INDEPENDENT AUDITOR'S REPORT

To the Members of Shilpa Biocare Private Limited
(Formerly known as Shilpa Albumin Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion
We have audited the standalone financial statements of **Shilpa Biocare Private Limited** (Formerly known as Shilpa Albumin Private Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statement').

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 its losses including other comprehensive gain, its cash flows and the changes in equity for the year 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 Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

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

Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on 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 standalone 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 Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements
As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. 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 except for the matters stated in paragraph 2(f) below on reporting under rule 11(g);

   c) The Balance Sheet, the Statement of Profit and Loss (Including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 are 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 B"

   g) Matter to be included in the Auditors' Report under Section 197(16) is applicable only to a public limited Company and not to a private limited company.

2. 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:

   a. The Company does not have any pending litigations which would impact its financial position.

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

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

   d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

e. The company has not declared or paid any dividends during the year.

f. Based on our examination, which included test checks, and relying on the representations / explanations from the Company, the Company has used accounting software for maintaining its books of account for the financial year ended March 31,2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except for the Payroll related data for which audit trail (edit log) facility was not enabled throughout the year. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with in respect of accounting software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Bohara Bhandari Bung and Associates LLP
Chartered Accountants
(Firm Registration Number: 008127S/S200013)

Sd/-

CA Yogesh R Bung
Partner
Membership Number: 143932

Place: Raichur
Date: 22.05.2024

UDIN: 24143932BKAEON3022

Annexure- A to the Independent Auditors Report:

With reference to the Annexure A referred to in our Independent Auditor's Report to the members of Shilpa Biocare Private Limited (Formerly known as Shilpa Albumin Private Limited) ('the Company') for the year ended March 31, 2024. We report the following:

i. In respect of Fixed Assets

a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets & Intangible Assets under development.

b) As explained to us, Fixed Assets have been physically verified wherever feasible by the management and no material discrepancy with respect to book records was noticed on such verification. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) In our opinion and according to the information and explanations given to us, the title deeds in respect of the immovable properties are held in the name of the Company.

d) According to the information and explanations given to us, the company has not carried out any revaluation during the year.

e) According to the information and explanations given to us, no proceedings have been initiated in the current year nor there are any proceedings pending against the company under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder as at the balance sheet date.

ii. In respect of Inventories,

a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

b) According to the information and explanation given to us, The Company has not availed any working capital limits during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.

iii. According to the information and explanation given to us, the Company has not made any other investments nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the provisions of clauses 3(iii) (a), (b),(c),(d), (e) & (f) of the Order are not applicable.

iv. According to the information and explanation given to us, the Company has not granted any loans, nor has provided any guarantees or securities to parties covered section 185 and 186 of the Act. Hence, provisions of clause (iv) of paragraph 3 of the Order are not applicable.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 and 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, clause (v) of the order is not applicable to the company.

vi. According to the information and explanations given to us, provisions of cost records and accounts as prescribed are prima-facie not applicable to the Company since the turnover of the Company in the immediately preceding financial year does not exceed the prescribed threshold limit under Rule 3 of Companies (Cost Records and Audit) Rules 2014 as amended, and read with Sec.148 of the Act, and as prescribed by the Central Government in respect of the production and processing activities of the Company. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the company

vii. In respect of Statutory dues

a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees state insurance, income-tax, duty of customs, cess and any other statutory dues applicable to it, to the appropriate authorities. There are no statutory dues as on the last day of the financial year concerned which are outstanding for a period of more than six months from the date, they became payable.

b) According to the information and explanations given to us by the management there are no dues of Goods and Services Tax, provident fund, employees state insurance, income-tax, duty of customs, cess which have not been deposited on account of any dispute.

viii. According to the information and explanations give to us by the management there are no unrecorded transactions during the year in the books of accounts which are surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(vii) of the order is not applicable to the company.

ix. a) According to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or borrowings or payment of interest thereon to any lender during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

b) According to the information and explanation given to us the company has not been declared wilful defaulter by any bank or financial institution or other lender;

c) According to the information and explanation given to us the company the Term loans were applied for the purpose for which they were obtained;

d) According to the information and explanation given to us and on an overall examination of the financial statements of the company, the company has not raised on short term funds. Hence, reporting under Clause 3(ix)(d) is not applicable to the company;

e) According to the information and explanation given to us the company, since the company does not have any subsidiary, associates or joint venture reporting under in clause no.3(ix)(e) of the order is not applicable to the Company;

f) According to the information and explanation given to us the company, since the company does not have any subsidiary, associates or joint venture reporting under in clause no.3(ix)(f) of the order is not applicable to the Company.

x. a) Based on the information and explanations given to us by the management, the Company has not raised any money by way of public offer and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) Based on the information and explanations given to us by the management, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

Accordingly, paragraph 3(x) of the order is not applicable.

xi. a) As per the information and explanations given by the management, we report that no material fraud by the Company or on the Company, has been noticed or reported during the year.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

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

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where ever applicable and details of such transactions have been disclosed in the IND-AS financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us by the company it is not mandatory to have internal audit system in terms of sec.138 of the Companies Act,2013. Accordingly, paragraph 3(xiv) of the order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. In our opinion and according to the information and explanation provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a),(b) & (c) of the Order is not applicable.

xvii. According to the information and explanation given to us and based on our examination of the records, the company has not incurred any cash losses during the financial year. However, the company has incurred a cash loss of Rs. 12.40 Lakhs in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under clause no 3(xviii) of the order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of opinion that no material uncertainty exists as at 31.03.2024 and when they fall due within a period of one year from 31.03.2024.

xx. According to the information and explanation given to us and further based on the examination of the records, provision of sec.135 of the Act pertaining to CSR are not applicable to the Company. Accordingly, paragraph 3(xx) of the order is not applicable.

xxi. According to the information and explanation given to us and further based on the examination of the records, the company is not required to prepare any consolidated financial statements. Accordingly, paragraph 3(xxi) of the order is not applicable.

For Bohara Bhandari Bung and Associates LLP
Chartered Accountants
(Firm Registration Number: 008127S/S200013)

Sd/-

CA Yogesh R Bung
Partner
Membership Number: 143932

Place: Raichur
Date: 22.05.2024

UDIN: 24143932BKAEON3022

Annexure-B - to our report of even date on the Financial Statements of Shilpa Biocare Private Limited (Formerly known as Shilpa Albumin Private Limited)

Report on the Internal Financial Controls under clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ('the Act')
We have audited the internal financial controls over financial reporting of **Shilpa Biocare Private Limited** (Formerly known as Shilpa Albumin Private Limited) ('the Company') as of 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Opinion
In our opinion, the Company has, in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were generally 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 Bohara Bhandari Bung and Associates LLP
Chartered Accountants
(Firm Registration Number: 008127S/S200013)

Sd/-

CA Yogesh R Bung
Partner
Membership Number: 143932

Place: Raichur
Date: 22.05.2024

UDIN: 24143932BKAEON3022

Shilpa Biocare Private Limited
(Formerly known as Shilpa Albumin Private Limited)

Part - I - Balance Sheet
(All amounts are in Indian Rupees unless otherwise stated)

