,490**	4,855,328
	Employee welfare expenses		**415,606**	375,162
	Employee stock option expense (refer note 37)		**75,081**	-
	Contribution to statutory funds (refer note 31)		**356,951**	415,253
			5,412,128	5,645,743
26	**Finance costs**			
	Interest expenses			-
	Interest on Lease liability (refer note 33)		**22,976**	-
	Other borrowing cost		**13,821**	58,863
			36,797	58,863
27	**Depreciation and amortisation expense**			
	Depreciation of property, plant and equipment (Refer note 7)		**22,611**	16,742
	Amortisation of intangible assets (Refer note 7)		**130,628**	124,210
	Depreciation of right-of-use assets (Refer note 7)		**109,313**	167,730
			262,552	308,682

(Currency: USD)

28 Other Expenses

	31 March 2024 USD	31 March 2023 USD
Clearing and forwarding	5,616,099	6,602,916
Selling expenses	958,823	984,987
Insurance	305,681	306,937
Travelling expenses	304,369	304,278
Telephone, telex & postage	549,725	525,842
Legal and Professional Fees	466,800	438,269
Repairs to others	624	2,727
Power and fuel	1,778	3,283
Rent (refer note 33)	43,594	-
Provision for doubtful debt	7,784	2,724
Miscellaneous expenses	90,137	97,062
	8,345,414	9,269,025

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(Currency: USD)

29. Capital Management

The capital structure of the Company consists of equity and cash & cash equivalents. The Company's objective for capital management is to maintain the capital structure which will support the Company's strategy to maximize shareholder's value, safeguarding the business continuity and help in supporting the growth of the Company.

The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as debt less cash and cash equivalents and current investments. Adjusted equity comprises all components of equity.

Company's policy is to keep the Net debt equity ratio below 1.00 and its adjusted net debt to equity ratio at 31 March 2024 was as follows.

USD

Particulars		**31 March 2024**	**31 March 2023**
Total Borrowing		-	-
Less: cash and cash equivalents		**5,559,742**	3,245,971
Adjusted net debt	A	**(5,559,742)**	(3,245,971)
Equity	B	**15,469,603**	12,387,812
Adjusted net debt to Equity ratio	**A/B**	**(0.36)**	(0.26)

30. Earnings Per share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars		**31 March 2024**	31 March 2023
Basic and diluted earnings per share:			
Profit attributable to Equity shareholders- for Basic EPS (USD)	A	**3,006,710**	1,437,592
Add: Dilutive effect on profit (USD)	B	-	-
Numerator for calculating dilutive earnings per share (USD)	C=A-B	**3,006,710**	1,437,592
Weighted average number of equity shares outstanding - for basic EPS	D	**10,000**	10,000
Add: Dilutive effect of ESOP outstanding- Number of Equity Shares	E	-	-
Weighted average number of equity shares for diluted EPS	F=D+E	**10,000**	10,000
Face value per equity share (USD)		**100**	100
Basic earnings per share (USD)	**A/D**	**300.67**	143.76
Diluted earnings per shares (USD)	**C/F**	**300.67**	143.76

(Currency: USD)

31. Employee benefits

As required by Ind AS 19 'Employee Benefits', the Company offers its employees: Short-term employee benefits - These benefits include salaries and wages and other government contributions which are due within 12 months after the end of the period in which employee renders the related service. The Company's accrual on account of vacation liabilities amounted to USD 119,188 (31 March 2023 USD 125,044).

Retirement plan - The Company provides a 401(k)-retirement program for full-time employees who are 21 years of age or older. Eligible employees are entitled to participate in the company offered plan with an option to contribute up the maximum 3% of annual base salary. For employees with an annual base salary above the annual compensation limits, as determined by the Federal Internal Revenue Service (Federal), the annual APUI contribution will be capped at 3% of the Federal allowed annual compensation limits. All contributions are 100% vested immediately to the employee. The Company also provides a profit-sharing contribution in to the 401(k) account which is discretionary. The total expense for employee retirement benefit plan including the profit-sharing contribution for the year ended 31 March 2024 was USD 356,951 (31 March 2023: USD 415,253). The Company does not carry any further liabilities other than contribution made.

32. Financial Instrument – fair values and risk management

Fair value measurements **USD**

Financial instruments by category	31 March 2024 Amortised Cost	31 March 2023 Amortised Cost
Financial assets		
Trade receivables	**83,539,406**	72,698,524
Cash and cash equivalents	**5,559,742**	3,245,971
Total financial assets	**89,099,148**	75,944,495
Financial liabilities		
Lease liabilities	**309,506**	79,080
Other current financial liabilities	**21,039,513**	16,871,641
Trade payables	**91,020,953**	72,631,874
Total financial liabilities	**112,369,972**	89,582,595

There are no financial instruments classified as Fair Value through profit and loss and fair value through other comprehensive income. Fair value measurement of lease liabilities is not required.

A. Financial risk management

Company has exposure to following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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32. Financial Instrument – fair values and risk management *(Continued)*

Risk management framework

The Company's activities are exposed to financial risks. These risks include market risk, credit risks and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company through established policies and processes which are laid down to ascertain the extent of risks, setting appropriate limits and controls and continuous monitoring and compliance of the same.

i. Credit risk

Credit risk the risk that a counter party 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 other financial instruments.

Other financial assets

The Company limits its exposure to credit risks by depositing its cash only with financial institutions duly evaluated and approved by the Board of Directors.

Impairment:

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

	Carrying amount	31 March 2024 Weighted average loss rate	Loss allowance
Not due	**83,539,406**	0%	-
Past due upto 180 days	-	0%	-
Past due 181-365 days	-	0%	-
Past dues 366 - 730 days	-	0%	-
Past dues 731 - 1096 days	-	0%	-
More than 1096 days	-	0%	-
	83,539,406		-

	Carrying amount	31 March 2023 Weighted average loss rate	Loss allowance
Not due	72,698,524	0%	-
Past due upto 180 days	-	0%	-
Past due 181-365 days	-	0%	-
Past dues 366 - 730 days	-	0%	-
Past dues 731 - 1096 days	-	0%	-
More than 1096 days	-	0%	-
	72,698,524		-

(Currency: USD)

32. Financial Instrument – fair values and risk management *(Continued)*

The above financial assets were not impaired as there had not been a significant change in credit quality and the amounts were still considered receivable based on the nature of the activity of the customer portfolio to which they belong and the type of the customers. There are no other classes of financial assets that are past due but not impaired except for Trade receivables as at 31 March 2024 and 31 March 2023

Trade receivable

Company's credit risk is minimal. The trade receivables arise mainly from transactions with its approved customers. The maximum exposure to credit on these transactions is equal to the carrying amount of these financial instruments. Customers are subject to stringent financial, credit and legal verification process. In addition, trade receivable balances are monitored on an ongoing basis to ensure timely collections. Accordingly, the Company's exposure to bad debts is not significant.

As at 31 March 2024, Company had 22 customers (31 March 2023: 23 customers) that owed the company more than $ 100,000 each and accounted for approximately 99% and 99% respectively of the total outstanding as at 31 March 2024 and 31 March 2023.

Expected credit loss assessment

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

As per simplified approach, the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date wherever required. The trend of the bad debts is negligible.

	31 March 2024	31 March 2023
Gross Carrying amount	**83,539,406**	72,698,524
Average Expected loss rate	**0.00%**	0.00%
Carrying amount of trade receivables (net of impairment)	**83,539,406**	72,698,524

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	31 March 2024	31 March 2023
Balance as at the beginning of the year	-	-
Impairment loss recognised (net)	-	-
Amounts written off	-	-
Balance as at the year end	-	-

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32. Financial Instrument – fair values and risk management *(Continued)*

ii. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels.

Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities over the next six months. The ratio of cash and cash equivalents and other highly marketable debt investments to outflows is 0.05 at 31 March 2024 (31 March 2023: 0.03).

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at 31 March 2024	Carrying Amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Trade payables current	91,020,953	91,020,953	91,020,953	-	-	-
Lease liabilities	309,506	309,506	177,250	132,256	-	-
Other current financial liabilities	21,039,513	21,039,513	21,039,513	-	-	-
Total	112,369,972	112,369,972	112,237,716	132,256	-	-

As at 31 March 2023	Carrying Amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Trade payables current	72,631,874	72,631,874	72,631,874	-	-	-
Lease liabilities	79,080	79,080	79,080	-	-	-
Other current financial liabilities	16,871,641	16,871,641	16,871,641		-	-
Total	89,582,595	89,582,595	89,582,595		-	-

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32. Financial Instrument – fair values and risk management *(Continued)*

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. The Company's exposure from market risks is primarily on account of interest rate risk.

a) Currency risk

The Company does not have foreign exchange risk as their entire dealings are in their local functional currency i.e., US Dollars.

b) Interest rate risk

The Company does not have any debt obligation, bank deposits or other securities. There is no exposure to change in interest rates.

c) Price risk

Company does not have any exposure to price risk, as there are no equity investments.

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33. Disclosure for leases:

The Company have taken a premise under operating lease. The lease is for a period of five year and renewable every year upon mutual consent of the parties. There are no contingent rents.

Right-of-use assets

As at 31 March 2024	**Land and Buildings USD**
Cost	
As at 1 April 2023	726,830
Additions to ROU assets	362,040
De-recognition of ROU assets	-
Balance at 31 March 2024	1,088,870
Accumulated depreciation and impairment	
As at 1 April 2023	670,920
Depreciation	109,313
Balance at 31 March 2024	780,233

As at 31 March 2023	**Land and Buildings USD**
Cost	
As at 1 April 2022	726,830
Additions to ROU assets	-
De-recognition of ROU assets	-
Balance at 31 March 2023	726,830
Accumulated depreciation and impairment	
As at 1 April 2022	503,190
Depreciation	167,730
Balance at 31 March 2023	670,920

Carrying Amounts	
As at 1 April 2023	55,910
Balance at 31 March 2024	3,08,637
As at 1 April 2022	223,640
Balance at 31 March 2023	55,910

Lease expenses recognized in statement of profit and loss not included in the measurement of lease liabilities:

Particulars	**31 March 2024**	31 March 2023
	USD	USD
Short-term and low value lease expense	**43,594**	-
Total lease expense	**43,594**	-

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(Currency: USD)

33. Disclosure of Leases *(Continued)*

Cash outflow on leases

Particulars	31 March 2024	31 March 2023
	USD	USD
Cash outflow on leases	(154,590)	(176,451)
Total cash outflow on leases	**(154,590)**	(176,451)

Movement in lease liabilities

	31 March 2024	31 March 2023
Opening Lease liabilities	**79,080**	255,531
Addition during the year	362,040	-
Interest accrued during the year	22,976	-
Payment of Lease liabilities (including interest)	(154,590)	(176,451)
Closing Lease liabilities	**309,506**	79,080
Non-Current	132,256	-
Current	177,250	79,080

Maturity analysis of lease liabilities – contractual undiscounted cash flows

	31 March 2024	31 March 2023
Less than 1 year	201,946	83,420
1 to 5 years	119,221	-
More than 5 years	-	-

34. Provision for anticipated sales return:

USD

Particulars	31 March 2024	31 March 2023
Balance at the beginning of the year	16,871,641	16,168,902
Add: Provisions made during the year	11,048,646	7,418,008
Less: Amount written back/utilized during the year	6,880,774	6,715,269
Balance at the end of the year	**21,039,513**	16,871,641

35. Contingent Liabilities and commitments:

There are no contingent liabilities. The company has various contracts with customers with commitment to supply the products as per terms of agreement.

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(Currency: USD)

36. Related party disclosure as required by Ind AS 24 are given below:

A) Relationships where control exist:

Category I – Holding Company & Fellow Subsidiary

Ajanta Pharma Ltd., India (Holding Company)

Category II - Directors, Key Management Personnel & their Relatives:

Dr. Ramesh Jhawar Director (APUI)

B) Following transactions were carried out with related parties:

USD

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	**Purchase of Goods:**			
	Ajanta Pharma Ltd., India	I	**101,436,799**	81,920,958
2.	**Key Management Compensation:**			
	Short Term Employee Benefits			
	Dr. Ramesh Jhawar	II	**610,618**	575,960
3.	**Charges for Shared Services**	I	**171,827**	145,842

C) Amount outstanding as on 31 March 2024

USD

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	**Trade Payable:**			
	Ajanta Pharma Ltd., India	I	**87,205,390**	69,296,746

37. Share based payments

The Holding Company has established "Employee Stock Options Scheme 2011" ('ESOP-2011') and Share based Incentive Plan 2019 as approved in earlier year by the shareholders of the Company and Compensation committee of Board of Directors for the key employees of the Company. The options issued under the above scheme vest in a phased manner.

During the year, the company made the decision to withdraw the Employee Stock Options Scheme 2011 in the Nomination & Remuneration committee meeting held on January 31, 2024, with immediate effect.

During the year 91,350 option have been granted and 3,750 option cancelled by the Company under the Share based Incentive Plan 2019 to the employees (including KMP's) of the Group.

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37. Share based payments *(Continued)*

Grant Date	No. of option Granted	No. of Option Cancelled	Exercise Price (₹)	Vesting Period
10 May 2022	-	2,000	-	-
05 May 2022	11,600	1,750	2.0	05 May 2024 to 05 May 2026
27 July 2023	79,750	-	2.0	27 July 2024 to 01 January 2027

The options are granted at an exercise price which is in accordance with the relevant SEBI guidelines in force, at the time of such grants. Each option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 2/- each. The particulars of the options under ESOS 2011 and Share based Incentive Plan 2019 are as under:

Particulars	31 March 2024 Nos.	31 March 2023 Nos.
Options outstanding as at the beginning of the Year*	4,000	3,000
Add: Options granted during the Year	91,350	2,000
Less: Options exercised during the Year	1,000	1,000
Less: Options lapsed/cancelled during the Year	3,750	-
Options outstanding as at the Year End	**90,600**	4,000

Particulars	31 March 2024 Nos.	Range of Exercise Prices (₹)	Weighted Average Exercise Prices (₹)	Weighted Average share price at the date of exercise (₹)	Weighted Average Contractual life (Years)
Options outstanding as at the beginning of the year	4,000	2.0	2.0	-	1.60
Add: Options granted during the year	91,350	2.0	2.0	-	1.36
Less: Options exercised during the year	1,000	2.0	2.0	1,312.60	-
Less: Options lapsed/cancelled during the year	3,750	-	-	-	-
Options outstanding as at the year end	90,600	2.0	2.0	-	1.37

Particulars	31 March 2023 Nos.	Range of Exercise Prices (₹)	Weighted Average Exercise Prices (₹)	Weighted Average share price at the date of exercise (₹)	Weighted Average Contractual life (Years)
Options outstanding as at the beginning of the Year	3,000	2.0	2.0	-	1.08
Add: Options granted during the Year	2,000	2.0	2.0	-	1.31
Less: Options Exercised during the Year	1,000	2.0	2.0	1,147.41	-
Less: Options lapsed/cancelled during the Year	-	-	-	-	-
Options outstanding as at the Year End	4,000	2.0	2.0	-	1.60

Effect of share-based plan in profit & loss and balance sheet

For details of the related employee benefits expense and equity contribution from holding company, refer note 25 and 14 respectively.

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37. Share based payments *(Continued)*

Description of the method and significant assumptions used during the year to estimate the fair values of the options, including the following weighted average information:

Variables Plan	Weighted Average Information Share Based Incentive Plan 2019		
	500 option	3,000 option	13,000 option
Grant date	27 September 2019	20 May 2020	27 July 2023
Last date for acceptance	27 October 2019	19 June 2020	25 August 2023
Risk free rate (%)	5.20	5.20	7.14
Expected Life (years)	2	1	1 to 4
Volatility (%)	13.74	14.67	13.12
Dividend yield (%)	0.55	0.71	0.86
Price of the underlying share in the market at the time of option grant (₹)	1,055	1,439	1,553
Fair value of options (₹)	1,041	1,425	1,522
Exercise price (₹)	2	2	2

Valuation of stock options

The fair value of stock options granted during the period has been measured using the Black-Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk-free interest rates. They key inputs and assumptions used are as follows:

Share price: The closing price on NSE as on the date of grant has been considered for valuing the options granted.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for four years preceding the date of the grant.

Risk free interest rate: The risk-free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero-coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock-based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period of each separately vesting portion of the award as if the award was, in-substance, multiple awards.

