



Independent Auditor's Report

To the Members of **Shilpa Pharma Lifesciences Limited**
(Formerly known as Shilpa Corporate Holdings Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SHILPA PHARMA LIFESCIENCES LIMITED** (formerly known as Shilpa Corporate Holdings Private Limited) ("the company"), which comprise the standalone Balance Sheet as at March 31, 2024, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the accompanying standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditors responsibility for the Audit of 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 Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key Audit matters are those matters that in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.





Key Audit Matters	Auditor's Response
<p>Revenue from sale of products and services</p> <p>Refer to Note 1.1(i) of the summary of significant accounting policies to the standalone Ind AS financial statements.</p> <p>Revenue is recognised when the entity has transferred the control for the promised goods or Services or on completion of performance obligation. The Company has a large number of customers operating in various geographies and sale contracts with customers have different terms relating to the recognition of revenue. Terms of sales arrangement, including the timing of transfer of control, Inco terms and identification of</p> <p>Performance obligations in case of service contracts require significant judgement in determining revenue.</p> <p>We identified the recognition of revenue from sale of products and services as a key audit matter as revenue is a key performance indicator and there could be a risk that revenue is recognised in the incorrect period.</p>	<p>Principal audit procedures</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• We evaluated the Company's accounting policies related to revenue recognition and assessed its compliance in terms of Ind-AS 115 'Revenue from contracts with customers';• We performed a walkthrough, evaluated the design and tested the operating effectiveness of controls related to the revenue recognition process;• For revenue from sale of products, we selected samples (including year-end testing of cut-off transactions) and tested the underlying documents, including customer contracts, invoices and shipping documents to assess and analyse the timing of recognition of revenue and contractual terms; Performed trend analysis over revenue as compared to previous periods.• Assessing journal entries posted to revenue to identify unusual items not already covered by our audit testing.• For revenue from sale of services, we selected samples and tested underlying documents and read, analysed the distinct performance obligations in these contracts.• We assessed the disclosures in accordance with Ind AS 115 "Revenue from contracts with customers"

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 scepticism 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph (2)(i) below on reporting under Rule 11(g);
 - c) the standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, standalone statement of changes in equity and the standalone cash flow statement dealt with by this Report are in agreement with the books of account,
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act,
 - f) With respect to the adequacy of internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g) With respect to the Managerial remuneration to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

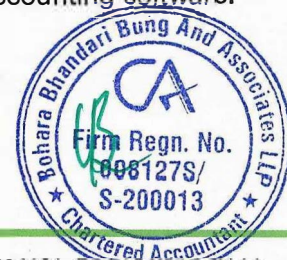




- i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
- ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year.
- vi) 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 at the application level 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.





BOHARA BHANDARI BUNG & ASSOCIATES LLP
CHARTERED ACCOUNTANTS

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's Regn No.008127S/S200013)

CA. Yogesh R Bung

Partner

Membership No. 143932

Place: Raichur

Date: 22.05.2024

UDIN: 24143932BKAEOR9659





Annexure - A to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of Shilpa Pharma Lifesciences Limited (formerly known as Shilpa Corporate Holdings Private Limited), for the year ended March 31, 2024.

- i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
- (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- 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) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the audited books of account.





iii)

- a) (A) According to the information and explanations given to us and on the basis of our examination of the records the company has not made any investments nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms or Limited Liability Partnerships or any other parties during the year. However, it has made investments in one Private Limited Company. Further, it has provided guarantees and granted loans to companies during the year in respect of which the requisite information is provided here under.

Particulars	(Rs. In Lakhs)	
	Guarantees	Loans
<u>Aggregate amount granted/provided during the year</u>		
- Others (Holding Company)	-	1,376.89
- Others (Subsidiaries of Holding Company)	10,000.00	-
<u>Balance outstanding as at balance sheet date in respect of above cases</u>		
- Others (Holding Company)	-	1,376.89
- Others (Subsidiaries of Holding Company)	22,485.55	-

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and stood guarantee to a party other than the holding company and the subsidiary company;

- b) In respect of the aforesaid loans given, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest was stipulated and the repayments were regular as per stipulation.
- d) In respect of the aforesaid loans/advances in nature of loans, there is no amount which is overdue for more than ninety days. Except for the holding company, the Company has not given advances in the nature of loans to any other company during the year.
- e) There were no loans/advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided, as applicable.