Particulars	Note	As at	
		31.03.2024	31.03.2023
		Audited	Audited
ASSETS			
Non-Current Assets			
a) Property, Plant & equipment	2	362,202,768	133,360
b) Right of use assets	3	66,217,806	66,217,806
c) Capital work- in- progress	4	2,974,702,032	1,841,359,649
d) Intangible asset Under Development	5	632,149,789	570,894,174
e) Financial assets :			
i) Other Financial Assets	6	1,233,730	194,930
f) Deferred Tax (Net)	7	-	1,077,465
g) Other non current assets	8	71,586,121	306,120,325
Total Non Current Assets		**4,108,092,247**	**2,785,997,711**
Current Assets			
a) Inventories	9	4,646,999	-
b) Financial Assets :			
i) Trade Receivable	10	3,383,875	-
i) Cash and Cash equivalents	11	342,845	520,567
b) Other Current Assets	12	150,155,518	110,866,703
Total Current Assets		**158,529,237**	**111,387,269**
TOTAL		**4,266,621,483**	**2,897,384,980**
EQUITY AND LIABILITIES			
Equity:			
a) Equity Share Capital	13	200,000,000	200,000,000
b) Other Equity	14	7,300,056	5,700,984
Total Equity		**207,300,056**	**205,700,984**
Liabilities			
Non Current Liabilities			
a) Financial Liabilities :			
i) Borrowings	15	3,248,328,126	2,291,168,286
b) Provisions	16	369,143	691,772
c) Deferred Tax liability	7	1,575,081	-
c) Other Financial Liability	17	129,528,502	83,866,360
Total Non Current Liabilities		**3,379,800,852**	**2,375,726,418**
Current Liabilities			
a) Financial Liabilities :			
Borrowings	18	146,956,112	-
i) Trade Payable			
- Total Outstanding dues to micro and small enterprises	18(a)	5,664,000	36,000
- Total Outstanding dues of other than micro and small enterprises	18(b)	4,697,756	297,203
(ii) Other Financial Liability	20	502,504,952	300,500,602
b) Other Current Liability	21	19,596,476	14,537,201
c) Provisions	22	101,279	586,573
Total Current Liabilities		**679,520,575**	**315,957,580**
TOTAL		**4,266,621,483**	**2,897,384,980**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

For and on behalf of the Board of Directors of
Shilpa Biocare Private Limited

Sd/-

CA. Yogesh R Bung
Partner
M.No.143932

Sd/-

Madhav Vishnukanth Bhutada
Managing Director
DIN No.08222055

Sd/-

Ramakant Innani
Director
DIN No.03222748

Sd/-
Sangeetha Laxmi Kandari
Company Secretary

Sd/-
Amarnath Datturao Sulakhe
Chief Financial Officer

Place : Raichur
Date : 22/05/2024

Place : Raichur
Date : 22/05/2024

Shilpa Biocare Private Limited
(Formerly known as Shilpa Albumin Private Limited)

Part - II - Statement of Profit and Loss
(All amounts in Indian Rupees except share data & per share data unless otherwise stated)

Particulars	**Note**	**For the Year ended 31.03.2024**	**For the Year ended 31.03.2023**
		Audited	**Audited**
Income			
a) Revenue from Operations	23	3,040,000	-
b) Other Income	24	62,901	46,834
Total Income		**3,102,902**	**46,834**
Expenses			
a) Cost of materials consumed	25	4,874,226	-
b) Change in inventories of finished goods, work-in-progress and stock-in- trade	26	(2,512,500)	-
d) Depreciation & Amortisation	2	509,034	-
e) Finance Cost	27	2,852,502	753,208
f) Other Expenses	28	421,665	534,102
Total Expenses		**6,144,927**	**1,287,310**
Profit / (Loss) before exceptional items and tax		(3,042,025)	(1,240,476)
Exceptional (Income) / Expense			
Profit / (Loss) before tax after exceptional Item		(3,042,025)	(1,240,476)
Tax expense			
1.Current Income tax		-	-
Less: Mat Credit Entitlement		-	-
2.Taxes pertaining to earlier years		-	-
3.Deferred tax (Net)		(159,317)	(460,288)
Profit / (Loss) for the year		**(2,882,708)**	**(780,188)**
Other Comprehensive Income			
Remesurment of Defined benefit Income/(loss)		264,786	(28,279)
Tax effect on the above		(45,437)	7,353
Total Comprehensive Income / (Loss)		**(2,663,359)**	**(801,114)**
Earning per equity share for Rs.10/- face value (Continuing Operations)			
Basic		(0.13)	(0.04)
Diluted	31	(0.13)	(0.04)
Weighted Average number of equity shares (Continuing Operations)			
Basic		20,000,000	20,000,000
Diluted		20,000,000	20,000,000

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

For and on behalf of the Board of Directors of
Shilpa Biocare Private Limited

Sd/-

CA. Yogesh R Bung
Partner
M.No.143932

Sd/-

Madhav Vishnukanth Bhutada
Managing Director
DIN No.08222055

Sd/-

Ramakant Innani
Director
DIN No.03222748

Sd/-
Sangeetha Laxmi Kandari
Company Secretary

Sd/-
Amarnath Datturao Sulakhe
Chief Financial Officer

Place : Raichur
Date : 22/05/2024

Place : Raichur
Date : 22/05/2024

Shilpa Biocare Private Limited
(Formerly known as Shilpa Albumin Private Ltd)

Statement of Cash flow
(All amounts are in Indian Rupees unless otherwise stated)

Particulars	For the Period ended 31.03.2024	For the Period ended 31.03.2023
Cash Flows from Operating Activities		
Profits Before Tax (PBT)	(2,777,239)	(1,268,755)
Add:		
- Depreciation & Amortisation	509,034	-
- Finance Cost	2,852,502	753,208
Operating after working capital changes & Other Adjustments		
Adjustments for Increase / (Decrease) in Operating Liabilities		
- Trade Payables	10,028,552	12,018,893
- Other Current Liabilities	5,059,275	10,537,258
- Short Term Provisions	(807,923)	813,436
Adjustments for (Increase) / Decrease in Operating Receivables		
Decrease / (Increase) in Trade receivable	(3,383,875)	-
Decrease / (Increase) in inventores	(4,646,999)	-
- Other Current Assets & financial Assets	(38,806,402)	(18,010,636)
	(31,973,075)	4,843,404
Less: Income Taxes (Net)	-	-
Net Cash flow from Operating activities	**(31,973,075)**	**4,843,404**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment & Intangible assets	(871,756,757)	(1,711,358,494)
Net Cash flow from Investing activities	**(871,756,757)**	**(1,711,358,494)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Paid	(200,563,842)	(33,130,984)
Proceeds from Borrowings	1,104,115,952	1,739,652,086
Net Cash flow from financing activities	**903,552,110**	**1,706,521,102**
Net Increase/(decrease)in Cash and Cash Equivelants	**(177,722)**	**6,012**
Cash & Cash Equivalents at the Beginning of the year	520,568	514,556
Cash & Cash Equivalents at the end of the year	**342,846**	**520,568**

Components of Cash and Cash Equivalents	For the Period ended 31.03.2024	For the Period ended 31.03.2023
Cash in Hand	3,049	3,049
Cash at Banks	339,796	517,518
Total Cash and Cash Equivalents	**342,846**	**520,568**

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31,2024

Particulars	As at April 1, 2023	Cash Flows	Non cash movement	As at March 31, 2024
Non-current borrowings (including current maturities)	2,291,168,286	1,104,115,952	-	3,395,284,238
Interest accrued but not due	83,866,360	(200,563,842)	-	(129,528,502)

Note:
1. Previous year figures have been reclassed whereever necessary.