BSR & Co. LLP Chartered Accountants

AJANTA PHARMA USA INC CORPORATE SEAL NEW JERSEY

(Currency: USD)

38. Income Tax

Income tax (expense) / benefit recognized in the income statement consists of the following:

		31 March 2024	31 March 2023
a.	**Current tax**		
	Current tax on profit for the year	**4,594,962**	5,761,640
	Total Current Tax expenses	**4,594,962**	5,761,640
	Deferred tax expense/(benefit)		
	Origination and reversal of timing difference	**(3,661,227)**	(5,341,759)
	Adjustment for deferred tax of prior periods		-
	Total Deferred Tax expenses	**(3,661,227)**	(5,341,759)
	Total income tax recognised in the income statement	**933,735**	419,881

b.	**Reconciliation of effective tax rate**	31 March 2024	31 March 2023
	Accounting profit before income taxes	**3,940,445**	1,857,473
	Enacted tax rate in USA*	**21%**	21%
	Computed expected tax (benefit) / expenses	**827,494**	390,069
	Adjustment for deferred tax of prior periods	-	-
	Expenses that are not deductible in determining taxable profit	**2,986**	2,588
	Expenses not deducted in books but allowed for tax purpose	-	-
	State Taxes	**103,255**	27,223
	Federal True-up	-	-
	Effect of instating opening balance of deferred tax	-	-
	Effect of instating opening balance of current tax	-	-
	Income tax expenses	**933,735**	419,881
	Effective tax rate	**24%**	22%

*The tax rate used for the above reconciliation is the corporate tax rate applicable to the Company under tax laws of United States of America.

c. Recognised deferred asset and liability	**Deferred tax asset**		**Deferred tax liabilities**		**Net deferred tax asset/(liabilities)**	
	31 March 2024	**31 March 2023**	**31 March 2024**	**31 March 2023**	**31 March 2024**	**31 March 2023**
Property ,Plant and equipment	-	-	**11,879**	40,596	**(11,879)**	(40,596)
Leave Encashment	**25,654**	27,174	-	-	**25,654**	27,174
Provision for Loss Allowance	**24,287**	45,083	-	-	**24,287**	45,083
Guarantee Fees paid to holding company	-	-	-	-	-	-
Stock option	**7,150**	-	-	9,097	**7,150**	(9,097)
Chargebacks, Rebates, Admin Fees	**8,218,315**	5,452,190	-	-	**8,218,315**	5,452,190
263A Capitalization Cost	**37,400**	25,976	-	-	**37,400**	25,976
Sales Return for expired goods	**4,528,455**	3,667,426	-	-	**4,528,455**	3,667,426
Net deferred tax asset/(liabilities)	**12,841,261**	**9,217,849**	**11,879**	**49,693**	**12,829,382**	**9,168,156**

AJANTA PHARMA USA INC
CORPORATE SEAL
NEW JERSEY

(Currency: USD)

38. Income Tax *(Continued)*

d. Movement in deferred tax balances 31 March 2024

	Net balance as on 1 April 2023	Recognised in Profit and loss	Net	Deferred tax asset	Deferred tax liabilities
Property ,Plant and equipment	(40,596)	28,717	(11,879)	-	(11,879)
Leave Encashment	27,174	(1,521)	25,654	25,654	-
Provision for Loss Allowance	45,083	(20,796)	24,287	24,287	-
Guarantee Fees paid to holding company	-	-	-	-	-
Stock option	(9,097)	16,247	7,150	7,150	-
Chargebacks, Rebates, Admin Fees	5,452,190	2,766,125	8,218,315	8,218,315	-
263A Capitalization Cost	25,976	11,424	37,400	37,400	-
Sales Return for expired goods	3,667,426	861,029	4,528,455	4,528,455	-
Net deferred tax asset/(liabilities)	**9,168,156**	**3,661,227**	**12,829,382**	**12,841,261**	**(11,879)**

d. Movement in deferred tax balances 31 March 2023

	Net balance as on 1 April 2022	Recognised in Profit and loss	Net	Deferred tax asset	Deferred tax liabilities
Property, Plant and equipment	-	-	-	-	-
Leave Encashment	27,174	27,174	27,174	27,174	27,174
Provision for Loss Allowance	45,083	45,083	45,083	45,083	45,083
Guarantee Fees paid to holding company	-	-	-	-	-
Stock option	-	-	-	-	-
Chargebacks, Rebates, Admin Fees	5,452,190	5,452,190	5,452,190	5,452,190	5,452,190
263A Capitalization Cost	25,976	25,976	25,976	25,976	25,976
Sales Return for expired Goods	3,667,426	3,667,426	3,667,426	3,667,426	3,667,426
Net deferred tax asset/(liabilities)	**3,835,525**	**5,332,631**	**9,168,156**	**9,217,849**	**(49,693)**

BSR & Co. LLP
Chartered Accountants

AJANTA PHARMA USA INC
CORPORATE SEAL
NEW JERSEY

Ajanta Pharma USA Inc
Notes to the Financial Statements *(Continued)*
for the year ended 31 March 2024

(Currency: USD)

39. The Company has presented data relating to its segments based on its consolidated financial statements. Accordingly, in terms of paragraph 4 of the Indian Accounting Standard (Ind AS 108) "Operating Segments", no disclosures related to segments are presented in this financial statement.

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Place: Mumbai
Date: 02 May 2024

For and on behalf of Board of Directors of Ajanta Pharma USA Inc.

Yogesh M. Agrawal
Director
DIN : 00073673

Place: Mumbai
Date: 02 May 2024

G. R. MODI & CO.
Chartered Accountants
12, Laxminarayan Shopping Center, 1st Floor, Poddar Road, Malad (E), Mumbai - 400097
Tel No. 91-22-28884274 - 28819304 Fax No. 91-22-28819304 email : swapnil@modiconsultancy.com

Independent Auditor's Report
To the Members of Ajanta Pharma (Mauritius) Ltd.(Consolidated)

Report on the Consolidated Financial Statements
The accounts of AJANTA PHARMA MAURITIUS LTD and AJANTA PHARMA MAURITIUS INTERNATIONAL LTD. are being audited under the local laws of the country by the statutory auditor for the period 1st Jan 2023 to 31st December 2023. Financial Statements of AJANTA PHARMA MAURITIUS LTD. consolidated with Ajanta Pharma Mauritius International Ltd for the period 1st April 2023 to 31st March 2024. The holding company Ajanta Pharma Limited (India) follows the period 1st April 2023 to 31st March 2024. In order to consolidate the accounts of Ajanta Pharma Mauritius Ltd**(Consolidated)**with that of the holding company, we have been appointed by the management of the company to audit the reinstated accounts of AJANTA PHARMA MAURITIUS LTD.**(Consolidated)** for the period 1st April 2023 to 31st March 2024 under the companies Act in accordance with generally accepted accounting principles in India (Ind AS).

Opinion
We have audited the accompanying Consolidated Ind AS financial statements of AJANTA PHARMA MAURITIUS LTD. (**CONSOLIDATED)** ("the Company") (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements") prepared in accordance with group accounting policies followed by Ajanta Pharma Ltd. These Consolidated financial statements have been prepared solely to enable Ajanta Pharma Ltd. to prepare its consolidated financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated financial statements* section of our report. We are independent of the Company in accordance with the*Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Management's Responsibility for the Consolidated Ind AS 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 Consolidated financial statements that give a true and fair view of the financial position, financial performance, 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 in accordance with the group accounting policies followed by Ajanta.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated 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.

Report on Other Legal and Regulatory Requirements

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

(d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) 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 does not have any pending litigations which would impact its financial position;

ii. The Company has not entered into any long-term contracts including derivative contracts, requiring provision under the applicable law or accounting standards, for material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **G.R.Modi& Co**
Chartered Accountants
Firm's registration number: 112617W

G. R. MODI & CO.
M. NO. 107574
Chartered Accountants

CA Swapnil Modi
Partner
Membership number: 107574
Mumbai
Date: 29th April 2024

UDIN No 24107574BKASEX2890

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of AJANTA PHARMA MAURITIUS LTD. **(Consolidated)**("the Company") as of 31 March 2024 in conjunction with our audit of the Consolidatedfinancial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

G. R. MODI & CO.
M. NO. 107574
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated 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 Over Financial Reporting

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

Opinion

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

for **G.R.Modi& Co**
Chartered Accountants
Firm's registration number: 112617W

G. R. MODI & CO.
M. NO. 107574
Chartered Accountants

CA Swapnil Modi
Partner
Membership number: 107574
Mumbai
Date: 29th April 2024

UDIN No.: 24107574BKASEX2890

Ajanta Pharma (Mauritius) Limited

Consolidated Balance Sheet
as at 31 March 2024

(Currency: MUR)

	Note	31 March 2024 MAU. Rs	31 March 2023 MAU. Rs
Assets			
Non-current assets			
Property, plant and equipment	8	1,736,582	2,500,972
Asset held for sale	9	-	5,000,000
Right to use assets	8	387,983	387,983
Financial assets			
Other financial assets	10	401,634	479,167
Total non-current assets		2,526,199	8,368,122
Current assets			
Inventories	11	146,337,303	361,276,708
Financial assets			
Trade receivables	12	173,246,116	225,359,762
Cash and cash equivalents	13	68,101,027	135,454,023
Other current assets	14	106,416,539	70,604
Total current assets		494,100,985	722,161,097
Total assets		**496,627,184**	**730,529,219**
Equity And Liabilities			
Equity			
Equity share capital	15	61,379,100	61,379,100
Other Equity	16	429,732,606	528,214,313
Total equity		491,111,706	589,593,413
Liabilities			
Non current liabilities			
Lease liability	17	393,743	393,743
Current liabilities			
Trade payables	18	-	124,782,157
Other current liabilities	19	5,121,735	15,759,907
Total current liabilities		5,121,735	140,542,064
Total equity and liabilities		**496,627,184**	**730,529,219**
		-	-

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN: 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024

UDIN: 24107574BKASEX2890

For and on behalf of Board of Directors
of Ajanta Pharma (Mauritius) Limited

Vinayak Muzumdar
Director
Mumbai, 29 Apr, 2024

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

Ajanta Pharma (Mauritius) Limited

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(Currency: MUR)

	Note	31 March 2024 MAU. Rs	31 March 2023 MAU. Rs
Income			
Revenue from operations	20	337,078,968	646,072,280
Other income	21	162,890	5,829,082
Total income		**337,241,858**	**651,901,362**
Expenses			
Purchase of stock-in-trade	22	64,455,331	301,302,681
Changes in inventories of finished goods/work-in-progress/stock-in-trade	23	214,939,405	198,324,279
Employee benefits expenses	24	36,434,340	37,740,886
Finance costs	25	4,508	14,270
Depreciation and amortisation expense	26	315,890	1,339,188
Other expenses	27	119,432,935	156,945,345
Total expenses		**435,582,409**	**695,666,649**
Profit before tax		**(98,340,551)**	**(43,765,287)**
Tax expense			
Current tax		141,156	(2,627,965)
Deffered tax			-
Profit for the year		**(98,481,707)**	**(41,137,321)**
Earning per equity share (Basic & Diluted) (Face value MUR100/-)	29	**(160.45)**	(67.02)

Significant accounting policies

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

Swapnit Modi
Partner
Mumbai, 29 Apr, 2024

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

UDIN : 24107574BKASEX2890

For and on behalf of Board of Directors
of Ajanta Pharma (Mauritius) Limited

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

Vinayak Muzumdar
Director
Mumbai, 29 Apr, 2024

Ajanta Pharma (Mauritius) Limited

Consolidated Statement of Cash Flow

for the year ended 31 March 2024

(Currency: MUR)

		31 March 2024 *MAU. Rs*	31 March 2023 *MAU. Rs*
A.	**Cash flow from operating activities**		
	Profit before tax	(98,340,551)	(43,765,287)
	Adjustment for		
	Depreciation and amortisation expense	315,890	1,339,188
	Finance costs	4,508	14,270
	Unrealised foreign exchange difference	-	-
	Operating cash flow before working capital changes	**(98,020,153)**	**(42,411,829)**
	Changes in working capital		
	Decrease / (increase) in trade and other receivables	52,113,646	71,955,286
	Decrease / (increase) in other non current assets	77,533	678,155
	Decrease / (increase) in other current assets	(106,345,935)	524,677
	Decrease / (increase) in inventories	214,939,405	198,324,279
	Increase / (decrease) in other current liabilities	(10,638,171)	(69,249,554)
	Increase / (decrease) in other long term provisions	-	-
	Increase / (decrease) in short term provisions	-	-
	Increase / (decrease) in trade payables	(124,782,157)	(127,912,067)
	Cash generated from operations	**(72,655,832)**	**31,908,947**
	Net income tax paid	(141,156)	2,627,965
	Net cash generated from operating activities	**(72,796,988)**	**34,536,913**
B.	**Cash flow from investing activities**		
	Capital expenditure on property, plant and equipment including capital	-	(313,686)
	Capital expenditure on right to use asset	-	(581,974)
	Purchase of non-current investments	-	-
	Purchase of non-current investments	-	-
	Net cash used in investing activities	**5,448,500**	**27,029,970**
C.	**Cash flow from financing activities**		
	Repayment of lease liability (including interest thereon)	-	393,743
	Interest paid	(4,508)	(14,270)
	Dividend paid	-	-
	Net cash used in financing activities	**(4,508)**	**379,473**
	Net increase / (decrease) in cash and cash equivalents	**(67,352,996)**	**61,946,356**
	Cash and cash equivalents as at the beginning of the year	135,454,021	73,507,665
	Cash and cash equivalents as at the end of the year	**68,101,025**	**135,454,021**

Figures in brackets indicates outflow.

Note :

1. The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in Accounting Standard 7 (Ind AS - 7) "Statement of Cash Flow" under Section 133 of the Companies Act 2013.
2. Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are sholrt-term balances (with an original maturity of three months or less from the date of acquisition).

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024
UDIN : 24107574BKASEX2890

For and on behalf of Board of Directors of
Ajanta Pharma (Mauritius) Limited

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

Vinayak Muzumdar
Director
Mumbai, 29 Apr, 2024

Ajanta Pharma (Mauritius) Limited

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(Currency: MUR)

A. Equity Share Capital MUR

	Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2024
Authorised :	100,000,000	-	100,000,000.00	-	100,000,000
Issued :	61,379,100	-	61,379,100.00	-	61,379,100
Subscribed & Paid up:	61,379,100	-	61,379,100.00	-	61,379,100

B. Other Equity

Particulars	Capital Redemption Reserve	Securities Premium Account	General Reserve	Share Based Payment Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other items of other comprehensive income	Total	Non-Controlling Interests	Total Equity
As at 1 April 2022	-	-	380,192,756	-	189,158,878	-	-	**569,351,634**	-	**569,351,634**
Profit for the period	-	-	-	-	(41,137,321)	-	-	**(41,137,321)**	-	**(41,137,321)**
Other comprehensive income	-	-	-	-		-	-	-	-	-
Total comprehensive income	-	-	-	-	**(41,137,321)**	-	-	**(41,137,321)**	-	**(41,137,321)**
Transfer to General reserve			-		-			-		-
Dividend Paid					-			-		-
At 31 March 2023	-	-	**380,192,756**	-	**148,021,556**	-	-	**528,214,313**	-	**528,214,313**
Profit for the period					(98,481,707)			**(98,481,707)**	-	**(98,481,707)**
Other comprehensive income						-		-		-
Total comprehensive income	-	-	-	-	(98,481,707)	-	-	**(98,481,707)**	-	**(98,481,707)**
Dividend Paid					-			-	-	-
At 31 March 2024	-	-	**380,192,756**	-	**49,539,849**	-	-	**429,732,606**	-	**429,732,606**

See accompanying notes forming part of the financial statements

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner

Mumbai, 29 Apr, 2024
UDIN : 24107574BKASEX2690

For and on behalf of Board of Directors of
Ajanta Pharma (Mauritius) Limited

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

Vinayak Muzumdar
Director

Ajanta Pharma (Mauritius) Limited

Notes to the Consolidated Financial Statements as on 31 March 2024

1. Corporate Information

Ajanta Pharma (Mauritius) Ltd. is a limited liability company incorporated and domiciled in Mauritius and is a wholly owned subsidiary of Ajanta Pharma Ltd., India. The address of its registered office is located at First Floor, Garage Hi-Tech Building, Eau Partage, Pamplemousses Mauritius, 121011. The Consolidated Financial statement ("CFS") comprises the Company and its subsidiary (referred to collectively as the "Group").

The Group is primarily involved in manufacturing and marketing of speciality pharmaceutical finished dosages.

The Consolidated Financial Statements for the year ended 31 March 2024 have been reviewed by the Audit Committee and subsequently approved by Company's Board of Directors at its meeting held on 29 April 2024.