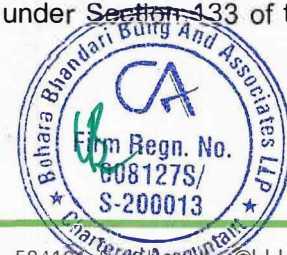


- v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us and on the basis of records of the Company examined by us;
- a) in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, entry tax and other material statutory dues, as applicable, with the appropriate authorities.
- b) there are no statutory dues relating to Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues which have not been deposited on account of any disputes.
- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been previously recorded in the books of account.
- ix) According to the information and explanations given to us and based on records of the Company examined by us;
- a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- b) the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.





- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x) a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- 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.
- xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the Management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures specified under Section 133 of the Act.





- xiv) In our opinion and according to the information and explanation given to us;
- a) the Company has an internal audit system commensurate with the size and nature of its business.
 - b) The internal audit reports of the Company issued for the period under audit have been considered by us.
- xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi) According to the information and explanation given to us;
- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
 - b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
 - c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
 - d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) of the said Order is not applicable.
- xvii) The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the Statutory Auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.





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- xx) The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Bohara Bhandari Bung and Associates LLP

Chartered Accountants

(Firm's Regn No.008127S/S200013)

CA. Yogesh R Bung

Partner

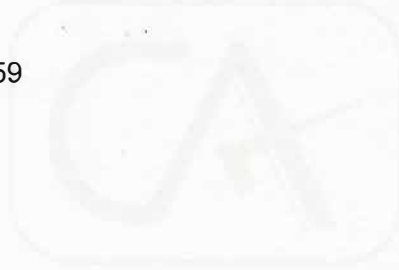
Membership No. 143932



Place: Raichur

Date: 22.05.2024

UDIN: 24143932BKAEOR9659





Annexure – B to the Auditor's Report

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

We have audited the internal financial controls with reference to standalone financial statements of Shilpa Pharma Lifesciences Limited ("the Company") (Formerly known as Shilpa Corporate Holdings Private Limited) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

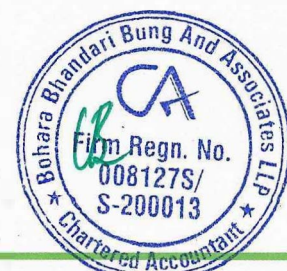
Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud and error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's financial controls with reference to standalone financial statements.





Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements 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 expenditure 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 with Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 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 ICAI.

For Bohara Bhandari Bung and Associates LLP

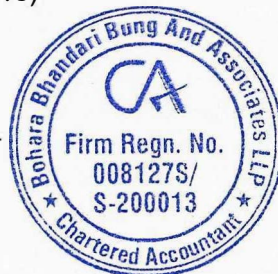
Chartered Accountants

(Firm's Regn No.008127S/S200013)

CA. Yogesh R Bung

Partner

Membership No. 143932



Place: Raichur

Date: 22.05.2024

UDIN: 24143932BKAEOR9659

Shilpa Pharma Lifesciences Limited
(Formerly known as Shilpa Corporate Holdings Private Limited)

Standalone Balance Sheet as at March 31, 2024
(All amount are in Indian Rupees, unless otherwise stated)