2. Purchase of property, plant & equipment and intangible assets includes capital work in progress, capital advance and capital creditors.
3. Cash Flow statement has been prepared under Indirect method as per Ind AS-7 "Statement of Cash flows" as prescribed under Companies (Accounting Standard) Rules, 2015.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

Sd/-

CA. Yogesh R Bung
Partner
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For and on behalf of the Board of Directors of
Shilpa Biocare Private Limited

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(All amounts are in Indian Rupees unless otherwise stated)

Statement of Changes in equity for the year ended 31.03.2024

13 A) Equity Share Capital

Particulars	31.03.2024	31.03.2023
Balance at the beginning of the Reporting period	200,000,000	200,000,000
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 current year	-	-
Balance at the end of the reporting period	**200,000,000**	**200,000,000**

14 B) Other Equity

Particulars	Retained Earnings	Remeasurement of defined benefit plan	Fair value of Corporate guarantee	For the Period 31.03.2024	For the Period 31.03.2023
Balance at the beginning of the current reporting period	(3,370,596)	(20,926)	9,092,507	5,700,984	(2,590,409)
Changes during the period	-	-	-	-	9,092,507
Profit/(loss) for the year	(2,882,708)	219,349	4,262,431	1,599,072	(801,114)
Restated balance at the beginning of the reporting period	(6,253,305)	198,422	13,354,938	7,300,056	5,700,984
Dividends	-	-	-	-	-
Balance at the end of the reporting period	**(6,253,305)**	**198,422**	**13,354,938**	**7,300,056**	**5,700,984**

Notes:

1 **Retained Earnings**: This Reserve represents the cumulative profits / losses of the Company. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

2 **Remeasurements of the net defined benefits plan**: This reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

3 **Fair value of corporate guarantee :** This represents Fair value measuremet of corporate guarantee provided jointly by Shilpa Medicare Ltd & Shilpa Pharma lifesciences Ltd to IDFC First Bank Ltd in respect of term loan advanced to the company.

As per our Report of even dated
For Bohara Bhandari Bung and Associates LLP
Chartered Accountants
Firm Regn No. 008127S/S200013

For and on behalf of the Board of Directors of
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Shilpa Biocare Private Limited

(Formerly known as Shilpa Albumin Private Ltd)

(All amounts are in Indian Rupees unless otherwise stated)

13 Equity Share Capital

Particulars	As at 31.03.2024	As at 31.12.2023
Authorised		
Equity shares		
2,00,00,000 Shares of Rs. 10/- each par valuev (PY 1,00,00,000 Shares of Rs.10/- Each)	200,000,000	200,000,000
Issued subscribed & fully paid up		
Equity shares		
2,00,00,000, Rs. 10/- each par value	200,000,000	200,000,000
TOTAL	**200,000,000**	**200,000,000**

a) Reconciliation of the number of shares.

Particulars	As at 31.03.2024		As at 31.03.2023	
	No.s	Amount	No.s	Amount
Shares outstanding at the beginning of the year	20,000,000	200,000,000	20,000,000	200,000,000
Shares Issued during the year face Value of Rs.10/-	-	-		
Shares outstanding at the end of the year	20,000,000	200,000,000	20,000,000	200,000,000

b) Shareholders holding more than 5% shares in the Company

Particulars	31.03.2024	31.03.2024	31.03.2024	31.03.2023	31.03.2023	31.03.2023
	No.s	Amount	% of Holding	No.s	Amount	% of Holding
1) Shilpa Medicare Ltd*	19,999,999	199,999,999	99.99%	19,999,999	199,999,999	99.99%

*Note: The above figures include 1 share held by Ramakant Innani in the representative capacity on behalf of Shilpa Medicare Ltd.

c) Shares held by promoters at the end of the year

Promoter Name	31.03.2024			31.03.2024		
	No of Shares	%of total shares	% of Change during the year	No of Shares	%of total shares	% of Change during the year
1) Shilpa Medicare Ltd	19999999	100%	0%	19999999	100%	0%

Rights and Restrictions attached to Equity Shares

1 The Company has issued Equity shares having face value of Rs.10/- per share. Each Share Holder is eligible for one vote per share. In case dividend is proposed by the Company it will be subject to the approval of the Board of Directors. In the event of liquidation, the equity share holders are eligible to receive balance assets remaining after repayment to all the preferential share capital holders, in the in proportion to their equity holding.

As per our report of even date attached
for **Bohara Bhandari Bung And Associates LLP**
Chartered Accountants
(Firm's Regn No.008127S/S-200013)

Sd/-

CA. Yogesh R Bung
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Place : Raichur
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Amarnath Datturao Sulakhe
Chief Financial Officer

Place : Raichur
Date : 22/05/2024

NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION

Shilpa Biocare Private Limited is a Private Limited Company incorporated on 20/07/2021, with its registered office at 12-6-214/A-1, Shilpa House Hyderabad Road, RAICHUR -584135 Karnataka. Presently, the Company is engaged in the business of Biotechnology using sophisticated technology meticulously in order to comply with laid down international standards/specifications. The company is a wholly owned subsidiary of Shilpa Medicare Limited. Further, the company's manufacturing facility situated at Kadechur, Dist : Yadgiri is in the under the erection stage as at the balance sheet date.

1. **Basis of Preparation**

a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 to the extent applicable and the other relevant provisions and presentation requirements of Division II of Schedule III to the Act, as applicable.

The financial statements of the Company for the year ended March 31, 2024 were approved by the Board of Directors on 22/05/2024.

The financial statements have been prepared to comply in all material aspects with applicable accounting principal in India and as notified under the Companies Act, 2013 and the other relevant provisions of the Act.

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities as specified and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

b) Functional and Presentation currency:

These financial statements are presented in Indian rupees ("INR") which is also the Company's functional currency. All amounts have been reported in Indian Rupees, except for share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

c) Critical accounting Estimates and Judgements:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively. The changes in the estimates are reflected in the Standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Standalone financial statements.