2. Basis of Preparation

These consolidated financial statements have been prepared in all material aspects in accordance with the recognition & measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

These financial statements have been prepared on an accrual basis and under the historical cost basis, except otherwise stated.

3. Basis of Consolidation

These consolidated financial statements comprise the financial statement of the Company and its wholly owned subsidiary Ajanta Pharma Mauritius (Int'l) Ltd. The financial statements of the Company and its wholly owned subsidiary have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra-group transactions and unrealised profits resulting there from and are presented to the extent possible, in the same manner as the Group's independent financial statements. The statement of profit and loss and each component of other comprehensive income are attributed to the equity holders of the Company.

These consolidated financial statements of the Company and its wholly owned subsidiary have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Company i.e., year ended 31 March 2024.

4. Functional and Presentation Currency:

Functional Currency of the Company is Mauritian Rupee (MUR).

5. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores.

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Notes to the Consolidated Financial Statements as on 31 March 2024

6. Current / non-current classification:

The assets and liabilities in the balance sheet are presented 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 normal operating cycle, or
- Held primarily for the purpose of trading, or
- 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 normal operating cycle, or
- Held primarily for the purpose of trading, or
- 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. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
  All other liabilities are treated as Non-Current.

Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of products / activities of the group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

7. Significant Accounting Policies

7.1 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of assets, to their residual values over their estimated useful life as follows:

Particulars	Useful Life
Leasehold Improvement	20 years
Furniture, Fixtures & Fittings	2 to 6 years
Office Equipments	2 to 4 years
Plant & Machinery	5 to 20 years
Motor Vehicles	5 years

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at each end of reporting period. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the statement of profit or loss.

7.2 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.

Financial Assets

Classification

The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:
- Financial assets at fair value (FVTPL / FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at amortised cost (net of any write down for impairment, if any)

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI")

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL")

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

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Investment in Equity Instruments

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Investment in Debt Instruments

A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind - AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

Financial Liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

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

Derivative Financial Instrument

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

7.3 Inventories

Raw materials and packing materials are valued at lower of cost (on moving weighted average basis) and net realisable value, cost of which includes duties and taxes. Cost of imported raw materials and packing materials lying in bonded warehouse includes the amount of customs duty. Finished products including traded goods and work-in-progress are valued at lower of cost and net realisable value. Cost is arrived on weighted average basis.

The cost of Inventories has been computed to include all cost of purchases, cost of conversion, appropriate share of fixed production overheads based on normal operating capacity and other related cost incurred in bringing the inventories to their present location and condition.

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

Slow and non-moving material, products nearing expiry, defective inventory are fully provided for and valued at net realisable value.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

7.4 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

7.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Group are segregated.

7.6 Foreign Currency Transactions

Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

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Monetary items denominated in foreign currencies at the year-end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

7.7 Revenue Recognition

Revenue recognition under Ind AS 115 (applicable from 1 April 2018)

Under Ind AS 115, the group rccognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Sale of Goods

The group applied Ind AS 115 using the modified retrospective approach.

Revenue is measured based on the transaction price adjusted for discounts and rebates, which is specified in a contract with customer. Revenue are net of estimated returns and taxes collected from customers.

Revenue from sale of goods is recognized at point in time when control is transferred to the customer and it is probable that consideration will be collected. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognised when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Interest income

Interest income is recognised with reference to the Effective Interest Rate method.

Dividend income

Dividend from investment is recognised as revenue when right to receive is established.

Income from Export Benefits and Other Incentives

Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and / or services are rendered only when there reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

7.8 Employee Benefits

All employee benefits payable wholly within twelve months rendering service are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc. and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

(i) Defined contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

The Group pays Social Security Cost as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

For employees who are not covered by a pension plan, the net present value of severance allowances payable under the Employment Rights Act 2008 is provided for. The obligations arising under this item are not funded.

(ii) Share-based compensation

The Group has no share-based compensation plan.

7.9 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

7.10 Lease

The Group's lease asset class primarily consists of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (1) the contract involves the use of an identified asset (2) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the group has the right to direct the use of the asset.

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At the date of commencement of the lease, the group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the generally accepted interest rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

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

Transition

Effective 1 April, 2019, the group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the generally accepted interest rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the generally accepted interest rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of MUR 6,593,744 and a lease liability of MUR 6,593,744. The cumulative effect of applying the standard, amounting to MUR Nil was debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS

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116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

c. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

d. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The interest rate applied to lease liabilities as at 1 April, 2019 is 7%.

7.11 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

7.12 Income Taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the respective Country's tax rates and tax laws that have been enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

Deferred income tax assets and liabilities are measured using respective Country's tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to

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apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

7.13 Dividends to Shareholders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

7.14 Provisions, Contingent Liabilities, Contingent Assets and Commitments

General
Provisions (legal and constructive) are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If there is any expectation that some or all of the provision will be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any virtually certain 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 risk 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 is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimates is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognised but disclosed in the Consolidated Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and Non-cancellable operating lease.

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

Asset Retirement Obligation

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Company has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation using discounted cash flows and are recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is recognised in the income statement as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

7.15 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date in accordance with Ind AS 113.

Financials Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Derivative financial instruments are measured at fair value received from Bank.
- Mutual Funds are measured at fair values as per Net Asset Value (NAV).
- Employee Stock Option Plan (ESOP) at fair values as per Actuarial Valuation Report.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date.

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 Group 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 Group 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.

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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.

7.16 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2023.

7.17 Critical accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities in future periods.

(a) Arrangement containing lease
At the inception of an arrangement, the Group determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values.

The Group has determined, based on an evaluation of the terms and conditions of the arrangements that such contracts are in the nature of operating leases.

(b) Multiple element contracts with vendors
The Group has entered into multiple element contracts with vendors for supply of goods and rendering of services. The consideration paid is/may be determined independent of the value of supplies received and services availed. Accordingly, the supplies and services are accounted for based on their relative fair values to the overall consideration. The supplies with finite life under the contracts (as defined in the significant accounting policies) have been accounted under Property, Plant and Equipment and/or as Intangible assets, since the Group has economic ownership in these assets. The Group believes that the current treatment represents the substance of the arrangement.

(c) Determination of functional currency
Each entity in the group determines its own functional currency (the currency of the primary economic environment in which the entity operates) and items included in the financial statements of each entity are measured using that functional currency. Ind AS 21, "The Effects of Changes in Foreign Exchange Rates" prescribes the factors to be considered for the purpose of determination of functional currency. Management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(d) Property, Plant and equipment
Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life of useful lives/rates prescribed by the GAAPs of the respective countries. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

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(e) Intangible Assets

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(f) Recognition and measurement of defined benefit obligations

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

(g) Recognition of deferred tax assets and income tax

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective country.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

(h) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

(i) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

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(j) **Allowance for uncollected accounts receivable and advances**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

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

(k) **Insurance claims**

Insurance claims are recognised when the Group has reasonable certainty of recovery.

(l) **Impairment reviews**

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

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(Currency: MUR)

8 **Property, Plant and Equipment** **IN MUR**

8.1 **Current Year**

		Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block	
	Particulars	01 April 2023	Additions	Disposals	Adjustments	31 March 2024	01 April 2023	For the Year	Disposals	Adjustments	31 March 2024	31 March 2024	31 Mar 2023
		-	-	-	-	-	-		-	-	-	-	
	Property, Plant & Equipment												
	Leasehold Improvement	-				-	-				-	-	-
	Plant & Machinery	-				-	-				-	-	-
	Furniture & fixture	227,026				227,026	5,676	34,054	-		39,730	187,296	221,350
	Office Equipment	86,660				86,660	5,415	21,665			27,080	59,580	81,245
	Vehicles	4,725,521		690,000		4,035,521	2,527,144	260,171	241,500		2,545,815	1,489,706	2,198,377
	Computers	-				-	-				-	-	-
	Total	**5,039,207**	-	**690,000**	-	**4,349,207**	**2,538,235**	**315,890**	**241,500**	-	**2,612,625**	**1,736,582**	**2,500,972**
	Previous Year	132,715,589	313,686	127,990,067	-	5,039,207	96,457,475	1,145,197	95,064,437	-	2,538,235	2,500,972	36,258,113
(B)	**Other Intangible Assets**												
	Right to use	7,175,718				7,175,718	6,787,735				6,787,735	387,983	387,983
	Total	**7,175,718**	-	-	-	**7,175,718**	**6,787,735**	-	-	-	**6,787,735**	**387,983**	**387,983**
	Previous Year	6,593,744	581,974	-	-	7,175,718	6,593,744	193,991	-	-	6,787,735	387,983	(0)
	Total Fixed Assets											**2,124,565**	**2,888,955**

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(Currency: MUR)

		31 March 2024 MAU. Rs	31 March 2023 MAU. Rs
9	**Asset held for sale (Non current)**		
	Asset held for sale		5,000,000
		-	**5,000,000**
10	**Other Non-Current Financial Assets**		
	(Unsecured, Considered Good unless otherwise stated)		
	Security Deposits	401,634	479,167
		401,634	**479,167**
11	**Inventories**		
	Finished goods	-	565,362
	Stock-in-trade	146,297,170	309,755,333
	Clearing Charges of Uzbek Inventory	40,133	50,956,013
		146,337,303	**361,276,708**
12	**Trade Receivables**		
	Unsecured, considered good unless otherwise stated		
	-Considered good	173,246,116	225,359,762
		173,246,116	**225,359,762**
13	**Cash and cash equivalents**		
	Cash on Hand	25,458	25,459
	Balance with Banks - In current accounts	68,075,569	135,428,564
		68,101,027	**135,454,023**
14	**Other Current Assets**		
	Advances to to related parties	100,717,830	-
	Balance with Statutory/Govt. Authorities	5,698,709	70,604
		106,416,539	**70,604**

15 **Equity Share Capital**

	31 March 2024 Number of Shares	31 March 2024 MAU. Rs	31 March 2023 Number of Shares	31 March 2023 MAU. Rs
Authorised :				
Ordinary Shares of MUR 100 each	1,000,000	100,000,000	1,000,000	100,000,000
Issued, Subscribed & Paid up :				
Ordinary Shares of MUR 100 each fully paid up	613,791	61,379,100	613,791	61,379,100

(a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

	31 March 2024 Number of Shares	31 March 2024 MAU. Rs	31 March 2023 Number of Shares	31 March 2023 MAU. Rs
Number of shares outstanding as at the beginning of the year	613,791	61,379,100	613,791	61,379,100
Number of shares outstanding as at the end of the year	**613,791**	**61,379,100**	**613,791**	**61,379,100**

(b) Rights, preferences and restrictions attached to shares

The company has issued only one class of ordinary shares with voting rights having a par value of MUR100 per share.
During the year ended 31 March 2020, amount per share of dividend recognised as distributions to equity shareholders was MUR 711.28 per equity sh
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution wi
of equity shares held by shareholders.

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(Currency: MUR)

	31 March 2024 MAU. Rs	31 March 2023 MAU. Rs

(c) Details of equity shareholders holding more than 5%

Name of Shareholder	31 March 2024 Number of Shares	31 March 2024	31 March 2023 Number of Shares	31 March 2023 % Holding
Ajanta Pharma Ltd., India	613,791	100.00	613,791	100.00
(d) Shares reserved for issue under options	Nil	Nil	Nil	Nil

		31 March 2024		31 March 2023
16	**OTHER EQUITY**			
	General Reserve			
	Balance at the beginning of the year	380,192,756		380,192,756
	Add : Transferred from Statement of Profit & Loss	-		-
		380,192,756		**380,192,756**
	Exchange Fluctuation Reserve			-
	Surplus in the Statement of Profit and Loss			
	Balance at the beginning of the year	148,021,556		189,158,878
	Profit for the year	(98,481,707)		(41,137,321)
	Balance at the year end	**49,539,849**		**148,021,556**
	Total Other Equity	**429,732,606**		**528,214,313**
17	**Lease liability**			
	Lease liability	393,743		393,743
		393,743		**393,743**
18	**TRADE PAYABLES**			
	Trade Payables to related parties	-		124,782,157
		-		124,782,157
19	**Other Current Liabilities**			
	Other Payables	5,121,735	2	15,759,907
		5,121,735		**15,759,907**
20	**Revenue from Operations**			
	Sale of Products			
	Finished Goods	1,742,891		63,149,796
	Stock-in-Trade	335,336,077		582,922,484
		337,078,968		**646,072,280**
21	**Other Income**			
	Exchange Difference (Net)	-		(12,462,145)
	Gain from Mutual Fund Investment			-
	Miscellaneous Income	162,890		18,291,227
		162,890		**5,829,082**
22	**Purchase of Stock-in-Trade (Related Party)**	**61,100,513**		**280,278,729**
	Purchase of Stock-in-Trade (Others)	**3,354,818**		**21,023,952**

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Notes to the Consolidated Financial Statements (Continued)
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(Currency: MUR)

		31 March 2024 MAU. Rs	31 March 2023 MAU. Rs
23 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade			
Inventories at the end of the year :			
Work-in-Process		-	-
Finished Goods		-	565,362
Stock-in-trade		146,337,303	360,711,346
	(A)	146,337,303	361,276,708
Inventories at the beginning of the year :			
Work-in-Process		-	-
Finished Goods		565,362	13,013,763
Stock-in-trade		360,711,346	546,587,224
	(B)	361,276,708	559,600,987
Effect of foreign exchange translation			
Work-in-progress			
Finished goods			
Stock-in-trade			
	(C)	-	-
Total changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade :			
Work-in-Process		-	-
Finished Goods		565,362	12,448,401
Stock-in-Trade		214,374,043	185,875,878
Total changes in Inventories of Finished Goods, Work-in-pr	**(B) - (A) + (C)**	**214,939,405**	**198,324,279**
24 Empolyee Benefit Expenses			
Salaries, Wages, Bonus and Allowances		36,383,654	37,563,636
Contribution to Provident and Other Funds		50,686	199,513
Staff Welfare Expenses		-	(22,263)
		36,434,340	**37,740,886**
25 Finance Cost			
On lease liability		4,508	14,270
		4,508	**14,270**
26 Depreciation			
Depreciation of Tangible Assets (Refer note 8)		315,890	1,339,188
		315,890	**1,339,188**
27 Other Expenses			
Selling Expenses		69,146,536	98,149,709
Clearing and Forwarding		679,801	2,814,898
Travelling Expenses		16,968	458,605
Power and Fuel			181,688
Rent		11,436,844	8,194,823
Telephone, Telex & Postage		89,449	331,360
Repairs to Machinery			66,031
Insurance		84,578	381,166
Exchange Difference (Net)		14,519,965	-
Impairment loss on Financial Assets		-	-
Loss on sale/discard of property, plant and equipment (net)			26,822,421
Miscellaneous Expenses		23,458,794	19,544,644
		119,432,935	**156,945,345**

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28. Capital Management

Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return (EBIT) on capital, as well as the level of dividends to equity shareholders. Position. The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as debt less cash and cash equivalents and current investments. Adjusted equity comprises all components of equity.

Group's policy is to keep the Net debt equity ratio below 1.00 and its adjusted net debt to equity ratio at 31 March 2024 was as follows.

MUR

Particulars		31 March 2024	31 March 2023
Debt		-	-
Less: Cash and Cash equivalents		68,101,027	135,454,023
Net Debt	A	(68,101,027)	(135,454,023)
Equity	B	491,111,706	590,093,413
Net Debt to Equity ratio	**A/B**	**N/A**	**N/A**

29. Earnings Per share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings per Share:

Particulars		31 March 2024	31 March 2023
Basic and Diluted Earnings Per Share:			
Profit attributable to Equity shareholders- for Basic EPS (MUR)	A	(98,481,707)	(41,137,321)
Add: Dilutive effect on profit (MUR)	B	-	-
Profit attributable to Equity shareholders for computing Diluted EPS (MUR)	C=A-B	(98,481,707)	(41,137,321)
Weighted Average Number of Equity Shares outstanding - for Basic EPS	D	613,791	613,791
Add: Dilutive effect of option outstanding- Number of Equity Shares	E	-	-
Weighted Average Number of Equity Shares for Diluted EPS	F=D+E	613,791	613,791
Face Value per Equity Share (MUR)		100	100
Basic Earnings Per Share (MUR)	**A/D**	**(160.45)**	**(67.02)**
Diluted Earnings Per Shares (MUR)	**C/F**	**(160.45)**	**(67.02)**

30. Employee Benefits

As required by Ind AS 19 'Employee Benefits', the Group offers its employees Social Security Cost and Severance Allowance. During the year, the Group has recognised the following amounts in the account:

MUR

Particulars	31 March 2024	31 March 2023
Social Security Cost	202,766	199,513
Total	**202,766**	**199,513**

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For employees who are not covered by a pension plan, the net present value of severance allowances payable is provided for under the Employment Rights Act. It has been assumed that the rate of future salary increases will be equal to the discount rate.