Particulars	Note	As at	As at
		31-Mar-24	31-Mar-23
ASSETS			
Non-Current Assets			
(a) Property Plant & Equipment	2	3,416,916,821	3,304,124,078
(b) Capital work- in- progress	3	326,586,161	620,169,401
(c) Intangible assets	2	80,339,529	88,841,960
(d) Intangible assets under development	4	46,656,803	44,836,666
(e) Financial assets		-	-
(i) Investments	5	60,408,767	39,322,407
(ii) Loans		137,689,454	-
(ii) Other financial assets		22,488,491	22,467,287
(f) Other non current assets	6	176,403,936	17,855,074
Total Non-Current Assets		4,267,489,962	4,137,616,871
Current Assets			
(a) Inventories	7	2,344,771,095	2,083,677,229
(b) Financial Assets	8		
(i) Trade Receivables		2,583,581,020	1,964,771,887
(ii) Cash and Cash Equivalents		165,449,527	101,831,103
(iii) Other Financial Assets		2,948,979	2,893,553
(c) Other current assets	9	316,974,430	241,729,938
Total Current Assets		5,413,725,051	4,394,903,711
Total Assets		9,681,215,013	8,532,520,582
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	11	100,000,000	100,000,000
(b) Other Equity	12	1,128,215,327	78,001,047
Total Equity		1,228,215,327	178,001,047
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	3,500,000,000	472,656,261
(b) Provisions	14	169,739,504	144,240,866
(c) Deferred Tax Liabilities (Net)	15	330,427,780	246,746,843
(d) Other Non-Current Financial Liability	16	14,275,211	18,999,597
Total Non Current Liabilities		4,014,442,495	882,643,567
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	2,482,032,643	2,645,853,139
(ii) Trade Payables		1,393,214,733	1,123,311,134
(iii) Other Financial liabilities		288,036,820	3,450,991,792
(b) Other Current Liabilities	18	100,349,590	89,568,407
(c) Provisions	19	124,154,749	112,642,763
(d) Current Tax Liability (Net)	10	50,768,655	49,508,734
Total Current Liabilities		4,438,557,190	7,471,875,968
Total Equity and Liabilities		9,681,215,013	8,532,520,582

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

As per our report of event date attached

for Bohara Bhandari Bung And Associates LLP
Chartered Accountants

(Firm's Regn No.008127S/S200013)

Yogesh. R. Bung
Partner
M.No.143932



for and on behalf of Board of Directors of
Shilpa Pharma Lifesciences Limited

Vishnukant Bhutada
DIN No:01243391
Managing Director

Kamkant innani
DIN No:03222748
Director

Ritu Tiwary
Company Secretary

Alpesh Maheshkumar Dalal
Chief Financial Officer

Santosh Kumar Mahil
Chief Executive Officer

Place : Raichur
Date : 22.05.2024

Place:Raichur
Date: 22.05.2024

Place:Raichur
Date: 22.05.2024



Shilpa Pharma Lifesciences Limited
(Formerly known as Shilpa Corporate Holdings Private Limited)

Standalone Statement of Profit and Loss for the year ended March 31, 2024
(All amount are in Indian Rupees unless otherwise stated)

Particulars	Note	For the Year ended	
		31-Mar-24	31-Mar-23
INCOME			
(a) Total Revenue from operations	20 & 21	8,539,302,855	6,156,111,568
(b) Other Income	22	33,733,372	25,554,749
Total Income		8,573,036,227	6,181,666,317
Expenses			
(a) Cost of materials consumed	23	4,079,692,051	2,671,402,075
(b) Purchases of stock-in-trade	24	-	2,169,200
(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	25	(384,684,048)	25,174,317
(d) Employee benefits expense	26	1,408,784,595	1,044,161,341
(e) Finance costs	27	624,737,411	210,783,784
(f) Depreciation and amortisation expense		252,099,434	172,667,103
(g) Other expenses	28	1,122,188,426	899,371,641
Total expenses		7,102,817,869	5,025,729,460
Profit / (Loss) before Tax		1,470,218,358	1,155,936,857
Tax expense			
i) Current Income tax		323,257,223	274,021,596
ii) Deferred Tax		88,487,337	251,372,122
Total tax expenses		411,744,561	525,393,718
Profit / (Loss) for the year		1,058,473,797	630,543,138
Other Comprehensive Income			
(a) Items that will not be reclassified profit or loss			
Remeasurement of the net defined benefit liability / (asset)		11,037,709	16,515,117
Income Tax relating to the above		(2,778,192)	(2,764,239)
Other Comprehensive (Income) / Loss		8,259,517	13,750,879
Total Comprehensive income for the year		1,050,214,280	616,792,260
Earning per equity share for Rs.10/- face value			
Basic		105.02	61.68
Diluted	30	105.02	61.68
Weighted Average Number of equity shares			
Basic		10,000,000	10,000,000
Diluted		10,000,000	10,000,000

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

As per our report of event date attached

for Bohara Bhandari Bung And Associates LLP
Chartered Accountants
(Firm's Regn No.008127S/S200013)