The areas involving critical estimates or judgments are:

- Estimation of Useful life of Property, plant and equipment and intangibles (Note 1.1 (a) & (b))
- Estimation of impairment (Note 1.1(c))
- Measurement of defined benefit obligation (Note 1.1 (f))
- Recognition of deferred taxes (Note 1.1(j))
- Provision for income taxes and related tax contingencies. (Note 1.1(j))
- Estimation of provision and contingent liabilities (Note 1.1(k))

1.1 Material Accounting Policies

a) Property, Plant and Equipment & Depreciation:

i. Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

ii. Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest. Capital work-in-progress (CWIP) includes cost of property, plant and equipment under installation/under development as at the balance sheet date. Directly attributable expenditure (including finance costs relating to borrowed funds/general borrowings for construction or acquisition of property, plant and equipment) incurred on project under implementation are treated as pre-operative expenses pending allocation to the asset and are shown under CWIP.

iii. Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation on Fixed Assets is provided on ascertain useful life of assets under Straight Line Method (SLM) prescribed in Schedule II of the Companies act-2013, with exception of those assets whose useful life is ascertain by the management.

v. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	**Asset Classification**	**Management estimate of useful life**	**Useful life as per Schedule III**
Building	Building	30 years	30 years
Plant and equipment (including Electrical installation and Lab equipment	Plant & Machinery	8-20 years	8-20 years
Computers & servers	Plant & Machinery	3-6 years	3-6 years
Office Equipment	Plant & Machinery	5 years	5 years
Furniture & fixtures	Furniture & fixtures	10 years	10 years
Vehicles	Vehicles	6-10 years	6-10 years

vi. Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

vii. The Company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year.

viii. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under “Other Non-current Assets.”

b) Intangible Assets:

I. Recognition and measurement

Intangible assets are recognized 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 stated at cost less accumulated amortization. Cost includes only such expenditure that is directly attributable to making the asset ready for its intended use.

Expenditure on research activities is recognised in statement of profit and loss as incurred.

Intangible assets are amortized over their useful life.

II. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on brands, is recognised in statement of profit and loss as incurred.

c) Impairment of Assets:

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and fair value less cost of disposal. Value in use is computed at net present value of cashflow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Profit and Loss Account in the year in which an asset is identified as impaired.

d) Right of Use Assets

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

e) Inventory:

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Provisions are made towards slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which consideration of product lines and market conditions.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

f) Employee Benefits:

I. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. 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 obligation can be estimated reliably.

II. Defined Contribution plans

Contribution towards Provident Fund for employees is made to the regulatory authorities, where The Company has no further obligations. Such benefits are classified as Defined Contribution schemes as The Company does not carry any further obligations, apart from the Contributions made on a monthly basis.

III. Post-employment benefits:
Gratuity

Gratuity liability is defined benefit obligation and is provided on the basis of an actuarial valuation on projected unit credit method made at the end of each year.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in other comprehensive income (OCI). Net interest expense/(income) on the net defined (liability)/assets is computed by applying the discount rate, used to measure the net defined (liability)/asset. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss

Provident Fund

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee’s salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions. Company’s contribution to the provident fund is charged to Statement of Profit and Loss.

g) Leases

Company as a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

h) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Sale of products:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc.

(iii) Other Income

i. Interest Income is recognized using the Effective interest rate (EIR) method.

i) Financial Instrument:

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

(I) Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

(a) Financial Asset measured at amortized cost
Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

(a) Trade receivables

(b) Loans

(c) Other financial assets

(b) Financial Assets Measured at fair value through other comprehensive income
Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Financial Assets at fair value through profit or loss (FVTPL)
Financial Asset are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of Profit & Loss.

Equity Instruments
All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

De-recognition of Financial Assets:
Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the statement of Profit & Loss.

Impairment of Financial Assets:
In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance

(b) Financial Assets that are debt instruments and are measured at FVTOCI.

(c) Lease receivables under Ind AS 17.

(d) Trade receivables or any contractual right to receive cash or another financial asset

(e) Loan commitments which are not measured at FVTPL

(f) Financial guarantee contracts which are not measured at FVTPL

(II) Financial Liability

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other Financial Liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

j) **Taxes on Income:**

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

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

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.

Deferred income tax assets and liabilities are measured using the tax rates and 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 recognised as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognised to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilised. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

k) **Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past events 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. If effect of the time value of money is material, provisions are discounted using an appropriate discount rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the Standalone financial statements.

l) Foreign Currency Transactions/Translations:

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the Transaction.

Translations

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange Differences

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognised in the Statement of Profit and Loss in the period in which they arise as income or as expense.

m) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

n) Earnings per share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

o) Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit for the period 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 items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

p) Cash and Cash Equivalents

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

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

q) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

r) Recent accounting pronouncements:

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

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2 PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block					Depreciation / Adjustment				Net Block
	As at 01 April, 2023	Additions	Deduction/ Adjustment during the Year	Adjustment through slump sale	As at 31 Mar, 2024	As at 01 April, 2023	For the period	Deduction/ Adjustment during the Year	As at 31 Mar, 2024	As at 31 Mar, 2024
a) Borewell	215,100	-	-	-	215,100	81,740	40,865	-	122,605	92,495
b) Factor Building	-	149,326,975	-	-	149,326,975		155,039	-	155,039	149,171,936
c) Computer	-	1,933,725	-	-	1,933,725	-	20,077	-	20,077	1,913,648
d) Electrical Installations	-	120,993	-	-	120,993	-	377	-	377	120,616
e) Furniture and Fixture	-	81,400	-	-	81,400	-	254	-	254	81,146
f) Network Server Equipment	-	126,460	-	-	126,460	-	656	-	656	125,804
g) Office Equipment	-	123,295	-	-	123,295	-	768	-	768	122,527
h) Plant & Machinery	-	210,903,071	-	-	210,903,071	-	328,475	-	328,475	210,574,596
Total	**215,100**	**362,615,919**	**-**	**-**	**362,831,019**	**81,740**	**546,512**	**-**	**628,251**	**362,202,768**

2 PROPERTY, PLANT & EQUIPMENT

Particulars	Gross Block					Depreciation / Adjustment				Net Block
	As at 01 April, 2022	Additions	Deduction/ Adjustment during the Year	Adjustment through slump sale	As at 31 Mar, 2023	As at 01 April, 2022	For the period	Deduction/ Adjustment during the Year	As at 31 Mar, 2023	As at 31 Mar, 2023
a) Borewell	215,100	-	-	-	215,100	40,866	40,874	-	81,740	133,360
Total	**215,100**	**-**	**-**	**-**	**215,100**	**40,866**	**40,874**	**-**	**81,740**	**133,360**

3 RIGHT OF USE ASSETS

Particulars	Gross Block					Depreciation / Adjustment				Net Block
	As at 01 April, 2023	Additions	Deduction/ Adjustment during the Year	Adjustment through slump sale	As at 31 Mar, 2024	As at 01 April, 2023	For the period	Deduction/ Adjustment during the Year	As at 31 Mar, 2024	As at 31 Mar, 2024
a) Right of Use Assets	67,246,973	-		-	67,246,973	-	1,029,167		1,029,167	66,217,806
Total	**67,246,973**	**-**	**-**	**-**	**67,246,973**	**-**	**1,029,167**	**-**	**1,029,167**	**66,217,806**

Particulars	Gross Block					Depreciation / Adjustment				Net Block
	As at 01 April, 2022	Additions	Deduction/ Adjustment during the Year	Adjustment through slump sale	As at 31 Mar, 2023	As at 01 April, 2022	For the period	Deduction/ Adjustment during the Year	As at 31 Mar, 2023	As at 31 Mar, 2023
a) Right of Use Assets	67,246,973	-	-	-	67,246,973	-	1,029,167		1,029,167	66,217,806
Total	**64,350,000**	**-**	**-**	**-**	**67,246,973**	**-**	**1,029,167**	**-**	**1,029,167**	**66,217,806**