31. Financial Instrument – fair values and risk management

Fair value measurements **MUR**

	31 March 2024		31 March 2023	
Financial Instruments by category	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets				
Trade Receivables	-	173,246,116	-	225,359,762
Other Non-Current Financial Assets	-	401,634	-	479,167
Cash and cash equivalents	-	68,101,027	-	135,454,023
Total Financial Assets	-	**241,748,777**	-	**361,292,952**
Financial Liabilities				
Non-current Lease Liability	-	393,743	-	393,743
Other Current Financial Liabilities	-	5,121,735	-	15,759,907
Total Financial Liabilities	-	**5,515,478**	-	**16,153,650**

Fair value measurement of lease liabilities is not required.

Level 1 –The hierarchy in level 1 includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 – The fair value of financial instruments that are not traded in an active market (like Mark to Market Derivative and Non-convertible Debentures) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

Level 3 – If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

A. Financial risk management

Group has exposure to following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

Risk management framework

Group's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies, under the guidance of Audit Committee.

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

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

i. Credit risk

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

Impairment:

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

MUR

	31 March 2024		
	Carrying amount	**Weighted average loss rate**	**Loss allowance**
Not due	17,259,904	0%	-
Past due upto 180 days	97,941,413	0%	-
Past due 181-365 days	58,044,800	0%	-
	173,246,116		-

	31 March 2023		
	Carrying amount	**Weighted average loss rate**	**Loss allowance**
Not due	26,601,961	0%	-
Past due upto 180 days	129,653,548	0%	-
Past due 181-365 days	69,104,253	0%	-
	225,359,762		-

a) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables, which are non-interest bearing, are mainly from stockists, distributors and customers and are generally on 30 days to 270 days credit term. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Sales to certain jurisdictions are either based on advance payments or restricted to certain limits to contain exposures to credit risk.

Expected credit loss assessment

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. The trend of the bad debts is negligible.

MUR

	31 March 2024	31 March 2023
Gross Carrying amount	**173,246,116**	225,359,762
Average Expected loss rate	**0.0%**	0.0%
Carrying amount of trade receivables (net of impairment)	**173,246,116**	225,359,762

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

MUR

	31 March 2024	31 March 2023
Balance as at the beginning of the year	-	-
Impairment loss recognised (net)	-	-
Amounts written off	-	-
Balance as at the year end	-	-

b) **Financial instruments**

Company limits its exposure to credit risk by investing only in liquid debt securities issued by mutual funds having a credit ranking of atleast 3 and above from CRISIL or equivalent rating agency. Company monitors changes in credit risk by tracking published external credit ranking. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties.

ii. **Liquidity risk**

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from banks at an optimised cost. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels.

Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities over the next six months.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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MUR

As at 31 March 2024	Carrying Amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Trade payables current	-	-	-	-	-	-
Lease liabilities	**393,743**	**393,743**	-		-	-
Total	**393,743**	**393,743**	-	-	-	-

As at 31 March 2023	Carrying Amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Trade payables current	124,782,157	124,782,157	124,782,157	-	-	-
Lease liabilities	393,743	393,743	-	393,743	-	-
Total	**125,175,900**	**125,175,900**	**124,782,157**	**393,743**	-	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

Group's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Group uses derivative financial instruments such as foreign exchange contracts to manage its exposures to foreign exchange fluctuations. All such transactions are carried out within the guidelines set by the risk management committee.

iv. Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective currencies of the Group. The currencies in which these transactions are primarily denominated are US Dollars, Euro and Mauritian Rupee.

The Group does not have any policy to hedge against foreign currency exposure. In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The following table analyses foreign currency risk as of 31 March 2024 and 31 March 2023:

MUR

Particulars	31 March 2024	31 March 2023
Bank Balances	68,101,027	135,454,023
Trade Receivables	173,246,116	225,359,762
Other Current Assets	106,416,539	70,604
Net Assets / (Liabilities)	**494,627,184**	**360,884,389**

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For the year ended 31 March 2024 and 31 March 2023, every percentage point depreciation / appreciation in the exchange rate between the MUR and respective currencies has affected the Group's incremental profit before taxes per below:

MUR

Year	Change in currency exchange rate	Effect on profit before tax
31 March 2024	+5% / (-5%)	8,662,306 / (8,662,306)
31 March 2023	+5% / (-5%)	11,267,988 / (11,267,988)

32. Note on foreign currency exposures on assets and liabilities:

During the year, the Group has not entered into Forward Exchange Contract. The year-end foreign currency exposures that have not been mitigated by a derivative instrument or otherwise are as below:

Particulars	MUR		Foreign Currency		Foreign Currency
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	
Amount Receivable	23,005,522	22,395,503	460,263	452,563	EURO
	71,559,315	106,720,417	1,542,759	2,348,084	USD
	78,681,279	96,243,842	20,841,378,149	21,451,214,458	UZS

a) **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 Group's exposure to the risk of changes in market interest rates is - as there are no borrowings in the Group.

b) **Price risk**
Group does not have any exposure to price risk, as there are no equity investments by group.

33. Disclosure for operating leases under Ind AS 116 - "Leases":

The Group have taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

Right-of-use assets

	31 March 2024	31 March 2023
Cost		
Opening Balance	7,175,718	6,593,744
Additions	-	581,974
Disposals	-	-
Closing Balance	**7,175,718**	**7,175,718**
Accumulated depreciation and impairment		
Opening Balance	6,593,744	6,593,744
Depreciation	-	193,991
Impairment loss	-	-
Eliminated on disposals of assets	-	-
Closing Balance	**6,593,744**	**6,787,735**

G. P. MODI & CO. M. NO. 107574 Chartered Accountants

AJANTA PHARMA (MAURITIUS) LTD MAURITIUS

Carrying amounts	31 March 2024	31 March 2023
Gross	7,175,718	7,175,718
Net	387,983	387,983

Breakdown of lease expenses

	31 March 2024	31 March 2023
Short-term lease expense	11,436,844	8,194,823
Low value lease expense	-	-
Total lease expense	**11,436,844**	**8,194,823**

Cash outflow on leases

	31 March 2024	31 March 2023
Repayment of lease liabilities	-	393,743
Total cash outflow on leases	-	393,743

Maturity analysis

	Less than 1 year	Over 1 years
31 March 2024		
Lease liabilities	393,743	-
31 March 2023		
Lease liabilities	393,743	-

34. Contingent Liabilities and commitments:

There are no contingent liabilities and commitments by the Group.

35. Related party disclosure as required by Ind AS 24 are given below:

A) **Relationships:**
Category I – Holding Company
Ajanta Pharma Ltd., India (Holding Company)

Category II - Directors, Key Management Personnel & their Relatives:
Mr. Vinayak Muzumdar Director (APML)
Mr. Suttian Deerpaul Director (APML)
& Relatives of Key Management Personnel

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Ajanta Pharma (Mauritius) Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

B) Following transactions were carried out with related parties:

C) MUR

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	**Purchase of Goods:**			
	Ajanta Pharma Ltd., India	I	61,100,513	280,278,729
2.	**Sale of Capital Goods:**			
	Ajanta Pharma Ltd., India	I	-	-
2.	**Key Management Compensation:**			
	Short Term Employee Benefits			
	Vinayak Muzumdar & Suttian Deerpaul	II	2,542,812	4,420,711

D) Amount outstanding as on 31 March 2024

MUR

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	Trade Payables:			
	Ajanta Pharma Ltd, India	I	-	124,782,157
2.	Advances:			
	Ajanta Pharma Ltd, India	I	100,717,830	-

36. Contribution towards Corporate Social Responsibility

The particulars of CSR expenditure are as follows:

MUR

Sr. No.	Particulars	31 March 2024	31 March 2023
a.	Construction/ acquisition of asset	-	-
b.	On purposes other than (a) above	-	313,931
c.	Shortfall at the end of the year	-	-
d.	Total of previous year shortfall	-	-

37. Remuneration to Auditors:

MUR

Particulars	31 March 2024	31 March 2023
Audit Fees	-	630,000
For Certification and Other Matters	108,097	240,861

38. Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013:

A. Relationship with struck off company

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act,1956.

B. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

C. Utilisation of borrowings availed from banks

The borrowings obtained by The Group from banks have been applied for the purposes for which such loans were taken.

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

D. Details of benami property held

No proceedings have been initiated on or are pending against The Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

E. Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

F. Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

G. Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

H. Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

I. Utilisation of borrowed funds and share premium

i. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The Group 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 Group 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. (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

39. Closure of wholly owned subsidiary:

Ajanta Pharma (Mauritius) International Ltd, a wholly owned subsidiary of the company, was removed from its register of companies u/s 308 of the Companies Act 2001 (Mauritius)vide its letter dated 27 September 2022.

40. Asset Held for Sale:

In the previous year, the Company had entered into an arrangement for sale of its Leasehold improvements, Plant & Machinery, Furniture & Fixtures, Office equipment at BPML Building, Royal Road, Goodlands, Mauritius for a value of MUR 5 million,for which full advance was been received and recognised as part of other current liability, subject to fulfilment of certain conditions. Pending fulfilment of such conditions, the said investment was classified as Non-current asset held for sale in previous year. Transaction completed in the current financial year.

G. R. MODI & CO. M. NO. 107574 CHARTERED ACCOUNTANTS

AJANTA PHARMA (MAURITIUS) LIMITED MAURITIUS

Ajanta Pharma (Mauritius) Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

41. Previous year figures have been regrouped / re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from 01 April 2023.

42. **The Group has one segment of activity namely "Pharmaceuticals".**

In terms of our report attached

For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN: 112617W)

Swapnil Modi
Partner
UDIN: 24107574BKASEX2890

Mumbai, 29 April 2024

For and on behalf of Board of Directorsof
Ajanta Pharma (Mauritius) Limited

Vinayak Muzumdar
Director

G. R. MODI & CO.
Chartered Accountants
12, Laxminarayan Shopping Center, 1st Floor, Poddar Road, Malad (E), Mumbai - 400097
Tel No. 91-22-28884274 - 28819304 Fax No. 91-22-28819304 email : swapnil@modiconsultancy.com

Independent Auditor's Report
To the Members of AJANTA PHARMA PHILIPPINES INC.

Report on the Standalone Financial Statements
The accounts of AJANTA PHARMA PHILIPPINES INC. are being audited under the local laws of the country by the statutory auditor for the period 1st Jan 2023 to 31st December 2023. The company follows the period 1st April 2023 to 31st March 2024. In order to consolidate the accounts of AJANTA PHARMA PHILIPPINES INC. with that of the company, we have been appointed by the management of the company to audit the reinstated accounts of AJANTA PHARMA PHILIPPINES INC. for the period 1st April 2023 to 31st March 2024 under the companies Act in accordance with generally accepted accounting principles in India (Ind AS).

Opinion
We have audited the accompanying standalone Ind AS financial statements of AJANTA PHARMA PHILIPPINES INC. ("the Company") comprising of the Standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Cash Flow Statement, the Standalone Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements") prepared in accordance with group accounting policies followed by Ajanta Pharma Ltd. These Standalone financial statements have been prepared solely to enable Ajanta to prepare its consolidated financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit/loss, *changes in equity*and its cash flows for the year ended on that date.

Basis for Opinion
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

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 of the current period. 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.

Management's Responsibility for the Standalone Ind AS 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 standalone 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 in accordance with the group accounting policies followed by Ajanta.

Auditor's Responsibility

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.

Report on Other Legal and Regulatory Requirements
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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

G. R. MODI & CO. Chartered Accountants M. NO. 107574

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) 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 does not have any pending litigations which would impact its financial position;

ii. The Company has not entered into any long-term contracts including derivative contracts, requiring provision under the applicable law or accounting standards, for material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **G.R.Modi& Co**
Chartered Accountants
Firm's registration number: 112617W

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

CA Swapnil Modi
Partner
Membership number: 107574
Mumbai

Date :29th April, 2024

UDIN NO: 24107574BKASEZ3545

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of AJANTA PHARMA PHILIPPINES INC. ("the Company") as of 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

G. R. MODI & CO.
M. NO. 107574
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

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

Opinion

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

for **G.R.Modi& Co**
Chartered Accountants
Firm's registration number: 112617W

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

CA Swapnil Modi
Partner
Membership number: 107574
Mumbai

Date :29th April, 2024

UDIN NO: 24107574BKASEZ3545

Ajanta Pharma Philippines Inc.

Balance Sheet
as at 31 March 2024

(Currency PHP)

	Note	31 March 2024 PHP	31 March 2023 PHP
Assets			
Non-current assets			
Property, plant and equipment	7	16,998,662	20,126,652
Other intangible assets	7	300,590	295,980
Right to use assets	7	15,568,050	6,401,302
Financial assets			
Other financial assets	8	2,466,243	70,393
Deferred tax assets (net)	9	1,331,033	917,832
Total non-current assets		36,664,578	27,812,158
Current assets			
Inventories	10	373,895,877	333,859,352
Financial assets			
Trade receivables	11	553,546,271	504,944,939
Cash and cash equivalents	12	60,606,352	64,473,398
Other current assets	13	28,139,126	41,392,119
Total current assets		1,016,187,625	944,669,808
Total assets		**1,052,852,203**	**972,481,966**
Equity and Liabilities			
Equity			
Equity share capital	14	200,000,000	200,000,000
Other Equity	15	350,107,128	393,857,944
Total Equity		550,107,128	593,857,944
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	16	-	8,232,089
Lease liability	17	4,075,523	3,315,253
Total non-current liabilities		4,075,523	11,547,342
Current liabilities			
Financial liabilities			
Trade payables	18	415,599,944	286,106,840
Lease liability	19	10,042,224	1,194,607
Other current liabilities	20	73,027,384	79,775,234
Total current liabilities		498,669,552	367,076,680
Total equity and liabilities		**1,052,852,203**	**972,481,966**
		-	-

Significant accounting policies

The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

G. R. MODI & CO. Chartered Accountants M. NO. 107574

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024

UDIN NO : 24107574BKASEZ3545

For and on behalf of Board of Directors
of Ajanta Pharma Philippines Inc.

Rajesh M. Agrawal
Director
Mumbai, 29 Apr, 2024

AJANTA PHARMA PHILIPPINES INC. PHILIPPINES

Ajanta Pharma Philippines Inc.

Statement of Profit and Loss Account
for the year ended 31 March 2024

(Currency: PHP)

	Note	31 March 2024 PHP	31 March 2023 PHP
Income			
Revenue from operations	21	1,761,956,765	1,702,261,167
Other income	22	6,967,394	(211,652)
Total income		**1,768,924,159**	**1,702,049,514**
Expenses			
Purchase of stock-in-trade	23	1,230,173,668	1,074,992,267
Changes in inventories of finished goods/work-in-progress/stock-in-trade	24	(40,036,524)	59,186,722
Employee benefits expenses	25	98,743,187	91,212,231
Finance costs	26	712,648	888,398
Depreciation & amortisation expense	27	6,486,570	7,309,087
Other expenses	28	304,512,932	249,714,186
Total expenses		**1,600,592,482**	**1,483,302,891**
Profit before tax		**168,331,677**	**218,746,623**
Tax expense			
Current tax		43,201,136	53,873,503
Deffered tax		(1,118,217)	1,029,424
Profit for the year		**126,248,758**	**163,843,697**
There are no exceptional items and discontinuing operations			
Earning Per Equity Share (Basic & Diluted) (Face Value PHP100/-)	30	**63.12**	81.92

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

UDIN NO : 24107574BKASEZ3545

For and on behalf of Board of Directors
of Ajanta Pharma Philippines Inc.

AJANTA PHARMA PHILIPPINES INC. PHILIPPINES

Rajesh M. Agrawal
Director
Mumbai, 29 Apr, 2024

Ajanta Pharma Philippines Inc.