Yogesh. R. Bung
Partner
M.No.143932



for and on behalf of Board of Directors of
Shilpa Pharma Lifesciences Limited



Vishnukant Bhutada
DIN No:01243391
Managing Director



Ritu Tiwary
Company Secretary

Santosh Kumar Mahil
Chief Executive Officer



Ravakant Innani
DIN No:03222748
Director



Alpesh Maheshkumar Dalal
Chief Financial Officer

Place : Raichur
Date : 22.05.2024

Place:Raichur
Date: 22.05.2024

Place:Raichur
Date: 22.05.2024



Standalone Statement of Cash Flows for the Year ended 31st March 2024
(All amounts are in Indian Rupees unless otherwise stated)

Particulars	For the Year ended	For the Year ended
	31-Mar-24	31-Mar-23
Cash Flows from Operating Activities		
Profits Before Tax (PBT)	1,470,218,358	1,155,936,857
Adjustment for:		
Finance cost	624,737,411	210,783,784
Depreciation & Amortisation	252,099,434	172,067,103
Provision for Gratuity & Compensated absence	36,810,445	18,066,827
Bad debts written off	12,318,749	792,960
Provision for doubtful debts	2,907,030	1,219,675
(Gain)/loss on sale of Assets	(386,692)	(531,844)
Unrealized Ex (Gain) / Loss	(7,731,125)	(9,659,724)
Interest Income	(2,161,858)	(4,096,872)
Corporate Guarantee Income	(13,793,599)	(5,294,878)
Corporate Guarantee cost	10,000,914	-
Amortisation of Capital Subsidy (Grants)	(1,105,800)	(1,496,016)
Operating profit before working capital changes	2,383,913,267	1,541,950,446
Movement in working capital		
Decrease / (Increase) in Other Non-current Financial Assets	(21,204)	(22,467,287)
Slump Sale Consideration Payable		2,787,388,239
Decrease / (Increase) in Other Non-current Assets	(178,635,571)	(1,064,161)
Decrease / (Increase) in financial assets	(55,426)	88,861,629
Decrease / (Increase) in Other current Assets	(74,958,388)	(244,395,217)
Decrease / (Increase) in Inventory	(261,093,865)	(2,083,677,229)
Decrease / (Increase) in Trade receivables	(628,020,247)	(1,956,636,254)
(Decrease) / Increase in Trade payables	270,338,921	1,119,920,475
(Decrease) / Increase in Other financial liabilities	22,698,892	163,983,408
(Decrease) / Increase in Other current liabilities	10,781,183	86,961,365
(Decrease) / Increase in Provisions	(10,837,674)	75,334,297
Net Cash flow generated from Operations	1,534,109,887	1,546,159,712
Taxes paid	(321,997,302)	(222,204,332)
Net Cash flow generated from Operating activities (A)	1,212,112,585	1,323,955,380
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, plant & equipment (Incl. capital work in progress)	(64,318,401)	(3,974,040,663)
Purchase of Intangible assets (Incl. Intangible assets under development)	(7,679,856)	(142,758,988)
Sale of Fixed Assets	1,853,852	549,633
Loan given to Subsidiaries	(137,589,454)	-
Proceeds from Investments (Net)	(19,600,000)	(19,516,445)
Interest received	978,458	3,343,725
Slum sale consideration paid	(3,160,107,896)	-
Net cash used in Investing Activities (B)	(3,386,563,297)	(4,132,422,738)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(627,632,545)	(204,303,495)
Proceeds from Long term borrowings (Net)	3,027,343,739	472,656,261
Proceeds from Short term borrowings (Net)	(163,820,496)	2,639,925,139
Net Cash earned from Financing Activities (C)	2,235,890,699	2,908,277,904
Net Increase/(decrease) in Cash and Cash Equivalents	81,439,989	99,810,547
Cash & Cash Equivalents at the Beginning of the year	101,831,103	15,736
Cash & Cash Equivalents at the end of the year	163,271,092	99,826,284

Components of Cash and Cash Equivalents	31-Mar-24	31-Mar-23
Cash in Hand	1,490,368	796,031
Balance with banks - On current accounts	161,459,159	101,035,071
Effect of exchange differences on cash and cash equivalents held in foreign currency	(2,178,435)	(2,004,819)
Fixed Deposits having Maturity of Less than 03 months	2,500,000	-
Total Cash and Cash Equivalents	163,271,092	99,826,284

Particulars	As at		Cash Flows	Non cash movement	As at	
	April 1, 2023	(Standalone)			March 31, 2024	
Non-current borrowings (including current maturities)	472,656,261	-	3,027,343,739	-	3,500,000,000	
Current borrowings (excluding current maturities)	2,645,853,139	-	(163,820,496)	-	2,482,032,643	

Note:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS 7, 'Statement of Cash Flows' as prescribed under Companies (Accounting Standard) Rules, 2015.
- Purchase of property, plant & equipment and intangible assets includes capital work in progress, capital advance and capital creditors.