4 CAPITAL WORK IN PROGRESS

Particulars	As at 01 April, 2022	Additions	Deduction/ Adjustment during the Year	As at 31 Mar, 2023	Additions	Deduction/ Adjustment during the Year	As at 31 Mar, 2024
a) Project under erection	229,725,976	1,611,633,673	-	1,841,359,649	1,514,522,706	381,180,323	2,974,702,032
Total	**229,725,976**	**1,611,633,673**	**-**	**1,841,359,649**	**1,514,522,706**	**381,180,323**	**2,974,702,032**

5 INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	Gross Block					Depreciation / Adjustment				Net Block
	As at 01 April, 2023	Additions	Deduction/ Adjustment during the Year	Adjustment through slump sale	As at 31 Mar, 2024	As at 01 April, 2023	For the period	Deduction/ Adjustment during the Year	As at 31 Mar, 2024	As at 31 Mar, 2024
a) Patent	570,894,174	61,255,615	-	-	632,149,789	-	-	-	-	632,149,789
Total	**570,894,174**	**61,255,615**	**-**	**-**	**632,149,789**	**-**		**-**	**-**	**632,149,789**

5 INTANGIBLE ASSET UNDER DEVELOPMENT

Particulars	Gross Block					Depreciation / Adjustment				Net Block
	As at 01 April, 2022	Additions	Deduction/ Adjustment during the Year	Adjustment through slump sale	As at 31 Mar, 2023	As at 01 April, 2022	For the period	Deduction/ Adjustment during the Year	As at 31 Mar, 2023	As at 31 Mar, 2023
a) Patent	500,000,000	70,894,174	-	-	570,894,174	-	-	-	-	570,894,174
Total	**500,000,000**	**70,894,174**	**-**	**-**	**570,894,174**	**-**		**-**	**-**	**570,894,174**

Shilpa Biocare Private Limited

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(All amounts are in Indian Rupees unless otherwise stated)

6 Other Financial Assets

Particulars	As at 31.03.2024	As at 31.03.2023
1) Deposit with GESCOM, Saidapur (Refer note 44)	1,088,730	194,930
2) Deposit with KIADB - Water Deposit (Refer note 44)	145,000	-
Total	**1,233,730**	**194,930**

7 Deferred Tax Asset

Particulars	As at 31.03.2024	As at 31.03.2023
1) Deferred tax Liabilities (Difference in tax base of property,plant, equipment & others)	(8,906,406)	(2,168,778)
2) Deferred tax Assets (On account of losses under Income tax act,1961 & others)	7,331,325	3,246,243
Total	**(1,575,081)**	**1,077,465**

8 Other non-current assets

Particulars	As at 31.03.2024	As at 31.03.2023
1) Capital Advances (Refer note 44)	61,101,210	298,290,557
2) TCS Receivable - 2022-23	-	115,649
3) Others -Fixed deposit having maturity more then 12 month held as Security	1,000,000	1,000,000
4) Income accured and due	98,763	46,334
5) Financial Benefit on the Corporate Guarantee received from the Holding Company	9,386,148	6,667,786
Total	**71,586,121**	**306,120,325**

9 INVENTORIES

Particulars	As at 31.03.2024	As at 31.03.2023
1) Raw materials	2,126,499	-
2) Packing material	8,000	-
3) Finished goods	2,512,500	-
Total	**4,646,999**	**-**

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10 TRADE RECEIVABLES (Refer note 34 & 44)

Particulars	As at 31.03.2024	As at 31.03.2023
1) Unsecured, considered good	3,383,875	-
Total	**3,383,875**	**-**

11 Cash and Cash Equivalents

Particulars	As at 31.03.2024	As at 31.03.2023
1) Cash on hand	3,049	3,049
2) Balance with banks in current account	339,796	517,518
Total	**342,845**	**520,567**

12 Other Current Assets

Particulars	As at 31.03.2024	As at 31.03.2023
1) Advances to Supplier/ Receivables (Refer note 44)	299,185	314,000
2) Staff advance	34,090	21,229
3) Medical Inurance deduct from Salary	-	-
4) Prepaid Insurance	13,138	13,020
5) GST Receivable (Refer note 44)	146,679,598	108,846,941
6) Financial Benefit on the Corporate Guarantee received from the Holding Company	3,129,506	1,671,513
Total	**150,155,518**	**110,866,703**

14 Other Equity

Particulars	As at 31.03.2024	As at 31.03.2023
1) Retained Earnings		
Opening Balance	(3,370,596)	(2,590,409)
Profit / (Loss) for the Period	(2,882,708)	(780,188)
Closing Balance	(6,253,305)	(3,370,596)
2) Other Comprehensive Income (OCI)		
a) Remeasurement of defined benefit Plan	198,422	(20,926)
3) Fair value of Corporate guarantee	13,354,938	9,092,507
Total	**7,300,056**	**5,700,984**

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15 Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured Loan from		
1) Shilpa Medicare Ltd	2,146,728,636	1,648,262,276
Terms of repayment Term loan from Holding company is re-payable over a period of 8 years including moratarium of 5 years. The re-payment will made in 12 Quarterly installments including interest accrued there on.		
Rate of Interest Interest is charged at 7.5 % per annum		
Secured Loan from		
1) IDFC First Bank	1,101,599,490	642,906,010
Rate of Interest The interest rate ranges between 9.15% p.a to 10.15% p.a for current & previous year.		
Terms of repayment The term loan of Rs. 150 Cr was sanctioned by the bank on 27.09.2022. The said loan is repayable in 17 quarterly installments after 6 months from Date of commencement of operations. The term loans is secured by way of first charge on Current assets & Fixed assets of the company (both present & future) and Corporate Gurantee, jointly provided by Shilpa Medicare Limited (Holding Co) & Shilpa Pharma Lifesciences Limited.		-
Total	**3,248,328,126**	**2,291,168,286**

16 Provisions

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for Employee benefits		
- Provision for gratuity	369,143	691,772
Total	**369,143**	**691,772**

17 Other Financial Liability

Particulars	As at 31.03.2024	As at 31.03.2023
Interest accured but not due on borrowings	129,528,502	83,866,360
Total	**129,528,502**	**83,866,360**

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18 Borrowings

Particulars	As at 31.03.2024	As at 31.03.2023
Current maturities of long-term debt	146,956,112	-
Total	**146,956,112**	**-**

19 Trade Payable -Refer Note 33, 44 & 47

Particulars	As at 31.03.2024	As at 31.03.2023
a) Trade Payable due to micro and small enterprises	5,664,000	36,000
b) Trade Payables due to other than micro and small enterprises	4,697,756	297,203
Total	**10,361,756**	**333,203**

20 Other financial liabilities -(Refer note 44)

Particulars	As at 31.03.2024	As at 31.03.2023
Capital Creditors	502,504,952	300,500,602
Total	**502,504,952**	**300,500,602**

21 Other Current Liability

Particulars	As at 31.03.2024	As at 31.03.2023
1) Tax deduction at source	15,359,965	11,410,668
2) ESI, Professional Tax, Etc.	8,132	4,400
3) Provident fund and Other funds Payable	198,445	217,491
4) Bonus Payable	775,144	991,966
5) Salary Payable	1,804,244	1,912,676
6) Advances from Customers (Refer note 44)	1,450,546	-
Total	**19,596,476**	**14,537,201**