Statement of Changes in Equity

for the year ended 31 March 2024

(Currency: PHP)

A. Equity Share Capital PHP

	Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2024
Authorised :	200,000,000	-	200,000,000	-	200,000,000
Issued :	200,000,000	-	200,000,000	-	200,000,000
Subscribed & Paid up:	200,000,000	-	200,000,000	-	200,000,000

B. Other Equity

Particulars	Capital Redemption Reserve	Securities Premium Account	General Reserve	Share Based Payment Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other items of other comprehensive income	Total	Non-Controlling Interests	Total Equity
As at 1 April 2022	-	-	33,694,923	-	446,319,325	-	-	**480,014,248**	-	**480,014,248**
Profit for the period	-	-	-	-	163,843,697	-	-	**163,843,697**	-	**163,843,697**
Other comprehensive income	-	-	-	-		-	-	-	-	-
Total comprehensive income	-	-	-	-	**163,843,697**	-	-	**163,843,697**	-	**163,843,697**
Transfer to Retained Earnings	-	-	-	-	-	-	-	-		-
Dividend Paid	-	-	-	-	(250,000,000)	-	-	**(250,000,000)**		**(250,000,000)**
At 31 March 2023	-	-	**33,694,923**	-	**360,163,022**	-	-	**393,857,944**	-	**393,857,944**
Profit for the period					126,248,758			**126,248,758**	-	**126,248,758**
Other comprehensive income	-	-	-	-	-	-	-	-		-
Total comprehensive income	-	-	-	-	126,248,758	-	-	**126,248,758**	-	**126,248,758**
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	(169,999,575)	-	-	**(169,999,575)**	-	**(169,999,575)**
At 31 March 2024	-	-	**33,694,923**	-	**316,412,205**	-	-	**350,107,128**	-	**350,107,128**

See accompanying notes forming part of the financial statements

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

Swapnil Modi
Partner

Mumbai, 29 Apr, 2024
UDIN NO : 24107574BKASE23545

For and on behalf of Board of Directors of
Ajanta Pharma Philippines Inc.

Rajesh M. Agrawal
Director

Mumbai, 29 Apr, 2024

Ajanta Pharma Philippines Inc.

Statement of cashflow

for the year ended 31 March 2024

(Currency: PHP)

		31 March 2024 PHP	31 March 2023 PHP
A.	**Cash flow from operating activities**		
	Profit before tax	168,331,677	218,746,623
	Adjustment for		
	Depreciation and amortisation expense	6,486,570	7,309,087
	Finance costs	712,648	888,398
	Expense on employee stock option scheme (esop)	-	-
	Receivable written off	-	-
	Unrealised foreign exchange difference	-	-
	Operating cash flow before working capital changes	**175,530,895**	**226,944,108**
	Change in working capital		
	Decrease / (increase) in trade receivable	(48,601,332)	(79,741,986)
	Decrease / (increase) in other non curent assets	(2,809,052)	898,249
	Decrease / (increase) in other current assets	13,252,993	(16,195,552)
	Decrease / (increase) in inventories	(40,036,524)	59,186,722
	Increase / (decrease) in other current liabilities	2,099,767	15,900,326
	Increase / (decrease) in trade payables	129,493,105	216,312
	Cash generated from operations	**228,929,851**	**207,208,178**
	Net income tax paid	(42,082,919)	(54,902,927)
	Net cash flow generated from operating activities	**186,846,932**	**152,305,252**
B.	**Cash flow from investing activities**		
	Capital expenditure on property, plant and equipment including capital	(850,570)	(801,551)
	Capital expenditure on right to use asset	(13,121,429)	(3,209,821)
	Net cash used in investing activities	**(12,529,937)**	**(4,011,372)**
C.	**Cash flow from financing activities**		
	Repayment of non current borrowings	(8,232,089)	(3,009,253)
	Repayment of lease liability (including interest thereon)	760,271	(1,084,836)
	Interest paid	(712,648)	(888,398)
	Dividend paid	(169,999,575)	(250,000,000)
	Net cash used in financing activities	**(178,184,041)**	**(254,982,487)**
	Net increase / (decrease) in cash and cash equivalents	**(3,867,046)**	**(106,688,608)**
	Cash and cash equivalents as at the beginning of the year	64,473,398	171,162,006
	Cash and cash equivalents as at the end of the year	**60,606,352**	**64,473,398**

Figures in brackets indicates outflow.

Note :

1 The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in Accounting Standard 7 (Ind AS - 7) "Statement of Cash Flow" under Section 133 of the Companies Act 2013.

2. Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are sholrt-term balances (with an original maturity of three months or less from the date of acquisition)

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024
UDIN NO : 24107574BKASEL3545

For and on behalf of Board of Directors of
Ajanta Pharma Philippines Inc.

Rajesh M. Agrawal
Director
Mumbai, 29 Apr, 2024

AJANTA PHARMA PHILIPPINES INC. PHILIPPINES

Ajanta Pharma Philippines Inc.
Notes to the Financial Statements as on 31 March 2024

1. Corporate Information

Ajanta Pharma Philippines Inc. is a limited liability company incorporated and domiciled in Philippines and is a wholly owned subsidiary of Ajanta Pharma Ltd., India. The address of its registered office is located at Unit 710, AXA Life Bldg., 1286, Sen. Gil Puyat Ave., Makati City, Philippines.

Company is primarily involved in the business of pharmaceutical and related activities.

The Financial Statement for the year ended 31 March 2024 have been reviewed by the Audit Committee and subsequently approved by Company's Board of Directors at its meeting held on 29 April 2024.

2. Basis of Preparation

The financial statement of the Company has been prepared in all material aspects in accordance with the recognition & measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except otherwise stated.

3. Functional and Presentation Currency:

Functional currency of the Company is Philippine Peso (Php).

4. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs.

5. Current / Non-Current classification

The assets and liabilities in the balance sheet are presented 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 normal operating cycle, or
- Held primarily for the purpose of trading, or
- 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 normal operating cycle, or
- Held primarily for the purpose of trading, or
- Due to be settled within twelve months after the reporting period, or

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- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
  All other liabilities are treated as non-current.

Operating Cycle
An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

6. Significant Accounting Policies

6.1 Property, plant and equipment

Property, plant and equipment are initially measured at cost and are presented in the financial statements at cost less accumulated depreciation and amortization and any accumulated impairment in value. Such cost includes the cost of replacing part of the property, plant and equipment at the time that cost is incurred, if the recognition criteria are met, and excludes the costs of day-to-day servicing.

The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Cost also includes any related asset retirement obligation (ARO) and interest incurred during the construction period on funds borrowed to finance the construction of the projects. Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to deferred development cost in the period the cost are incurred. Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the items can be measured reliably.

Depreciation is calculated on a straight-line basis to write off the cost of assets, to their residual values over their estimated useful life as follows:

Particulars	Useful Life
Condominium Units	20 years
Furniture, Fixtures & Fittings	2 years
Office Equipments	2 years
Computers	2 years
Motor Vehicles	5 years

The carrying amounts of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Fully depreciated assets are retained in the accounts until they are no longer in use and no further depreciation and amortization are recognized in profit or loss.

An item of property and equipment is derecognized when either it has been disposed of or when it is permanently withdrawn from use and no future economic benefits are expected from its use or disposal. Any gain or loss arising on the retirement and disposal of an item of property and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period of retirement or disposal.

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6.2 Intangible Assets

Intangible assets are initially measured at cost and are subsequently measured at cost less accumulated amortization and any accumulated impairment loss. These are amortized over estimated useful life using the straight-line method. If there is an indication that there has been a significant change in amortization rate, useful life or residual value of an intangible asset, the amortization is revised prospectively to reflect the new expectations.

Intangible assets are derecognized when these assets are disposed of or when no future economic benefits are expected from these assets.

6.3 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.

Financial Assets

Classification

Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL / FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at Amortised Cost (net of any write down for impairment, if any)

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI")

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

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Financial Assets measured at Fair Value through Profit or Loss ("FVTPL")

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Investment in Equity Instruments

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Investment in Debt Instruments

A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Company has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind - AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

Financial Liabilities

Classification

Company classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial Recognition and Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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Derecognition of Financial Liabilities

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

Derivative Financial Instrument

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

6.4 Inventories

Finished products including traded goods and work-in-progress are valued at lower of cost and net realisable value. Cost is arrived on weighted average basis. The cost of Inventories have been computed to include all cost of purchases, cost of conversion, appropriate share of fixed production overheads based on normal capacity and other related cost incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Slow and non-moving material, products nearing expiry, defective inventory are fully provided for and valued at net realisable value.

Goods in transit are valued at actual cost incurred up to the date of balance sheet.

6.5 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

6.6 Cash Flow Statements

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

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6.7 Foreign Currency Transactions

Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

6.8 Revenue Recognition

Revenue recognition under Ind AS 115 (applicable from 1 April 2018)

Under Ind AS 115, the group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Sale of Goods

The group applied Ind AS 115 using the modified retrospective approach.

Revenue is measured based on the transaction price adjusted for discounts and rebates, which is specified in a contract with customer. Revenue are net of estimated returns and taxes collected from customers.

Revenue from sale of goods is recognized at point in time when control is transferred to the customer and it is probable that consideration will be collected. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognized when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Interest income

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Interest income is recognised with reference to the Effective Interest Rate method.

Dividend income

Dividend from investment is recognised as revenue when right to receive is established.

Income from Export Benefits and Other Incentives

Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and / or services are rendered only when there is reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

6.9 Employee Benefits

Short-term Benefits - The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and other non-monetary benefits.

Post-Employment Benefits - The Company does not have a formal retirement benefit plan. However, the Company is subject to the provision of Republic Act No. 7641 (known as the Retirement Law). This requires that in the absence of a retirement plan of agreement providing for retirement benefits of employees in the private sector, an employee upon reaching the age of 60 years or more, but not beyond 65 years, who has served for at least five (5) years in a private company, may retire and shall be entitled to retirement pay. No actuarial computation was made considering that there are no more than ten (10) employees who had served at least five years and the turnover of employees is high.

Compensated Absences - Compensated absences are recognized for the number of paid leave days (including holiday entitlement) remaining at the end of the reporting period. Those are included in the salaries and wages account and are recognized when availed of by the employees.

Retirement and Other Long-term Benefits
Retirement and other long-term benefits costs are actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. The calculation of defined benefit obligations is performed annually by a qualified actuary. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in the future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurements of the net retirement and other long-term employee benefits liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Company determines the net interest expense to measure the net retirement benefit liability (asset) on at the beginning of the annual period to the then-net defined benefit liability (asset), considering any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or

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loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The net retirement and other long-term benefits liability recognized by the Company is the aggregate of the present value of the defined benefit obligation reduced by the fair value of plan assets out of which the obligations are to be settled directly. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using risk-free interest rates of government bonds that have terms to maturity approximating the terms of the related retirement and other long-term benefits liability.

Share-based compensation
Company has no share-based compensation plan.

6.10 Borrowing Costs

Borrowing costs comprise interest expense on borrowings and other bank charges. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

6.11 Lease

The company's lease asset class primarily consists of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset

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basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments arc discounted using the generally accepted interest rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

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

Transition

Effective 1 April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the generally accepted interest rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the generally accepted interest rate at the date of initial application. Comparatives as at and for the year ended 31 March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of PHP 2,762,968 and a lease liability of PHP 2,881,829. The cumulative effect of applying the standard, amounting to PHP 118,861 was debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

c. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

d. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The interest rate applied to lease liabilities as at 1 April, 2019 is 6%.

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6.12 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

6.13 Income Taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the respective Country's tax rates and tax laws that have been enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

Deferred income tax assets and liabilities are measured using respective Country's tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

6.14 Dividends to Shareholders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

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6.15 Provisions, Contingent Liabilities, Contingent Assets and Commitments

General

Provisions (legal and constructive) are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If there is any expectation that some or all of the provision will be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any virtually certain 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 risk 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 is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimates is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognised but disclosed in the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and Non-cancellable operating lease.

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

Asset Retirement Obligation

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Company has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation using discounted cash flows and are recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is recognised in the income statement as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

6.16 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date in accordance with Ind AS 113.

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Financials Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Derivative financial instruments are measured at fair value received from Bank.
- Mutual Funds are measured at fair values as per Net Asset Value (NAV).
- Employee Stock Option Plan (ESOP) at fair values as per Actuarial Valuation Report.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date.

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 considers 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.

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.

6.17 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2023.

6.18 Critical 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 disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities in future periods.

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(a) Arrangement containing lease
At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values.

The Company has determined, based on an evaluation of the terms and conditions of the arrangements that such contracts are in the nature of operating leases.

(b) Multiple element contracts with vendors
The Company has entered into multiple element contracts with vendors for supply of goods and rendering of services. The consideration paid is/may be determined independent of the value of supplies received and services availed. Accordingly, the supplies and services are accounted for based on their relative fair values to the overall consideration. The supplies with finite life under the contracts (as defined in the significant accounting policies) have been accounted under Property, Plant and Equipment and/or as Intangible assets, since the Company has economic ownership in these assets. Company believes that the current treatment represents the substance of the arrangement.

(c) Property, Plant and equipment
Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life of useful lives/rates prescribed by the GAAPs of the respective countries. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

(d) Intangible Assets
Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(e) Recognition and measurement of defined benefit obligations
The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at the end of the reporting period on the government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

(f) Recognition of deferred tax assets and income tax
Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements,

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differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective country.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

(g) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

(h) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(i) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

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

(j) Insurance claims

Insurance claims are recognised when the Company has reasonable certainty of recovery.

(k) Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

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Notes to the Financial Statements (Continued)
as at 31 March 2024

(Currency PHP)

7 **Property, Plant and Equipment**

7.1 **Current Year**

IN PHP

		Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block	
	Particulars	01 April 2023	Additions	Disposals	Adjustments	31 March 2024	01 April 2023	For the Year	Disposals	Adjustments	31 March 2024	31 March 2024	31 Mar 2023
		-	-	-	-	-	-		-	-	-	-	-
(a)	**Property, Plant and Equipment**												
	Leasehold Improvement	21,798		-		21,798	21,798		-		21,798	-	-
	Buildings	33,957,787		-		33,957,787	15,757,909	1,697,889			17,455,798	16,501,989	18,199,878
	Plant & Machinery	-		-		-	-				-	-	-
	Furniture & fixture	2,860,014	19,474	-		2,879,488	2,827,643	33,267			2,860,910	18,578	32,371
	Office Equipment	6,292,062	474,684	-		6,766,746	5,844,988	443,662			6,288,650	478,096	447,074
	Vehicles	46,451,814		46,451,814		(0)	45,004,485	432,718	45,437,203		0	(0)	1,447,329
	Computers	163,288		-		163,288	163,288	-	-		163,288	(0)	(0)
	Total	**89,746,762**	**494,158**	**46,451,814**	-	**43,789,106**	**69,620,110**	**2,607,537**	**45,437,203**	-	**26,790,444**	**16,998,662**	**20,126,652**
	Previous Year	89,290,121	456,641	-	-	89,746,762	63,857,394	5,762,716	-	-	69,620,110	20,126,652	25,432,727
(b)	**Other Intangible Assets**												
	Right to use	10,745,558	13,121,429	3,441,527		20,425,460	4,344,256	3,527,232	3,014,077		4,857,410	15,568,050	6,401,302
	Computer Software	3,388,902	356,412	-		3,745,314	3,092,922	351,802	-		3,444,724	300,590	295,980
	Total	**14,134,460**	**13,477,841**	**3,441,527**	-	**24,170,774**	**7,437,178**	**3,879,034**	**3,014,077**	-	**8,302,135**	**15,868,639**	**6,697,282**
	Previous Year	10,579,729	3,554,731	-	-	14,134,460	5,890,808	1,546,371	-	-	7,437,178	6,697,282	4,688,921
	Total (a) + (b)											**32,867,301**	**26,823,934**

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(Currency: PHP)

	31 March 2024 PHP	31 March 2023 PHP
8 Other Non-Current Financial Assets		
(Unsecured, Considered Good unless otherwise stated)		
Security Deposits	2,466,243	70,393
	2,466,243	**70,393**
9 Deferred Tax Assets (Net)		
Others	1,331,033	917,832
	1,331,033	**917,832**
10 Inventories		
Stock-in-trade	373,895,877	333,859,352
	373,895,877	**333,859,352**
11 Trade Receivables		
(Unsecured, Considered Good unless otherwise stated)		
-Considered good	553,546,271	504,944,939
	553,546,271	**504,944,939**
12 Cash and cash equivalents		
Cash on Hand	30,004	58,406
Balance with Banks - In current accounts	60,576,348	64,414,992
	60,606,352	**64,473,398**
13 Other Current Assets		
Advances to Suppliers	25,113,779	38,892,432
Advances to Employees	3,025,347	2,499,686
	28,139,126	**41,392,119**

14 Equity Share Capital

	31 March 2024 Number of Shares	31 March 2024 PHP	31 March 2023 Number of Shares	31 March 2023 PHP
Authorised :				
Equity Shares of PHP 100 each	2,000,000	200,000,000	2,000,000	200,000,000
Issued, Subscribed & Paid up :				
Equity Shares of PHP 100 each fully paid up	2,000,000	200,000,000	2,000,000	200,000,000

(a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

	31 March 2024 Number of Shares	31 March 2024 PHP	31 March 2023 Number of Shares	31 March 2023 PHP
Number of shares outstanding as at the beginning of the year	2,000,000	200,000,000	2,000,000	200,000,000
Add : Number of shares allotted as bonus during the year	-		-	
Less: Number of shares bought back during the year	-		-	
Number of shares outstanding as at the end of the year	**2,000,000**	**200,000,000**	**2,000,000**	**200,000,000**

(b) Rights, preferences and restrictions attached to shares

The company has issued only one class of ordinary shares with voting rights having a par value of PHP100 per share.
During the year ended 31 March 2020, amount per share of dividend recognised as distributions to equity shareholders was PHP 62.50 per equity share (31 March 2019 PHP 60.60 per equity share)
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the numbers of equity shares held by shareholders.