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

As per our report of event date attached

for Bohara Bhandari Bung And Associates LLP
Chartered Accountants
(Firm's Regn No.008127S/S200013)

for and on behalf of Board of Directors of
Shilpa Pharma Lifesciences Limited



Yogesh. R. Bung
Partner
M.No.143932





Vishnukant Bhutada
DIN No:01243391
Managing Director

Ranakant Jnani
DIN No:03222748
Director



Ritu Tiwary
Company Secretary

Alpesh Maheshkumar Dalal
Chief Financial Officer

Santosh Kumar Mahil
Chief Executive Officer

Place : Raichur
Date : 22.05.2024

Place:Raichur
Date: 22.05.2024

Place:Raichur
Date: 22.05.2024



Shilpa Pharma Lifesciences Limited
(Formerly known as Shilpa Corporate Holdings Private Limited)
(all amounts in Indian rupees, except share data and where otherwise stated)

Notes to the Standalone Financial Information

11 Equity Share Capital

Particulars	As at	As at
	31.03.2024	31.03.2023
Authorised share Capital		
Equity shares		
2,00,00,000 shares of Rs.10/- each par value	200,000,000	200,000,000
	200,000,000	200,000,000
Issued subscribed & fully paid up		
Equity shares		
1,00,00,000 Share face value of 10/- each	100,000,000	100,000,000
TOTAL	100,000,000	100,000,000

(a) Reconciliation of the number of shares

Particulars	As at 31.03.2024		As at 31.03.2023	
	Nos	Amount	Nos	Amount
Shares outstanding at the beginning of the year				
Equity Shares	10,000,000	100,000,000	10,000,000	100,000,000
Shares issued during the year				
Equity Shares	-	-	-	-
Shares outstanding at the end of the year	10,000,000	100,000,000	10,000,000	100,000,000

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

Particulars	As at 31.03.2024		As at 31.03.2023	
	Nos	% of Holding	Nos	% of Holding
1) Shilpa Medicare Ltd	10,000,000	100%	10,000,000	100%

(c) Shares held by promoters in the Company

Shares held by promoters at the end of the year 2023-24

Promotor name	No. of Shares	% of total shares	% of change
Shilpa Medicare Limited	9,999,994	100%	-

Shares held by promoters at the end of the year 2022-23

Promotor name	No. of Shares	% of total shares	% of change
Shilpa Medicare Limited	9,999,994	100%	-

Note: The above schedule does not include 1 share each held by Ramakant Innani, Om Prakash Innani, Vishnukant Bhutada, Keshav Bhutaca, Ravi Kumar Innani, K H Honneshaiha in the representative capacity on behalf of Shilpa Medicare Ltd.

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 proportion to their equity holding.



Shilpa Pharma Lifesciences Limited
(Formerly known as Shilpa Corporate Holdings Private Limited)

Standalone Statement of Changes in Equity for the year ended 31.03.2024
(all amounts in Indian rupees, except share data and where otherwise stated)

12 (a) Equity Share Capital

Particulars	Total
Balance as at 01 April, 2022	10,000,000
Changes in equity share capital during the year	-
Balance as at 31 March, 2023	10,000,000
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	10,000,000

(b) OTHER EQUITY

Particulars	Capital Reserves	Retained Earnings	Other Comprehensive Income (OCI) - Remeasurement of defined benefit plan	Total
Balance as at 01 April, 2022	-	(14,894,715)	-	(14,894,715)
Changes during the year	(523,896,498)	-	-	(523,896,498)
Profit for the year	-	630,543,138	(13,750,879)	616,792,260
Balance as at 31 March, 2023	(523,896,498)	615,648,423	(13,750,879)	78,001,046
Changes during the year	-	-	-	-
Profit for the year	-	1,058,473,797	(8,259,517)	1,050,214,280
Balance as at 31 March, 2024	(523,896,498)	1,674,122,220	(22,010,396)	1,128,215,327