22 Provision

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for Employee benefits		
1) Provision for gratuity	1,379	2,074
Others		
1) Provision for Audit Fee	99,900	27,900
2) Provision for Electricity Charges	-	111,460
3) Provision for Other Expenses	-	445,139
Total	**101,279**	**586,573**

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23 REVENUE FROM OPERATION

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
1) Sales of Products	3,040,000	-
Total	**3,040,000**	**-**

24 Other Income

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Interest on Fixed Deposit	57,186	46,334
Interest on Income Tax refund	5,715	500
Total	**62,901**	**46,834**

25 COST OF MATERIAL CONSUMED

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Opening Bal	-	-
Add: Purchases	7,008,725	-
Less: Inventory at the end of the year	2,134,499	-
Cost of raw materials and packing materials consumed	**4,874,226**	**-**
Material consumed comprises of :		
i) Raw material	4,866,226	-
ii) Packing material	8,000	-
Total	**4,874,226**	**-**

26 Changes in inventories of ,finished goods,traded goods and work-in-process

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Opening Inventories		
(i) Finished goods	-	-
(ii)Work-In-process	-	-
Closing Inventories		
(i) Finished goods	2,512,500	-
(ii)Work-In-process		
(Increase) / decrease in inventory	**(2,512,500)**	**-**

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27 Finance Cost

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Guarantee commision on corporate guarantee received from the holding company	2,852,502	753,208
Total	**2,852,502**	**753,208**

28 Other Expenses

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
1) Bank Charges	52,213	24,853
2) Rates & Taxes	76,452	131,233
3) Sundry Expenses	-	476
4) Payment to Auditors (Refer Note No.29)	98,000	52,000
5) Professional & Consultancy Services	195,000	325,540
Total	**421,665**	**534,102**

29 Payment to Statutory Auditors

Particulars	As at 31.03.2024	As at 31.03.2023
1) Statutory Audit	50,000	35,000
2) Limited Review	30,000	12,000
3) Income Tax matters	18,000	5,000
Total	**98,000**	**52,000**

30 Contingent Liabilities

Particulars	As at 31.03.2024	As at 31.03.2023
1) Bank Guarantees.	1,000,000	1,000,000
2) Letter of Credit	-	926,092
3) Claims against the Company not acknowledged as debts	-	-
4) Estimate amount of contract remain to be executed on account of capital commitments not provided for.	283,011,389	1,121,759,128
Total	**284,011,389**	**1,123,685,220**

31 Earning per share

Particulars	As at 31.03.2024	As at 31.03.2023
Net Profit after taxes	(2,882,708)	(780,188)
Weighted Average No of Equity shares	20,000,000	20,000,000
Face Value	10	10
Basic & Diluted EPS	(0.13)	(0.04)

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32 Related Party Transactions

Related parties where control exists and related parties with whom transactions have taken place during the year are listed below

1 Key Management Personnel

a) Madhav Vishnukant Bhutada

2 Holding Company

a) Shilpa Medicare Limited

3 Enterprises having common control

a) Shilpa Pharma Lifesciences Ltd
b) Shilpa Biologicals Pvt Ltd
c) Shilpa therapatics Pvt ltd

SL No	Name of related Party	Descriptions of Transaction	2023-24		2022-23	
			Income /(expense) / capital goods / other transaction	Balance at 31.03.2024 Payable / (Receivable)	Income/(expense) other transaction	Balance at 31.03.2023 Payable / (Receivable)
i	Shilpa Medicare Limited	Purchase(net)	(5,346,455)	-	(2,142,194)	-
		Expense Reimbursed	(1,543,155)	-	(1,993,977)	-
		Other Reimbursment	(357,985)	-	(901,752)	-
		Sales -Domestic	18,275,560	-	-	-
		<u>Unsecured Loan</u>				
		Received during the year	498,466,360	-	1,096,746,076	-
		Repaid during the year	-	-	-	-
		Unsecured Loan	-	2,146,728,636	-	1,648,262,276
		Maximum balance outstanding	-	2,146,728,636	-	1,648,262,276
		Interest on Loan	(143,920,558)	129,528,502	(83,866,360)	83,866,360
		Trade Payable	-	4,742,232	-	326,037
		Corporate guarantee interest expense	1,426,251	-	376,604	-
		Corporate Guarantee received*	-	6,677,469	-	4,546,254
ii	Shilpa therapatics Pvt ltd	Purchase(net)	(225,189)	-	-	-
iii	Shilpa Biological Pvt Ltd	Purchase of Capital Goods	(80,207,058)	-	(70,894,174)	-
		Trade Payable	-	23,150,393	-	18,043,960
iv)	Shilpa Pharma Lifesciences Ltd	Purchase(net)	(30,838)	-	(5,159,814)	-
		Purchase of Capital Goods	(78,112,592)	-	-	-
		Trade Payable	-	81,969,322	-	2,099,122
		Sales -Domestic	288,843	(340,835)	-	-
		Corporate guarantee interest expense	1,426,251	-	376,604	-
		Corporate Guarantee received*	-	6,677,469	(1,500,000,000)	4,546,254

a) The Above disclousers include releated parties as per Ind AS 24 on " Related Party Disclousers" and Companies Act,2013.
b) the Outstanding liabilities against corporate gurantees given to bank on behalf of Shilpa Biocare Pvt Ltd is for the period ended 31.03.2024 is Rs. 1,24,85,55,602/- (PY 64,29,06,010/-)

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33 Trade Payables aging schedule -31.03.2024

Particulars	Outstanding for following periods from due date of Payment				
	Less than 1	1-2 years	2-3 Years	More than 3 years	Total
i) Total Outstanding dues to micro and small enterprises	5,664,000	-	-	-	**5,664,000**
ii) Total Outstanding dues of other than micro and small enterprises	4,697,756	-	-	-	**4,697,756**
iii) Disputed dues - MSME	-	-	-	-	**-**
(iv)Disputed dues -Others	-	-	-	-	**-**

Trade Payables aging schedule -31.03.2023

Particulars	Outstanding for following periods from due date of Payment				
	Less than 1	1-2 years	2-3 Years	More than 3 years	Total
i) Total Outstanding dues to micro and small enterprises	36,000	-	-	-	**36,000**
ii) Total Outstanding dues of other than micro and small enterprises	-	297,203	-	-	**297,203**
iii) Disputed dues - MSME	-	-	-	-	**-**
(iv)Disputed dues -Others	-	-	-	-	**-**

34 Trade Receivables aging schedule -31.03.2024

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	3,383,875	-	-	-	**3,383,875**
Total	**3,383,875**	**-**	**-**	**-**	**3,383,875**

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	-	-	-	-	**-**
Total	**-**	**-**	**-**	**-**	**-**

35 Capital-Work-in Progress (CWIP) -31.03.2024

Particulars	Amount in CWIP for a period of				
	Less than 1	1-2 years	2-3 Years	More than 3 years	Total
i) Projects in progress	2,426,453,276	451,978,137	91,864,694	4,405,926	**2,974,702,033**
ii) Projects temporarily suspended	-	-	-	-	**-**