(c) Details of equity shareholders holding more than 5%

Name of Shareholder	31 March 2024 Number of Shares	31 March 2024 % Holding	31 March 2023 Number of Shares	31 March 2023 % Holding
Ajanta Pharma Ltd., India	2,000,000	100.00	2,000,000	100.00

(d) Shares reserved for issue under options	Nil	Nil	Nil	Nil

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(Currency: PHP)

		31 March 2024 PHP	31 March 2023 PHP
15	**OTHER EQUITY**		
	General Reserve		
	Balance at the beginning of the year	33,694,923	33,694,923
	Add : Transferred from Statement of Profit & Loss	-	-
		33,694,923	**33,694,923**
	Exchange Fluctuation Reserve		
	Surplus in the Statement of Profit and Loss		
	Balance at the beginning of the year	360,163,022	446,319,325
	Profit for the year	126,248,758	163,843,697
	Less: Appropriations		
	-Dividend Paid on Equity Shares	169,999,575	250,000,000
	-Dividend Distribution Tax On Proposed		-
	-Transferred from retained earnings		-
	-Transferred to General Reserve		-
	Balance at the year end	**316,412,205**	**360,163,022**
	Total Other Equity	**350,107,128**	**393,857,944**
16	**Non-Current Borrowings**		
	Vehicle Loans (Secured)		
	from Banks (PHP)	-	8,232,089
		-	**8,232,089**
17	**Lease liability**		
	Long Term	4,075,523	3,315,253
		4,075,523	**3,315,253**
18	**Trade Payables**		
	Trade Payables to Related Party	415,599,944	286,106,840
		415,599,944	**286,106,840**
19	**Lease liability**		
	Short Term	10,042,224	1,194,607
		10,042,224	**1,194,607**
20	**Other Current Liabilities**		
	Others payables	73,027,384	79,775,234
		73,027,384	**79,775,234**
21	**Revenue from Operations**		
	Sale of Products		
	Stock-in-Trade	1,761,956,765	1,702,261,167
		1,761,956,765	**1,702,261,167**
22	**OTHER INCOME**		
	Exchange Difference (Net)	-	(1,875,265)
	Profit on Sale of Fixed Assets		-
	Interest from Others	93,153	127,899
	Miscellaneous Income	6,874,241	1,535,714
		6,967,394	**(211,652)**
23	**Purchase of Stock-in-Trade**	**1,230,173,668**	**1,074,992,267**

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(Currency PHP)

		31 March 2024 PHP	31 March 2023 PHP
24 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade			
Inventories at the end of the year :			
Stock-in-trade		373,895,877	333,859,352
	(A)	373,895,877	333,859,352
Inventories at the beginning of the year :			
Stock-in-trade		333,859,352	393,046,074
	(B)	333,859,352	393,046,074
Effect of foreign exchange translation			
Stock-in-trade			
	(C)	-	-
Total changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade :			
Stock-in-trade		(40,036,524)	59,186,722
Total changes in Inventories of Finished Goods, Work-in-progress and Stock-in-Trade	(B) - (A) + (C)	**(40,036,524)**	**59,186,722**
		1,190,137,144	1,134,178,989
25 Empolyee Benefit Expenses			
Salaries, Wages, Bonus and Allowances		98,512,751	90,819,878
Staff Welfare Expenses		230,437	392,353
		98,743,187	**91,212,231**
26 Finance Cost			
Interest expenses		712,648	888,398
		712,648	**888,398**
27 Depreciation			
Depreciation of Tangible Assets (Refer note 4)		6,486,570	7,309,087
		6,486,570	**7,309,087**
28 Other Expenses			
Selling Expenses		105,893,078	78,169,402
Clearing and Forwarding		143,974,653	134,015,729
Travelling Expenses		18,510,378	18,017,076
Power and Fuel		761,462	819,788
Rent		3,387,758	833,206
Telephone, Telex & Postage		1,347,485	1,336,978
Repairs to Building		174,410	618,760
Exchange Difference (Net)		12,697,125	-
Miscellaneous Expenses		17,766,585	15,903,248
		304,512,932	**249,714,186**

29. Capital Management

Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return (EBIT) on capital, as well as the level of dividends to equity shareholders. The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plans and long term and other strategic investment plans.

Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as debt less cash and cash equivalents and short-term investments. Adjusted equity comprises all components of equity.

Company's policy is to keep the ratio below 1.00 and its adjusted net debt to equity ratio at 31 March 2024 was as follows.

PHP

Particulars		**31 March 2024**	**31 March 2023**
Debt		10,42,224	9,426,695
Less: Cash and Cash equivalents		60,606,352	64,473,398
Net Debt	A	(50,564,128)	(55,046,703)
Equity	B	550,107,128	593,857,944
Net Debt to Equity ratio	**A/B**	-0.09	-0.09

30. Earnings Per share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars		**31 March 2024**	**31 March 2023**
Basic and Diluted Earnings Per Share:			
Profit attributable to Equity shareholders- for Basic EPS (PHP)	A	126,248,758	163,843,697
Add: Dilutive effect on profit (PHP)	B	-	-
Profit attributable to Equity shareholders for computing Diluted EPS (PHP)	C=A-B	126,248,758	163,843,697
Weighted Average Number of Equity Shares outstanding - for Basic EPS	D	2,000,000	2,000,000
Add: Dilutive effect of option outstanding- Number of Equity Shares	E	-	-
Weighted Average Number of Equity Shares for Diluted EPS	F=D+E	2,000,000	2,000,000
Face Value per Equity Share (PHP)		100	100
Basic Earnings Per Share (PHP)	**A/D**	**63.12**	**81.92**
Diluted Earnings Per Shares (PHP)	**C/F**	**63.12**	**81.92**

31. Employee Benefits

As required by Ind AS 19 'Employee Benefits',the Company offers its employees: Short-term employee benefits - These benefits include salaries and wages and other government contributions which are due within twelve months after the end of the period in which the employee renders the related service. The total consideration paid in 2023-24 was PHP 98,743,187 (Previous Year PHP 91,212,231).

Retirement plan - The Company did not yet set up a retirement plan since it does not have more than ten (10) employees who had served at least five years. Retirement expenses are recognized upon actual availingof qualified employees which will be determined by the Company based on the actual number of years of service in compliance with RA No. 7641. No retirement costs were recognized.

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Notes to the Financial Statements for the year ended 31 March 2024

32. Financial Instrument – fair values and risk management

Fair value measurements

PHP

Financial Instruments by category	31 March 2024 FVTPL	31 March 2024 Amortised Cost	31 March 2023 FVTPL	31 March 2023 Amortised Cost
Financial Assets				
Trade Receivables	-	553,546,271	-	504,944,939
Other Non-Current Financial Assets	-	2,466,243	-	70,393
Cash and cash equivalents	-	60,606,352	-	64,473,398
Total Financial Assets	-	**616,618,866**	-	**569,488,729**
Financial Liabilities				
Borrowings	-	-	-	8,232,089
Non-Current Lease Liability	-	4,075,523	-	3,315,253
Other Current Financial Liabilities	-	83,069607	-	80,969,840
Trade Payables	-	415,599,944	-	286,106,840
Total Financial Liabilities	-	**502,745,075**	-	**378,624,022**

Fair value measurement of lease liabilities is not required.

Level 1 –The hierarchy in level 1 includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 – The fair value of financial instruments that are not traded in an active market (like Mark to Market derivative and Non-convertible Debentures) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

Level 3 – If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

A. Financial risk management

Company has exposure to following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

Risk management framework

Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies, under the guidance of Audit Committee.

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

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

i. Credit risk

Company's credit risk is minimal. The trade receivables arise mainly from transactions with its approved customers. The maximum exposure to credit on these transactions is equal to the carrying amount of these financial instruments. Customers are subject to stringent financial, credit and legal verification process. In addition, trade receivable balances are monitored on an ongoing basis to ensure timely collections. Accordingly, the Company's exposure to bad debts is not significant.

Impairment:

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables: **PHP**

	31 March 2024		
	Carrying amount	**Weighted average loss rate**	**Loss allowance**
Not due	396,463,160	0%	-
Past due upto 180 days	157,083,111	0%	-
	553,546,271		-

	31 March 2023		
	Carrying amount	**Weighted average loss rate**	**Loss allowance**
Not due	456,711,295	0%	-
Past due upto 180 days	48,233,644	0%	-
	504,944,939		-

a) Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables, which are non-interest bearing, are mainly from stockists, distributors and customers and are generally on 90 days credit term. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The group does not hold collateral as security. The group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Sales to certain jurisdictions are either based on advance payments or restricted to certain limits to contain exposures to credit risk.

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Notes to the Financial Statements for the year ended 31 March 2024

Expected credit loss assessment

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (e.g. timeliness of payments, available press information etc.) and applying experienced credit judgement.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Group have not undergone any substantial change, the Group expects the historical trend of minimal credit losses to continue. The trend of the bad debts is negligible.

PHP

	31 March 2024	31 March 2023
Gross Carrying amount	**553,546,271**	**504,944,939**
Average Expected loss rate	**0.00%**	0.0%
Carrying amount of trade receivables (net of impairment)	-	-

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

PHP

	31 March 2024	31 March 2023
Balance as at the beginning of the year	-	-
Impairment loss recognised (net)	-	-
Amounts written off	-	-
Balance as at the year end	-	-

b) Financial instruments

Company limits its exposure to credit risk by investing only in liquid debt securities issued by mutual funds having a credit ranking of atleast 3 and above from CRISIL or equivalent rating agency. Company monitors changes in credit risk by tracking published external credit ranking. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties.

ii. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from banks at an optimised cost. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels.

The company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities over the next six months.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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As at 31 March 2024	**Carrying Amount**	**Contractual Cash Flows**				
		Total	**0-12 months**	**1-2 years**	**2-5 years**	**More than 5 years**
Trade payables	**415,599,944**	**415,599,944**	**415,599,944**		**-**	**-**
Other Financial liabilities	**10,042,224**	**10,042,224**	**10,042,224**		**-**	**-**
Borrowings	**-**	**-**			**-**	**-**
Lease liabilities	**4,075,523**	**4,075,523**		**4,075,523**	**-**	**-**
Total	**429,717,692**	**429,717,692**	**425,642,168**	**4,075,523**	**-**	**-**

As at 31 March 2023	Carrying Amount	Contractual Cash Flows				
		Total	0-12 months	1-2 years	2-5 years	More than 5 years
Trade payables	286,106,840	286,106,840	286,106,840	-	-	-
Other Financial liabilities	1,194,607	1,194,607	1,194,607	-	-	-
Borrowings	8,232,089	8,232,089	-	8,232,089	-	-
Lease liabilities	3,315,253	3,315,253	-	3,315,253	-	-
Total	298,848,789	298,848,789	597,697,578	11,547,342	-	-

iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The company uses derivative financial instruments such as foreign exchange contracts to manage its exposures to foreign exchange fluctuations All such transactions are carried out within the guidelines set by the risk management committee.

The sensitivity analysis has been prepared on thc basis of derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis excludes the impact of movements in market variables on the carrying value of postemployment benefit obligations, provisions and on the non-financial assets and liabilities.The sensitivity of the relevant income statement item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2024 and 31 March 2023.

iv. Currency risk

The Company's foreign exchange risk results primarily from movements of the Philippine peso against the US dollar with respect to US dollar denominated financial assets and liabilities.

The Company's transactional currency exposures arise from its inventories which is 100% purchases from Holding Company in US dollar. In addition, 32%as at 31 March 2024 and 32%as at 31 March 2023 of the Company's debt are denominated in US dollar. The Company periodically reviews the trend of the foreign exchange rates and, as a practical move, increases its US dollar denominated time deposits in times when the Philippine peso is depreciating or decreases its US dollar denominated time deposits in times when the Philippine peso is appreciating.

The following table analyses foreign currency risk as of 31 March 2024 and 31 March 2023:

PHP

Particulars	31 March 2024	31 March 2023
Financial Assets	-	-
Trade Payables	(415,599,944)	(286,106,840)
Borrowings & Other Financial Liabilities	(3,213,512)	(3,016,543)
Net Assets / (Liabilities)	**(418,813,456)**	**(289,123,382)**

For the year ended 31 March 2024 and 31 March 2023, every percentage point depreciation / appreciation in the exchange rate between the PHPand respective currencies has affected the Company's incremental profit before taxas per below:

PHP

Year	Change in currency exchange rate	Effect on profit before tax
31 March 2024	+5% / (-5%)	20,940,676 / (20,940,676)
31 March 2023	+5% / (-5%)	14,456,169 / (14,456,169)

33. Note on foreign currency exposures on assets and liabilities:

During the year, the Company has not entered into Forward Exchange Contract. The year-end foreign currency exposures that have not been mitigated by a derivative instrument or otherwise are as below:

Particulars	PHP 31 March 2024	PHP 31 March 2023	Foreign Currency 31 March 2024	Foreign Currency 31 March 2023	Foreign Currency
Amount Payable	439,754,129	289,123,382	7,497,150	5,363,786	USD

a) **Interest rate risk**

The Company's exposure to changes in interest rates relates primarily to the Company's long-term debt obligations. Fixed rate financial instruments are subject to fair value interest rate risk. The following table demonstrates the sensitivity analysis to a reasonably possible change in interest rates, with all other variable held constant, of the Company's profit before income tax. The estimates are based on the outstanding interest-bearing liabilities of the Company with floating interest rate as at 31 March 2024 and 31 March 2023.

PHP

Year	Change in interest rate	Effect on profit before tax
31 March 2024	+1% / (-1%)	100,422 / (100,422)
31 March 2023	+1% / (-1%)	94,267 / (94267)

b) **Price risk**

Company does not have any exposure to price risk, as there are no equity investments.

34. Disclosure for operating leases under Ind AS 116 - "Leases":

The Group have taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

AJANTA PHARMA PHILIPPINES INC. PHILIPPINES

Ajanta Pharma Philippines Inc.
Notes to the Financial Statements for the year ended 31 March 2024

Right-of-use assets

	31 March 2024	31 March 2023
Cost		
Opening Balance	10,745,558	7,535,737
Additions	13,121,429	3,209,821
Disposals	(3,441,527)	-
Closing Balance	**20,425,460**	**10,745,558**
Accumulated depreciation and impairment		
Opening Balance	4,344,256	3,258,192
Depreciation	3,527,232	1,086,064
Impairment loss	-	-
Eliminated on disposals of assets	(3,014,077)	-
Closing Balance	**4,8757,410**	**4,344,256**

Carrying amounts	**31 March 2024**	**31 March 2023**
Gross	**20,425,460**	10,745,558
Net	**15,568,050**	6,401,302

Breakdown of lease expenses

	31 March 2024	31 March 2023
Short-term lease expense	3,387,758	833,206
Low value lease expense	-	-
Total lease expense	**3,387,758**	**833,206**

Cash outflow on leases

	31 March 2024	31 March 2023
(Repayment) / Addition of lease liabilities	**760,271**	(1,084,836)
Total cash outflow on leases	**760,271**	(1,084,836)

Maturity analysis

	Less than 1 year	Over 1 years
31 March 2024	4,075,523	10,042,224
Lease liabilities		
31 March 2023		
Lease liabilities	3,315,253	4,400,089

35. Contingent Liabilities and commitments:

There are no contingent liabilities and commitments by the Company.

Ajanta Pharma Philippines Inc.