Notes:

- Capital Reserves** : This reserve represents the difference between the net value of assets & liabilities and the slump sale consideration on account of slump sale agreement between Shilpa Medicare Limited and Shilpa Pharma Lifescience Limited, which was carried out in FY 2022-23.
- Retained earning** : This Reserve represents the cumulative gains/(losses) of the Company.
- Remeasurement of the net defined benefits plan**: This reserve comprises the cumulative net gains/(losses) on actuarial valuation of post- employment obligations

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

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


Yogesh. R. Bung
Partner
M.No.143932



Place : Raichur
Date : 22.05.2024

for and on behalf of Board of Directors of
Shilpa Pharma Lifesciences Limited


Vishnukanth Bhutada
DIN No:01243391
Managing Director


Ritu Tiwary
Company Secretary


Santosh Kumar Mahil
Chief Executive Officer

Place:Raichur
Date: 22.05.2024


Ranpakant Inani
DIN No:03222748
Director


Alpesh Maheshkumar Dalal
Chief Financial Officer

Place:Raichur
Date: 22.05.2024



Shilpa Pharma Lifesciences Limited

(Formerly known as Shilpa Corporate Holdings Private Limited)

Notes to the Standalone Financial Information

Corporate Information

Shilpa Pharma Lifesciences Limited (Formerly known as Shilpa Corporate Holding Private Limited) (A wholly owned Subsidiary of Shilpa Medicare Limited) was incorporated on 08.05.2020 having its registered office at 12-6-214/A-1, Shilpa House Hyderabad Road, RAICHUR -584135 Karnataka, with an object of making investments in the group companies.

The company is presently dealing in high-quality Active Pharmaceutical Ingredients (APIs), Intermediates, , New Drug Delivery Systems, Peptides / Biotech products and Specialty Chemicals etc. using sophisticated technology meticulously in order to comply with laid down international standards/ specifications. Today, the company is among the world's leading suppliers of Oncology/Non-Oncology APIs.

1. Basis of Preparation of Financial Statements

a) Statement of Compliance

These Standalone 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 as amended by Companies (Indian Accounting Standards) Amendment Rules 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the Company.

These financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective or elected for early adoption at the Company's annual reporting date March 31, 2024. The accounting policies are applied consistently to all the periods presented in the financial statements. The Standalone financial statements of the Company for the year ended March 31, 2024 were approved by the Board of Directors on May 22, 2024.

b) Functional and Presentation currency

These standalone financial statements are presented in Indian rupees (INR), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

c) Basis of Measurement

The Standalone financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following assets and liabilities which have been measured at fair value wherever applicable

- Certain financial assets / liability measured at fair value,
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.



d) Critical accounting Estimates and Judgments:

The preparation of Standalone financial statements in conformity with IndAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, 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.

Judgements

The areas involving critical estimates or judgments are:

- Measurement of defined benefit obligation [Note 1.1 (g)]
- Estimation of Useful life of Property, plant and equipment and intangibles [Note 1.1(a)]
- Recognition of deferred taxes [Note 1.1 (n)]
- Estimation of impairment [Note 1.1 (d)]
- Estimation of provision and contingent-liabilities [Note 1.1 (o)]
- Business Combination [Note-1.1(e)]
- Revenue of recognition: whether revenue from sale of product and licensing income is recognised over time or at a point in time. [Note – 1.1 (i)]

1.1 Material Accounting Policies

a) Property, Plant and Equipment & Depreciation:

i. Recognition & measurement

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.

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.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to The Company and cost can be measured reliably.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

ii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the Straight-Line Method (SLM) prescribed in Schedule II of the Companies Act 2013. Freehold land is not depreciated.



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

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.

The company follows the policy of charging depreciation on pro-rate basis on the assets acquired or disposed off during the year upto the date of sale.

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.

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.

Intangible Assets include capitalized expenditure on filing and registration of any Drug Master File (DMF) or Abbreviated New Drug Application (ANDA) and compliance with regulatory procedures of the USFDA, in filing such DMF or ANDA, which are in respect of products for which commercial value has been established by virtue of third party agreements/ arrangements. The cost of each DMF/ANDA is amortized over its estimated useful life from the date on which the amount has been capitalized.