-

Capital-Work-in Progress (CWIP) -31.03.2023

Particulars	Amount in CWIP for a period of				
	Less than 1	1-2 years	2-3 Years	More than 3 years	Total
i) Projects in progress	1,726,267,864	112,274,923	2,816,862.00	-	**1,841,359,649**
ii) Projects temporarily suspended	-	-	-	-	**-**

36 Intangible assets under development -31.03.2024

Particulars	Amount in CWIP for a period of				
	Less than 1	1-2 years	2-3 Years	More than 3 years	Total
i) Projects in progress	61,255,615	70,894,174	500,000,000	-	**632,149,789**
ii) Projects temporarily suspended	-	-	-	-	**-**

Intangible assets under development -31.03.2023

Particulars	Amount in CWIP for a period of				
	Less than 1	1-2 years	2-3 Years	More than 3 years	Total
i) Projects in progress	70,894,174	500,000,000	-	-	**570,894,174**
ii) Projects temporarily suspended	-	-	-	-	**-**

37 Financial Ratios

Sl No	Particular	Numerator	Denominator	31st March 2024	31st March 2023	Variation %	Reasons for variance of above 25%
1	Current Ratio(in times)	Current Assets	Current Liabilities	0.23	0.35	-33.82%	Variance is primarily on account of significant increase in trade payables during the year.
2	Debt Equity Ratio(in times)	Total Debt	Share holder equity	16.38	11.14	47.05%	Variance is primarily on account of substantial increase in the loan borrowed during the year.
3	Debt service coverage ratio(in times)	Earnings available for debt service	debt service	0.003	(0.037)	-108.34%	Variance is primarily on account of significant increase in interest cost paid during the year.
4	Inventory turnover ratio(in times)	Sales	Inventory	0.65	-	100.00%	Increase is primarily due to no inventories exited during FY 2022-23.
5	Return on equity(in %)	Net profit after taxes	Average shareholders equity	(0.01)	(0.00)	260.64%	Increase is primarily on account of increase in losses incurred during the year.
6	Trade receivable turnover ratio(in times)	Revenue	Trade Receivables	0.90	-	100.00%	Increase is primarily due to no receivables exited during FY 2022-23.
7	Trade payble turnover ratio(in times)	Purchase for trade and services	Average Trade Payables	1.31	-	100.00%	Variance is Primarily, FY YR 22-23, there is no Trade Payable releated to Purchase of Material
8	Net Capital turnover ratio(in times)	Revenue	Working Capital	-	-	-	-
9	Net Profit ratio(in %)	Net Profit	Revenue	(1.00)	-	100%	Variance is on account sales made by company during the year.
10	Return on Capital Employed(%)	Earning Before Interest and Tax	Capital Employed	0.01%	(0.00)	-142.47%	Variance is primarily on account of significant increase in the loan borrowed during the year.
11	Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	-	-	-	The Company has not made any investments during the period ended 31 March 2024 and 31 March 2023 respectively. Accordingly, the ratio pertaining to Return on investment has not been disclosed.

(All amounts are in Indian Rupees unless otherwise stated)

38 EMPLOYEE BENEFIT DEFINED CONTRIBUTION PLANS

Particulars	As at 31 March 2024	As at 31 March 2023
Defined Contribution Plan		
Provided fund	1,020,495	1,204,672
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	693,846	314,597
Service cost	241,803	429,392
Interest on defined benefit obligation	39,403	19,498
Benefits settled	-	-
Divestures (Demerger)	-	-
Actuarial (gain)/loss	-	-
Obligations at year end	**975,052**	**763,487**
ii) Change in plan assets		-
Plans assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Benefits payout	- 339,744	(97,920.00)
Plans assets at year end, at fair value	**- 339,744**	**- 97,920**
iii) Amount recoginised in the balance sheet		
Closing BPO	975,052	763,487
Closing fair value of plan assets	-	-
Net asset/(liability) recognized in the balance sheet	**635,308**	**665,567**
iv) Expenses recognised in the statement of P & L account		
Service cost		
Interest cost		
Expected return on plan assets	-	-
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	(97,934.00)	(174,606.00)
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	7,344.00	97,607.00
Actuarial (Gain)/ Losses due to Experience on DBO	(174,196.00)	105,278.00
Return on Plan Assets (Greater) / Less than Disount rate	-	-
Total actuarial (gain)/loss included in OCI	**(264,786.00)**	**28,279.00**
v) Assets Information		
i) Insured (fund is managed with Life insurance corporation of India)	-	-
%	-	-
ii) Non fund based (Company manages at its own)	370,522.00	693,846.00
%	-	-
vi) Principal actuarial assumptions		
Interest rate		
Discount rate (based on the market yields available on Government bond at the accounting date with a term that matches that of the Liabilities)	7.23%	7.52%
Expected rate of return on assets	7.23%	7.52%
Salary increase (taking into account inflation, seniority, promotion and other relevent factor)	10%	10%
Attrition rate of employees	5.00%	5.00%
Retirement age of employees (Years)	58 Years	58 Years

Actuarial gain / loss is recognised immediately. The estimates of salary increase,inflation, promotion, Seniority etc taken in account. The Company has various schemes (funded/unfunded) for payment of gratuity to all eligible employees calculated at specific no. of days (ranging from 15 days to 1 month) of the last drawn salary depending upon tenure of service for each year of completed service subject to minimum of five years payable at the time of separation upon superannuation or on exit otherwise.

Sensitivity Analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis does not recognise the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions are as below:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Decrease	**Increase**	Decrease	Increase
Discounted rate	7.32%	-6.59%	9.22%	-8.09%
Salary increase	-6.56%	7.14%	-8.07%	9.00%
Attriation rate	3.32%	-3.18%	3.43%	-3.24%

Sensitivity of signification acturial assumptions is computed by varying one acturial assumption used for the valuation of defined benefit obligation by 100 basis points keeping all other acturial assumption constant.

39 Fair value measurement hieratchy

Particulars	FVTPL	FVTOCI	Amortised cost	Total
31.03.2024				
Non-current Assets				
Investments	-	-	-	-
Loans	-	-	-	-
Other Financial Asset	-	-	1,233,730	1,233,730
Current Financial Assets				
Cash & Bank Balance	-	-	342,845	342,845
.	-	-	3,383,875	3,383,875
Total	**-**	**-**	**4,960,450**	**4,960,450**
Non-Current Financial Liability				
Borrowings	-	-	3,395,284,238	3,395,284,238
Other financial liabilities			129,528,502	129,528,502
Current Financial Liability				
Trade payables	-	-	10,361,756	10,361,756
Other financial liabilities	-	-	502,504,952	502,504,952
Total	**-**	**-**	**4,037,679,448**	**4,037,679,448**
31.03.2023				
Non-current Assets				
Investments	-	-	-	-
Loans	-	-	-	-
Other Financial Asset	-	-	194,930	194,930
Current Financial Assets				
Cash & Bank Balance	-	-	520,567	520,567
Trade Receivable	-	-	-	-
Total	**-**	**-**	**715,497**	**715,497**
Non-Current Financial Liability				
Borrowings	-	-	2,291,168,286	2,291,168,286
Other financial liabilities			83,866,360	83,866,360
Current Financial Liability				
Trade payables	-	-	333,203	333,203
Other financial liabilities	-	-	300,500,602	300,500,602
Total			**300,833,806**	**300,833,806**

Fair value hierarchy
The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

• Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

• Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

40 Financial Risk Management
The Company's activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The Company focuses on minimizing potential adverse effect on its financial performance.