Notes to the Financial Statements for the year ended 31 March 2024

36. Related party disclosure as required by Ind AS 24 are given below:

A) **Relationships:**

Category I – Holding Company & Fellow Subsidiary
Ajanta Pharma Ltd., India (Holding Company)

Category II - Directors, Key Management Personnel & their Relatives:
Sam Gioskos Director (APPI)
& Relatives of Key Management Personnel

B) **Following transactions were carried out with related parties:** PHP

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	**Purchase of Goods:**			
	Ajanta Pharma Ltd., India	I	1,230,173,668	1,074,992,267
2.	**Key Management Compensation:**			
	Short Term Employee Benefits			
	Sam Gioskos	II	17,000,000	16,090,000
3.	**Dividend Paid to Ajanta Pharma Ltd., India**	I	169,999,575	250,000,000

C) **Amount outstanding as on 31 March 2024** PHP

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	**Trade Payable :**			
	Ajanta Pharma Ltd., India	I	415,599,944	286,106,840

37. Remuneration to Auditors:

PHP

Particulars	31 March 2024	31 March 2023
Audit Fees	300,800	278,600

38. Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013:

A. Relationship with struck off company

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act,1956.

B. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

C. Utilisation of borrowings availed from banks

The borrowings obtained by The Group from banks have been applied for the purposes for which such loans were taken.

D. Details of benami property held

No proceedings have been initiated on or are pending against The Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

AJANTA PHARMA PHILIPPINES INC. PHILIPPINES

E. Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

F. Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

G. Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

H. Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

I. Utilisation of borrowed funds and share premium

i. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The Group 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 Group 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. (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

39. Previous year figures have been regrouped / re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from 01 April 2023.

40. The Company has one segment of activity namely "Pharmaceuticals".

In terms of our report attached

For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN: 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner

For and on behalf of Board of Directorsof
Ajanta Pharma Philippines Inc.

AJANTA PHARMA PHILIPPINES INC. PHILIPPINES

RajeshM. Agrawal
Director

Mumbai, 29 April 2024
UDIN NO: 24107574BKASEZ3545

G. R. MODI & CO.
Chartered Accountants
12, Laxminarayan Shopping Center, 1st Floor, Poddar Road, Malad (E), Mumbai - 400097
Tel No. 91-22-28884274 - 28819304 Fax No. 91-22-28819304 email : swapnil@modiconsultancy.com

Independent Auditor's Report
To the Members of Ajanta Pharma Nigeria Ltd.

Report on the Standalone Financial Statements

The accounts of AJANTA PHARMA NIGERIA LTD. are being audited under the local laws of the country by the statutory auditor for the period 1st Jan 2023 to 31st December 2023. The company follows the period 1st April 2023 to 31st March 2024. In order to consolidate the accounts of AJANTA PHARMA NIGERIA LTD. With that of the company, we have been appointed by the management of the company to audit the reinstated accounts of AJANTA PHARMA NIGERIA LTD. for the period 1st April 2023 to 31st March 2024 under the companies Act in accordance with generally accepted accounting principles in India (Ind AS).

Opinion

We have audited the accompanying standalone Ind AS financial statements of AJANTA PHARMA NIGERIA LTD. ("the Company") comprising of the Standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Cash Flow Statement, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements") prepared in accordance with group accounting policies followed by Ajanta Pharma Ltd. These Standalone financial statements have been prepared solely to enable Ajanta Pharma Ltd. to prepare its financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

G. R. MODI & CO. Chartered Accountants M. NO. 107574

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 of the current period. 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.

Management's Responsibility for the Standalone Ind AS 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 standalone financial statements that give a true and fair view of the financial position, financial performance, 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 in accordance with the group accounting policies followed by Ajanta.

Auditor's Responsibility

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.

Report on Other Legal and Regulatory Requirements

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.

G. R. MODI & CO. Chartered Accountants M. NO. 107574

(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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) 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 does not have any pending litigations which would impact its financial position:

ii. The Company has not entered into any long-term contracts including derivative contracts, requiring provision under the applicable law or accounting standards, for material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for **G.R.Modi& Co**
Chartered Accountants
Firm's registration number: 112617W

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

CA Swapnil Modi
Partner
Membership number: 107574
Mumbai
Date: 29th April 2024

UDIN No.: 24107574BKASEY6706

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of AJANTA PHARMA NIGERIA LTD.("the Company") as of 31st March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

G.R. MODI & CO.
M. NO
107574
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

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

Opinion

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

for **G.R.Modi& Co**
Chartered Accountants
Firm's registration number: 112617W

G. R. MODI & CO
M. NO
107574
Chartered Accountants

CA Swapnil Modi
Partner
Membership number: 107574
Mumbai
Date: 29th April, 2024

UDIN No: 24107574BKASEY6706

Ajanta Pharma Nigeria Ltd.

Balance Sheet
as at 31 March 2024

(Currency: NGN)

	Note	31 March 2024 NN	31 March 2023 NN
Assets			
Non-current assets			
Property, plant and equipment	7	-	134,722
Right to use assets	7	3,230,584	3,892,195
Total non-current assets		3,230,584	4,026,918
Current assets			
Financial assets			
Investments			
Cash and cash equivalents	8	16,560,649	3,283,826
Total current assets		16,560,649	3,283,826
Total assets		**19,791,234**	**7,310,743**
Equity and Liabilities			
Equity			
Equity share capital	9	60,000,000	60,000,000
Other Equity	10	(80,388,857)	(79,928,400)
Total equity		(20,388,857)	(19,928,400)
Liabilities			
Non current liabilities			
Lease liability	11	3,230,585	4,176,340
Current liabilities			
Other current liabilities	12	36,949,506	23,062,803
Total current liabilities		36,949,506	23,062,803
Total Equity and Liabilities		**19,791,234**	**7,310,743**
		-	-

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

UDIN NO.: 24107574BKASEY6706

For and on behalf of Board of Directors
of Ajanta Pharma Nigeria Ltd.

Ajanta Pharma (Nigeria) Limited RC:1064785

Gaurang Shah
Director
Mumbai, 29 Apr, 2024

Ajanta Pharma Nigeria Ltd.

Statement of Profit and Loss Account
for the year ended 31 March 2024

(Currency: NGN)

	Note	31 March 2024 NN	31 March 2023 NN
Income			
Revenue from operations		-	-
Other income		-	-
Total income		-	-
Expenses			
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods/work-in-progress/stock-in-trade		-	-
Employee benefits expenses	13	784,268	-
Finance costs	14	248,299	517,538
Depreciation & amortisation expense	15	4,673,035	5,196,187.56
Other expenses	16	(5,245,145)	(782,858)
Total expenses		**460,458**	**4,930,867**
Profit before tax		**(460,458)**	**(4,930,867)**
Tax expense			
Current tax		-	-
Deffered tax		-	-
Profit for the year		**(460,458)**	**(4,930,867)**
There are no exceptional items and discontinuing operations.			
Earning Per Equity Share (Basic & Diluted) (Face Value NN 1/-) (In Rs.)	18	**(0.01)**	**(0.08)**

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements

As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN: 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024

UDIN NO.: 24107574BKASE46706

For and on behalf of Board of Directors
of Ajanta Pharma Nigeria Ltd.

Ajanta Pharma (Nigeria) Limited RC:1064785

Gaurang Shah
Director
Mumbai, 29 Apr, 2024

Ajanta Pharma Nigeria Ltd.

Statement of Changes in Equity

for the year ended 31 March 2024

(Currency: NGN)

A. Equity Share Capital NGN

	Balance as at 01 April 2023	Changes in Equity Share Capital due to prior period errors	Changes in equity share capital during the year	Changes in equity share capital during the year	Balance as at 31 March 2024
Authorised :	60,000,000	-	60,000,000	-	60,000,000
Issued :	60,000,000	-	60,000,000	-	60,000,000
Subscribed & Paid up:	60,000,000	-	60,000,000	-	60,000,000

B. Other Equity

Particulars	Capital Redemption Reserve	Securities Premium Account	General Reserve	Share Based Payment Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other items of other comprehensive income	Total	Non-Controlling Interests	Total Equity
As at 1 April 2022	-	-	(9,676,976)	-	(65,320,557)	-	-	**(74,997,532)**	-	**(74,997,532)**
Profit for the period	-	-	-	-	(4,930,867)	-	-	**(4,930,867)**	-	**(4,930,867)**
Other comprehensive income	-	-	-	-		-	-	-	-	-
Total comprehensive income	-	-	-	-	**(4,930,867)**	-	-	**(4,930,867)**	-	**(4,930,867)**
Transfer to Retained Earnings	-	-	-	-	-	-	-	-		-
Dividend Paid	-	-	-	-	-	-	-	-		-
At 31 March 2023	-	-	**(9,676,976)**	-	**(70,251,424)**	-	-	**(79,928,400)**	-	**(79,928,400)**
Profit for the period					(460,458)			**(460,458)**	-	**(460,458)**
Other comprehensive income	-	-	-	-	-	-	-	-		-
Total comprehensive income	-	-	-	-	(460,458)	-	-	**(460,458)**	-	**(460,458)**
Transfer to Retained Earnings	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-
At 31 March 2024	-	-	**(9,676,976)**	-	**(70,711,882)**	-	-	**(80,388,857)**	-	**(80,388,857)**

See accompanying notes forming part of the financial statements

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

Swapnil Modi
Partner

Mumbai, 29 Apr, 2024
UDIN NO. : 24107574BKASEY6706

G. R. MODI & CO.
M. NO. 107574
Chartered Accountants

For and on behalf of Board of Directors of
Ajanta Pharma Nigeria Ltd.

Ajanta Pharma (Nigeria) Limited
RC:1064785

Gaurang Shah
Director

Ajanta Pharma Nigeria Ltd.

Statement of cashflow

for the year ended 31 March 2024

(Currency: NGN)

		31 March 2024 NN	31 March 2023 NN
A.	**Cash flow from operating activities**		
	Profit before tax	(460,458)	(4,930,867)
	Adjustment for		
	Depreciation & amortisation expense	4,673,035	5,196,188
	Interest expense	248,299	517,538
	Unrealised foreign exchange difference	-	-
	Operating profit before working capital changes	**4,460,876**	**782,858**
	Changes in working capital		
	Decrease / (increase) in trade receivable	-	-
	Decrease / (increase) in other current assets	-	2,400,000
	Decrease / (increase) in inventories	-	-
	Increase / (decrease) in other current liabilities	13,886,703	(2,004,947)
	Increase / (decrease) in trade payables	-	-
	Cash generated from operations	**18,347,580**	**1,177,911**
	Net income tax paid	-	-
	Net cash flow generated from operating activities	**18,347,580**	**1,177,911**
B.	**Cash flow from investing activities**		
	Purchase of fixed assets-including intangible assets & cwip	-	-
	Capital expenditure on right to use asset	(3,876,702)	(3,876,702)
	Proceeds from sale of fixed assets	-	-
	Net cash used in investing activities	**(3,876,702)**	**(3,876,702)**
C.	**Cash flow from financing activities**		
	Interest paid	(248,299)	(517,538)
	Repayment of lease liability (including interest thereon)	(945,755)	1,244,239
	Net cash used in financing activities	**(1,194,054)**	**726,701**
	Net increase / (decrease) in cash and cash equivalents	**13,276,823**	**(1,972,090)**
	Cash and cash equivalents as at the beginning of the year	3,283,826	5,255,915
	Cash and cash equivalents as at the end of the year	**16,560,649**	**3,283,826**

Figures in brackets indicates outflow.

Note :

1. The above Cash Flow Statement has been prepared under 'Indirect Method' as set out in Accounting Standard 7 (Ind AS - 7) "Statement of Cash Flow" under Section 133 of the Companies Act 2013.
2. Cash comprises cash on hand, current accounts and deposits with banks. Cash equivalents are sholrt-term balances (with an original maturity of three months or less from the date of acquisition).

Significant accounting policies
The notes referred to above form an integral part of the consolidated financial statements
As per our report of even date attached

In terms of our report attached
For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN : 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner
Mumbai, 29 Apr, 2024
UDIN NO. : 24107574BKASEY6706

For and on behalf of Board of Directors of
Ajanta Pharma Nigeria Ltd.

Gaurang Shah
Director
Mumbai, 29 Apr, 2024

Ajanta Pharma (Nigeria) Limited RC:1064785

1. Corporate Information

Ajanta Pharma Nigeria Ltd. is a limited liability company incorporated and domiciled in Nigeria and is a wholly owned subsidiary of Ajanta Pharma Ltd., India. The address of its registered office is located at Block 6, House 6b, Howson Wright Estate, Oregun Road, Ojota, Lagos, Nigeria.

The Company is primarily involved in the business of pharmaceutical and related activities.

The Financial Statement for the year ended 31 March 2024 have been reviewed by the Audit Committee and subsequently approved by Company's Board of Directors at it's meeting held on 29 April 2024.

2. Basis of preparation

The Financial Statement of the Company have been prepared in all material aspects in accordance with the recognition & measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except otherwise stated.

3. Functional and Presentation Currency:

Functional currency of the Company is Nigerian Naira (NGN).

4. Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest crores.

5. Current / non-current classification:

The assets and liabilities in the balance sheet are presented 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 normal operating cycle, or
- Held primarily for the purpose of trading, or
- 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 normal operating cycle, or
- Held primarily for the purpose of trading, or
- Due to be settled within twelve months after the reporting period, or

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- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
  All other liabilities are treated as Non-Current.

Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on thc nature of products / activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

6. Significant Accounting Policies

6.1 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the assets carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Depreciation is calculated on the straight-line method to write off the cost of assets, to their residual values over their estimated useful life as follows:

Particulars	Useful Life
Motor Vehicles	4 years

The asset's residual values and useful lives are reviewed and adjusted if appropriate, at each end of reporting period. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with carrying amount and are included in the statement of profit or loss.

6.2 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.

Financial Assets

Classification

Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss, on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value (FVTPL / FVTOCI)
- Financial assets at amortised cost

When assets are measured at fair value, gains and losses are either recognised in the statement of profit and loss (i.e. fair value through profit or loss (FVTPL)), or recognised in other comprehensive income (i.e. fair value through other comprehensive income (FVTOCI)).

Financial Assets measured at amortised cost (net of any write down for impairment, if any)

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment, if any. The losses arising from impairment are recognised in the Statement of profit and loss.

Financial Assets measured at Fair Value through Other Comprehensive Income ("FVTOCI")

Financial assets under this category are measured initially as well as at each reporting date at fair value, when asset is held within a business model, whose objective is to hold assets for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

Financial Assets measured at Fair Value through Profit or Loss ("FVTPL")

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

Investment in Equity Instruments

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

Investment in Debt Instruments

A debt instrument is measured at amortised cost or at FVTOCI. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition of Financial Assets

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or Company has transferred its rights to receive cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind - AS 109, Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables.

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Financial Liabilities

Classification

Company classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs.

Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of Financial Liabilities

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

Derivative Financial Instrument

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

6.3 Inventories

Finished products including traded goods are valued at lower of cost and net realisable value. Cost is arrived on weighted average basis. The cost of Inventories has been computed to include all cost of purchases, cost of conversion, appropriate share of fixed production overheads based on normal capacity and other related cost incurred in bringing the inventories to their present location and condition.

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

Slow and non-moving material, products nearing expiry, defective inventory are fully provided for and valued at net realisable value.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.

6.4 Cash and Cash Equivalents

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

6.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

6.6 Foreign Currency Transactions

Revenue Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are re-measured at the exchange rate prevailing on the balance sheet date. Non-monetary foreign currency items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the Statement of Profit and Loss.

6.7 Revenue Recognition

Revenue recognition under Ind AS 115 (applicable from 1 April 2018)

Under Ind AS 115, the group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligations in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Sale of Goods

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The group applied Ind AS 115 using the modified retrospective approach.

Revenue is measured based on the transaction price adjusted for discounts and rebates, which is specified in a contract with customer. Revenue are net of estimated returns and taxes collected from customers.

Revenue from sale of goods is recognized at point in time when control is transferred to the customer and it is probable that consideration will be collected. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer.

The consideration can be fixed or variable. Variable consideration is only recognized when it is highly probable that a significant reversal will not occur.

Sales return is variable consideration that is recognised and recorded based on historical experience, market conditions and provided for in the year of sale as reduction from revenue. The methodology and assumptions used to estimate returns are monitored and adjusted regularly in line with trade practices, historical trends, past experience and projected market conditions.

Interest income

Interest income is recognised with reference to the Effective Interest Rate method.

Dividend income

Dividend from investment is recognised as revenue when right to receive is established.

Income from Export Benefits and Other Incentives

Export benefits available under prevalent schemes are accrued as revenue in the year in which the goods are exported and / or services are rendered only when there reasonable assurance that the conditions attached to them will be complied with, and the amounts will be received.