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.

iii. Amortization

Intangible assets are amortised on a straight line basis over the estimated useful life as follows:

- Computer software 3-5 years
- Technical know-how – 10 years
- DMF/ patent fees – 10 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c) Research and Development:

All expenditure on research activities are recognized in the Profit and Loss Statement when incurred. Expenditure on development activities are also recognized in the Profit and Loss Statement in the year such expenditure is incurred. However, development expenditure is capitalized only in cases where such costs can be measured reliably, the technological feasibility has been established in respect of the product or process for which costs are incurred, future economic benefits are probable and The Company intends to and has sufficient resources to complete development and to use or sell the asset.

Amortization of capitalized development expenditure is recognized on a straight-line basis, over the useful life of the asset.

d) 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.

e) Business Combination and Goodwill:

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when The Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

The Company measures goodwill as of the applicable acquisition date at the fair value of the consideration transferred, including the recognised amount of any



non-controlling interest in the acquiree, less the net recognized amount of the identifiable assets acquired and liabilities assumed.

Any goodwill that arises on account of such business combination is tested annually for impairment.

f) Inventories:

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.



g) 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.

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.

ii. 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. The Company funds the benefit through contributions to LIC.

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.

iii. Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans,



is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. Remeasurement gains and losses on other long term benefits are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).

h) Cash and Cash Equivalent:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk. Cash flow statement is prepared under the indirect method as per Ind AS 7, For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits net of bank overdraft.

i) 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 recognized 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, Amount disclosed as revenue are excluding goods and service tax (GST), sales tax or value added taxes or service taxes or duties collected on behalf of the government, and net off returns, trade discounts, rebates and any amount collected on behalf of third parties.



ii. Development Revenue:

Development revenue are recognized over the time period of the development activity and are recognized on the completion of each mile- stones as per term of the agreement.

iii. Recognition of Export benefits:

Export benefit entitlements in respect of incentive schemes including Merchandise Export Incentive Scheme (MEIS) and Focus Product Scheme (FPS) of the government of India are recognized in the period in which they are approved.

iv. Milestone payments and out licensing arrangements:

The Company enters into certain dossier sales, licensing and supply arrangements that, in certain instances, include certain performance obligations. Based on an evaluation of these obligations, The Company recognise or defer the upfront payments received under these arrangements. Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones.

Income from out-licensing agreements typically arises from the receipt of upfront, milestone and other similar payments from third parties for granting a license to product- or technology- related intellectual property (IP). Milestone payments which are contingent on achieving certain clinical milestones are recognised as revenues either on achievement of such milestones, if the Milestones are considered substantive, or over the period we have continuing performance obligations, if the milestones are not considered substantive.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before The Company transfers the promised goods or services to the customer.”

v. Interest Income:

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

j) Foreign Currency Transactions/Translations:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at balance sheet date exchange rates are generally recognised in Statement of Profit and Loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets such as equity investments classified as FVOCI are recognised in other comprehensive income (OCI).

k) Government Grant:

The Company recognises government grants at their fair value only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants received in relation to assets are recognised as deferred income and amortised over the useful life of such asset.



Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

l) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments are reduced from the borrowing cost.

Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

m) 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.

l) 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 marketplace 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:

- Trade receivables
- Loans
- Other financial assets



(b) Financial Assets measured at fair value through other comprehensive income (FVTOCI)

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 Assets 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 Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The classification is made on initial recognition and is irrevocable.

Investments in subsidiaries:

Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

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:

- Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- Financial Assets that are debt instruments and are measured at FVTOCI.
- Lease receivables under Ind AS 116.
- Trade receivables or any contractual right to receive cash or another financial asset



- Loan commitments which are not measured at FVTPL
- 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.

n) Income Taxes:

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.

o) Provisions, Contingent Liabilities and Contingent Assets:

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

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 recognized as finance cost. Contingent Liabilities are not recognized but are disclosed in the notes.

p) 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 realize the asset and settle the liability simultaneously.

q) Earnings per share:

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period.

r) Operating Cycle:

The Company classifies an asset as current asset when:

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



- it holds the asset primarily for the purpose of trading;
 - it expects to realise the asset within twelve months after the reporting period;
- or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

s) Exceptional Items:

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of The Company.