(A) Market Risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The changes in the values of financial assets / liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price RIsk).

(i) Foreign Currency Risk
The Company does operate internationally, however it is exposed to foreign exchange risk through importing capex materials in foreign currency and has no Forward/hedge agreements.

Particulars	31-Mar-24			31-Mar-23		
	USD	EURO	CHF	USD	EURO	CHF
Financial Assets						
Other financial assets	-	-	-	-	-	-
Financial liabilities						
Other financial Liabilities	-	(32,200)	-	-	(42,554)	-
Total	**-**	**(32,200)**	**-**	**-**	**(42,554)**	**-**

(ii) Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company does not have any floating rate borrowings and hence there is no interest rate risk.

(iii) Price Risk

Company does not have any exposure to price risk, as there is no market based equity instrument made by the Company.

(B) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk is arises from its operation activity primarily from trade receivable and from its financial activity . Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted.

(C)Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations of its financial liability.The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making payment towards liability when they are due, under normal and stressed condition without incurring losses and risk.

The financial needs are taken care by the Holding Company and that there are no outside liabilities hence no liquidity risk is perceived.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2024

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	-	-	-	-
Long term borrowings	-	146,956,112	3,248,328,126	-
Other Financials Liability		632,033,454	-	-
Trade and other payable	-	10,361,756	-	-
Total	**-**	**789,351,322**	**3,248,328,126**	**-**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2023

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	-	-	-	-
Other Financials Liability	-	384,366,962	-	-
Long term borrowings		-	2,291,168,286	-
Trade and other payable	-	333,203	-	-
Total	**-**	**384,700,166**	**2,291,168,286**	**-**

41 **Capital Management**

The Company's objectives when managing capital are to:

i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

ii) Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

Particlars	31-Mar-24	31-Mar-23
Net Debt	3,395,284,238	2,291,168,286
Total Equity	207,300,056	205,700,984
Debt Equity Ratio	**16.38**	**11.14**

42 **(I) Income Tax**

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Amount recognised in Statement of pro□t and loss		
Current Tax	-	-
Deferred Tax	-159,317	-460,288
Tax expense for the year	**-159,317**	**-460,288**
Profit before tax	**-3,042,025**	**-1,240,476**
Effective tax rate	17.16%	26%
Tax at enacted tax rate applicable to the company	-522,012	-322,524
Effect of:		
Non-deductible expenses for tax purpose	489,489	195,834
Others	(126,795)	(333,599)
Income tax expense	**-159,317**	**-460,288**

(II) Recognised Deferred Tax Assets / Liability

Movement of Deferred Tax Assets / Liabilities	As at 31 March, 2024	As at 31 March, 2023
Opening Balance	**1,077,465**	**609,824**
Deffered Tax Liabilities		
Property, plant and equipment, and intangible assets	3,971,201	5,594
Others	(20,531)	2,168,218
Gross Deffered Tax Liability	**3,950,670**	**2,173,812**
Deffered Tax Assets		
Accumulated losses	3,778,994	178,796
Fair Valuation of Corporate Guarantee	(2,364,052)	2,364,052
Employees benefit liability	(116,818)	98,605
Gross Deffered Tax Assets	**1,298,124**	**2,641,453**
Net Deffered (Liability) / Asset	**(1,575,081)**	**1,077,465**

(III) Movement of deferred tax assets / liability

Particulars	As at 01 April, 2023	Recognised in statement of profit & loss	Recognised in OCI	Upon fair valuation of financial liability	As at 31 March, 2024
Deffered Tax Assets					
Defined benefit obligations/Employees benefit liabilities	180,400	-71,381	-45,437	-	63,582
Accumulated losses	701,792	3,778,994	-	-	4,480,786
Others	2,364,052	422,906	-	-	2,786,958
Total	**3,246,243**	**4,130,518**	**-45,437**	**-**	**7,331,325**
Deffered Tax Liabilities					
Property, plant and equipment, and intangible assets	560	3,971,201	-	-	3,971,761
Others	2,168,218	-	-	2,766,426	4,934,644
Total	**2,168,778**	**3,971,201**	**-**	**2,766,426**	**8,906,406**
Net Deffered Liabilities recognised	**-1,077,465**	**-159,317**	**45,437**	**2,766,426**	**1,575,081**

43 OPERATING LEASE

The Company has entered into lease agreements for use of land for its production and R&D facility which expires over a period. Future minimum lease payments and payment profile of non-cancellable operating leases are as under:

(a) Land

Particulars	As at 31 March 2024	As at 31 March 2023
Not later than one year	-	-
Later than one year and not later than five year	-	3,250,000
Later than five years	64,350,000	61,100,000
Total	**64,350,000**	**64,350,000**

44 Balances of Trade receivables/ Trade payables / Advances / GST and Security deposits are subject to Confirmation & Reconciliation.

45 In the opinion of the Board, all assets other than Property, Plant & equipment, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.

46 <u>Additional Regulatory Information</u>

46.01 Title deeds of immovable properties

The Company is not holding any immovable property in its name (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) hence reporting under this clause is not applicable .

46.02 Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

46.03 Details of benami property held

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

46.04 Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

46.05 Relationship with struck off companies

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

46.06 Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

46.07 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

46.08 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 previously in the books of account

46.09 Details of crypto currency or virtual currency

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

46.10 Utilisation of borrowings availed from banks and financial institutions

No funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

47 **Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development('MSMED') Act, 2006**

Particulars	As at 31st March,2024	As at 31st March,2023
a. Principal and interest amount remaining unpaid	5,664,000	36,000
b. Interest due thereon remaining unpaid*	-	-
c. Interest paid by the Company in terms of Section 16 of the	-	-
d. Interest due and payable for the period of delay in making	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding	-	-

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

The company has not provided for any interest on balances of trade payables outstanding for more than 45 days based on the historical data where no such claims have been made against the company by any of its vendors / suppliers.

48 All Figures have been rounded off to the nearest rupees.

49 Figures of the previous year have been regrouped or rearranged wherever necessary.

The accompanying significant accounting policies and notes form an integral part of the financials statements.

As per our even report attached
for Bohara Bhandari Bung & Associates LLP
Chartered Accountants
Firm's registration No.008127S/S200013
Sd/-

CA. Yogesh R Bung
Partner
M.No.143932

Place/Camp : Raichur
Date : 22/05/2024

For and on behalf of the Board of Directors of
Shilpa Biocare Private Limited

Sd/-
Madhav Vishnukanth Bhutada
Managing Director
DIN No.08222055

Sd/-
Ramakant Innani
Director
DIN No.03222748

Sd/-
Sangeetha Laxmi Kandari
Company Secretary

Sd/-
Amarnath Datturao Sulakhe
Chief Financial Officer

Place/Camp : Raichur
Date : 22/05/2024