6.8 Employee Benefits

Short-term Benefits - The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages and other non-monetary benefits.

Post-Employment Benefits – No provision has been made in respect of employee retirement benefits as employees are not eligible for such benefits. Besides the company does not have any pension scheme or any contracted agreement binding itself to the employees.

Share-based compensation
Company has no share based compensation plan.

6.9 Borrowing Costs

Borrowing costs comprise of other bank charges. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.

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6.10 Lease

The company's lease asset class primarily consists of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the generally accepted interest rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

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

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

Transition

Effective 1 April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the

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generally accepted interest rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the generally accepted interest rate at the date of initial application. Comparatives as at and for the year ended 31 March, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of NGN 6,763,975 and a lease liability of NGN 7,270,613. The cumulative effect of applying the standard, amounting to NGN 506,639 was debited to retained earnings, net of taxes. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

c. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

d. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The interest rate applied to lease liabilities as at 1 April, 2019 is 9%.

6.11 Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

6.12 Income Taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the respective Country's tax rates and tax laws that have been enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

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Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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

Deferred income tax assets and liabilities are measured using respective Country's tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

6.13 Dividends to Shareholders

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in equity.

6.14 Provisions, Contingent Liabilities, Contingent Assets and Commitments

General

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

Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

If there is any expectation that some or all of the provision will be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any virtually certain 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 risk 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 is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from past events, when no reliable estimates is possible;
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

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Contingent liabilities are not recognised but disclosed in the Financial Statements. Contingent assets are neither recognised nor disclosed in the Financial Statements.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets and Non-cancellable operating lease.

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

Asset Retirement Obligation
Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Company has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation using discounted cash flows and are recognised as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is recognised in the income statement as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

6.15 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date in accordance with Ind AS 113.

Financials Statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Derivative financial instruments are measured at fair value received from Bank.
- Mutual Funds are measured at fair values as per Net Asset Value (NAV).
- Employee Stock Option Plan (ESOP) at fair values as per Actuarial Valuation Report.

Fair value is the price that would be received to sell an asset or settle a liability in an ordinary transaction between market participants at the measurement date.

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.

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- 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.

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.

6.16 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2023.

6.17 Critical 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 disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities in future periods.

(a) Arrangement containing lease

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At the inception or on reassessment of an arrangement that contains a lease, Company separates payments and other consideration required by the arrangement into those for the lease and those for the other elements on the basis of their relative fair values.

The Company has determined, based on an evaluation of the terms and conditions of the arrangements that such contracts are in the nature of operating leases.

(b) Multiple element contracts with vendors

The Company has entered into multiple element contracts with vendors for supply of goods and rendering of services. The consideration paid is/may be determined independent of the value of supplies received and services availed. Accordingly, the supplies and services are accounted for based on their relative fair values to the overall consideration. The supplies with finite life under the contracts (as defined in the significant accounting policies) have been accounted under Property, Plant and Equipment and/or as Intangible assets, since the Company has economic ownership in these assets. Company believes that the current treatment represents the substance of the arrangement.

(c) Property, Plant and equipment

Determination of the estimated useful life of tangible assets and the assessment as to which components of the cost may be capitalized. Useful life of tangible assets is based on the life of useful lives/rates prescribed by the GAAPs of the respective countries. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

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(d) Intangible Assets

Internal technical or user team assess the remaining useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

(e) Recognition and measurement of defined benefit obligations

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

(f) Recognition of deferred tax assets and income tax

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective country.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

(g) Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may, therefore, vary from the figure included in other provisions.

(h) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

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(i) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

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

(j) Insurance claims

Insurance claims are recognised when the Company has reasonable certainty of recovery.

(k) Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

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Notes to the Financial Statements (Continued)
as at 31 March 2024

(Currency NGN)

NN

7 **Property, plant and equipment, capital work-in -progress, investment property and other intangible assets**

	Particulars	Gross Block (Cost Or Deemed Cost)					Accumulated Depreciation/Amortisation					Net Block	
		01 April 2023	Additions	Disposals	Adjustments	31 March 2024	01 April 2023	For the Year	Disposals	Adjustments	31 March 2024	31 March 2024	31 Mar 2023
		-	-	-	-	-	-		-	-	-	-	
(A)	**Tangible Assets**												
	Vehicles	10,000,000	-			10,000,000	9,865,278	134,722			10,000,000	-	134,722
	Total Tangible Assets	**10,000,000**	-	-	-	**10,000,000**	**9,865,278**	**134,722**	-	-	**10,000,000**	-	**134,722**
	Previous Year	10,000,000	-	-	-	10,000,000	7,397,222	2,468,056	-	-	9,865,278	134,722	2,602,778
(B)	**Intangible Assets**												
	Right to use	13,416,696	3,876,702	-		17,293,398	9,524,501	4,538,313	-		14,062,814	3,230,584	3,892,195
	Total Intangible Assets	**13,416,696**	**3,876,702**	-	-	**17,293,398**	**9,524,501**	**4,538,313**	-	-	**14,062,814**	**3,230,584**	**3,892,195**
	Previous Year	9,539,994	3,876,702	-	-	13,416,696	6,796,369	2,728,132	-	-	9,524,501	3,892,195	2,743,625
	Total Fixed Assets (A) + (B)											**3,230,584**	**4,026,918**

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	31 March 2024 NN	31 March 2023 NN
8 Cash and cash equivalents		
Cash and Cash Equivalents		
Balance with Banks - In Current Accounts	16,560,649	3,283,826
	16,560,649	**3,283,826**

9 Equity Share Capital

	31 March 2024 Number of Shares	31 March 2024 NN	31 March 2023 Number of Shares	31 March 2023 NN
Authorised :				
Ordinary Shares of NN 1 each	60,000,000	60,000,000	60,000,000	60,000,000
Issued, Subscribed & Paid up :				
Ordinary Shares of NN 1 each fully paid up	60,000,000	60,000,000	60,000,000	60,000,000

(a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year :

	31 March 2024 Number of Shares	31 March 2024 NN	31 March 2023 Number of Shares	31 March 2023 NN
Number of shares outstanding as at the beginning of the year	60,000,000	60,000,000	60,000,000	60,000,000
Add Number of shares allotted as fully paid-up during the year	-		-	-
Less Number of shares bought back during the year	-		-	-
Number of shares outstanding as at the end of the year	**60,000,000**	**60,000,000**	**60,000,000**	**60,000,000**

(b) Rights, preferences and restrictions attached to shares

The company has issued only one class of equity shares with voting rights having a par value of NN 1 per share.
The company have not declared any dividend.
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the numbers of equity shares held by shareholders.

(c) Details of equity shareholders holding more than 5%

Name of Shareholder	31 March 2024 Number of Shares	31 March 2024	31 March 2023 Number of Shares	31 March 2023 % Holding
Ajanta Pharma Ltd., India	60,000,000	100.00	60,000,000	100.00
(d) Shares reserved for issue under options	Nil		Nil	Nil

	31 March 2024	31 March 2023
10 OTHER EQUITY		
General Reserve		
Balance at the beginning of the year	(9,676,976)	(9,676,976)
Add Transferred from Statement of Profit & Loss	-	-
	(9,676,976)	**(9,676,976)**
Exchange Fluctuation Reserve		-
Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	(70,251,424)	(65,320,557)
Profit for the year	(460,458)	(4,930,867)
Less: Appropriations		
-Transferred to Retained Earnings		-
Balance at the year end	**(70,711,882)**	**(70,251,424)**
Total Other Equity	**(80,388,857)**	**(79,928,400)**
11 LEASE LIABILITY		
Lease liability	3,230,585	4,176,340
	3,230,585	**4,176,340**
12 Other Current Liabilities		
Others payables	36,949,506	23,062,803
	36,949,506	**23,062,803**

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Notes to the Financial Statements (Continued)
as at 31 March 2024

(Currency: NGN)

		31 March 2024 NN	31 March 2023 NN
13	**Empolyee Benefit Expenses**		
	Salaries, Wages, Bonus and Allowances	784,268	-
		784,268	**-**
14	**Finance Cost**		
	On Lease Liability	248,299	517,538
		248,299	**517,538**
15	**Depreciation**		
	Depreciation of Tangible Assets (Refer note 7)	134,722	2,468,056
	Depreciation of Right to use Assets (Refer note 7)	4,538,313	2,728,132
		4,673,035	**5,196,188**
16	**Other Expenses**		
	Travelling Expenses	322,400	179,000
	Repairs to Others	-	5,000
	Exchange Difference (Net)	(5,592,598)	(2,005,818)
	Miscellaneous Expenses	25,054	1,038,960
		(5,245,145)	**(782,858)**

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Notes to the Financial Statements for the year ended 31 March 2024

17. Capital Management

Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders. The Company'sobjective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The company determined the capital requirement based on annual operating plans and long term and other strategic investment plans.

Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as debt less cash and cash equivalents and short term investments. Adjusted equity comprises all components of equity.

Company's policy is to keep the ratio below 1.00 and its adjusted net debt to equity ratio at 31 March 2024 was as follows.

NGN

Particulars		31 March 2024	31 March 2023
Debt		-	-
Less: Cash and Cash equivalents		16,560,649	3,283,826
Net Debt	A	(16,546,649)	(3,283,826)
Equity	B	(20,388,857)	(19,928,400)
Net Debt to Equity ratio	**A/B**	**N/A**	**N/A**

18. Earnings Per share (EPS):

The numerator and denominator used to calculate Basic and Diluted Earnings per Share:

Particulars		31 March 2024	31 March 2023
Ba:'c and Diluted Earnings Per Share:			
Profit attributable to Equity shareholders- for Basic EPS (NGN)	A	(460,458)	(4,930,867)
Add: Dilutive effect on profit (NGN)	B	-	-
Profit attributable to Equity shareholders for computing Diluted EPS (NGN)	C=A-B	(460,458)	(4,930,867)
Weighted Average Number of Equity Shares outstanding - for Basic EPS	D	60,000,000	60,000,000
Add: Dilutive effect of option outstanding- Number of Equity Shares	E	-	-
Weighted Average Number of Equity Shares for Diluted EPS	F=D+E	60,000,000	60,000,000
Face Value per Equity Share (NGN)		1	1
Basic Earnings Per Share (NGN)	**A/D**	**(0.01)**	**(0.08)**
Diluted Earnings Per Shares (NGN)	**C/F**	**(0.01)**	**(0.08)**

19. Employee Benefits

As required by Ind AS 19 'Employee Benefits',the Company offers its employees: Short-term employee benefits - These benefits include salaries and wages and other allowances which are paid immediately. The total consideration paid in 2023-24was NGN 2,129,600 (Previous Year NGN 2,129,500).

Retirement plan - No provision has been made in respect of employee retirement benefits as employees are not eligible for such benefits. Besides the company does not have any pension scheme or any contracted agreement binding itself to the employees.

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20. Financial Instrument – fair values and risk management

Fair value measurements NGN

	31 March 2024		31 March 2023	
Financial Instruments by category	**FVTPL**	**Amortised Cost**	**FVTPL**	**Amortised Cost**
Financial Assets				
Cash and cash equivalents	-	16,560,649	-	3,283,826
Total Financial Assets	-	**16,560,649**	-	**3,283,826**
Financial Liabilities				
Lease Liability	-	3,230,585	-	4,176,340
Other Current Liabilities	-	36,949,506	-	23,062,803
Total Financial Liabilities	-	**40,180,091**	-	**27,239,143**

Fair value measurement of lease liabilities is not required.

Level 1 –The hierarchy in level 1 includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 – The fair value of financial instruments that are not traded in an active market (like Mark to Market derivative and Non-convertible Debentures) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entityspecific estimates. If all significant inputs required to fair value as instrument are observable, the instrument is included in level 2.

Level 3 – If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

A. Financial risk management

Company has exposure to following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Currency risk

Risk management framework

Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management is responsible for developing and monitoring the Company's risk management policies, under the guidance of Audit Committee.

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

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

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i. **Credit risk**

Company's credit risk is minimal. The trade receivables arise mainly from transactions with its approved customers. The maximum exposure to credit on these transactions is equal to the carrying amount of these financial instruments. Customers are subject to stringent financial, credit and legal verification process. In addition, trade receivable balances are monitored on an ongoing basis to ensure timely collections. Accordingly, the Company's exposure to bad debts is not significant.

ii. **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from banks at an optimised cost. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels.

iii. **Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments. Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. All transactions are carried out within the guidelines set by the risk management committee.

The sensitivity analysis hasbeen prepared on the basis of derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis excludes the impact of movements in market variables on the carrying value of postemployment benefit obligations, provisions and on the non-financial assets and liabilities.The sensitivity of the relevant income statement item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2024 and 31 March 2023.

iv. **Currency risk**

The Company's foreign exchange risk results primarily from movements of the Nigerian Naira against the US dollar with respect to US dollar denominated financial assets and liabilities. The Company's transactional currency exposures arise from its inventories which is purchases from Holding Company in US dollar. The Company regularly reviews the trend of the foreign exchange rates. Company does not have any assets / liability in USD.

a) **Interest rate risk**

The Company have no borrowings and hence there is no interest rate risk.

b) **Price risk**

Company does not have any exposure to price risk, as there is no equity investments.

21. Note on foreign currency exposures on assets and liabilities:

During the year, the Company has not entered into Forward Exchange Contract. The company does not have any asset / liability at the year ending on 31 March 2024 and 31 March 2023.

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Notes to the Financial Statements for the year ended 31 March 2024

22. Disclosure for operating leases under Ind AS 116- "Leases":

The Group have taken various premises under operating lease. These are generally cancellable and ranges from 11 months to 5 years and are renewable by mutual consent on mutually agreeable terms. Some of these lease agreements have price escalation clauses. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

Rightofuse assets

	31 March 2024	31 March 2023
Cost		
Opening Balance	13,416,696	9,539,994
Additions	3,876,702	3,876,702
Disposals	-	-
Closing Balance	**17,293,398**	**13,416,696**
Accumulated depreciation and impairment		
Opening Balance	9,524,501	6,796,369
Depreciation	4,538,313	2,728,132
Impairment loss	-	-
Eliminated on disposals of assets	-	-
Closing Balance	**14,062,814**	**9,524,501**

Carrying amounts	**31 March 2024**	**31 March 2023**
Gross	**17,293,398**	13,416,696
Net	**3,230,584**	3,892,195

Cash outflow on leases

	31 March 2024	31 March 2023
(Repayment) / Addition of lease liabilities	(945,755)	1,244,239
Total cash outflow on leases	(945,755)	1,244,239

Maturity analysis

	Less than 1 year	Over 1 years
31 March 2024		
Lease liabilities	-	**3,230,585**
31 March 2023		
Lease liabilities	-	4,176,340

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23. Contingent Liabilities and commitments:

There are no contingent liabilities and commitments by the Company.

24. Related party disclosure as required by Ind AS 24 are given below:

A) Relationships:

Category I – Holding Company & Fellow Subsidiary

Ajanta Pharma Ltd., India (Holding Company)

B) Following transactions were carried out with related parties: NGN

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
2.	**Expense Reimbursement:**			
	Ajanta Pharma Ltd., India	I	20,133,795	15,201,000

C) Amount outstanding as on 31 March 2024 NGN

Sr. No.	Particulars	Category	31 March 2024	31 March 2023
1.	**Advance Payable:**			
	Ajanta Pharma Ltd., India	I	15,504,257	2,155,052

25. Remuneration to Auditors: NGN

Particulars	31 March 2024	31 March 2023
Audit Fees	537,500	537,500

26. Additional disclosures required by Schedule III (amendments dated 24 March 2021) to the Companies Act, 2013:

A. Relationship with struck off company

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act,1956.

B. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

C. Utilisation of borrowings availed from banks

The borrowings obtained by The Group from banks have been applied for the purposes for which such loans were taken.

D. Details of benami property held

No proceedings have been initiated on or are pending against The Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

E. Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

F. Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

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G. Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

H. Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

I. Utilisation of borrowed funds and share premium

i. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
   b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The Group 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 Group 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. (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

27. Previous year figures have been regrouped / re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from 01 April 2023.

28. The Company has one segment of activity namely "Pharmaceuticals".

In terms of our report attached

For G. R. Modi & Co.
Chartered Accountants
(ICAI FRN: 112617W)

G. R. MODI & CO. M. NO. 107574 Chartered Accountants

Swapnil Modi
Partner

Mumbai, 29 April 2024

UDIN NO.: 24107574BKASEY6706

For and on behalf of Board of Directors of
Ajanta Pharma Nigeria Ltd.

Gaurang Shah
Director

Ajanta Pharma (Nigeria) Limited RC:1064785