t) Recent accounting developments

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



Shilpa Pharma Lifesciences Ltd

(All amounts in Indian rupees, except share data and where otherwise stated)

2.Fixed Assets Schedule

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				Net Block Total 31.03.2024	Net Block Total 31.03.2023
	As at 1 April 2023	Additions	Deduction/ Adjustment during the Period	As at 31.03.2024	As at 1 April 2023	For the Period	Adjustment & Sales of asset	As at 31.03.2024		
Tangible Assets										
i) Owned										
Borewell	1,042,797	-	-	1,042,797	927,258	-	-	927,258	115,539	115,539
Building	766,248,511	100,915,897	-	867,164,407	250,195,331	23,890,413	-	274,085,744	593,078,663	516,053,179
Land and Green Field	66,653,863	3,807,703	-	70,461,566	-	-	-	-	70,461,566	66,653,863
Canteen Equipment	645,866	-	(16,833)	662,699	613,722	-	(25,966)	639,688	23,011	32,144
Computer	44,694,339	2,084,614	260,000	46,518,953	37,879,053	2,619,175	64,270	40,433,958	6,084,995	6,815,286
Network Server equipment	6,311,778	665,183	-	6,976,961	4,087,649	747,821	-	4,835,470	2,141,491	2,224,129
Electrical Installation	385,745,144	22,993,149	(3,577,187)	412,315,480	195,513,444	27,022,076	456,709	222,078,811	190,236,669	190,231,700
ETP Building	56,584,753	1,860,644	-	58,445,397	24,091,617	1,827,573	-	25,919,190	32,526,207	32,493,136
ETP Machinery	62,388,496	-	-	62,388,496	23,963,555	2,735,881	(4,691)	26,704,127	35,684,369	38,424,941
Furniture	80,638,676	13,473,706	(750,466)	94,862,848	40,813,866	5,964,434	(62,078)	46,840,377	48,022,471	39,824,810
Lab Equipments	548,755,950	47,235,841	6,536,190	589,455,602	314,514,943	32,342,180	3,910,241	342,946,882	246,508,720	234,241,007
Office Equipment	7,157,222	-	-	7,157,222	6,169,669	266,901	-	6,436,570	720,652	987,552
P/M (Power Generation Unit)	-	-	-	-	-	-	-	-	-	-
Pipeline	728,020,722	32,506,401	1,628	760,525,495	166,039,470	33,862,470	(1,932)	199,903,872	560,621,623	561,981,252
Plant & Machinery	2,402,268,700	126,102,950	2,698,160	2,525,673,490	795,725,528	105,509,073	1,109,470	900,125,131	1,625,548,359	1,606,543,172
Pollution Control Equip.	3,707,455	-	-	3,707,455	3,219,754	19,512	(15,952)	3,255,219	452,236	487,701
Vehicle	4,659,249	-	1,668,100	2,991,149	2,747,985	9,685	(77,639)	2,835,309	155,840	1,911,264
weigh bridge	842,125	-	-	842,125	672,940	47,061	-	720,000	122,125	169,185
EHS Equipment	8,383,700	351,100	-	8,734,800	3,449,485	873,029	-	4,322,514	4,412,286	4,934,215
Vehicles Electrical Operated	-	-	-	-	-	-	-	-	-	-
Total (A)	5,174,749,346	351,997,188	6,819,592	5,519,926,942	1,870,625,269	237,737,284	5,352,432	2,103,010,121	3,416,916,820	3,304,124,077
Intangible Assets										
Computer software	58,154,386	3,039,718	(804,784)	61,998,888	49,598,167	2,611,882	(804,784)	53,014,832	8,984,056	8,556,219
Technical Know How	18,936,841	-	-	18,936,841	831,711	1,893,653	-	2,725,365	16,211,477	18,105,130
DMF/ Patents Fees	116,192,000	2,820,000	-	119,012,000	54,011,389	9,856,615	-	63,868,004	55,143,996	62,180,611
Total (B)	193,283,227	5,859,718.46	(804,784)	199,947,730	104,441,267	14,362,149	(804,784)	119,608,200	80,339,529	88,841,960
Sub-Total (A+B)	5,368,032,573	357,856,907	6,014,808	5,719,874,671	1,975,066,536	252,099,434	4,547,648	2,222,618,322	3,497,256,349	3,392,966,037



Particulars	Gross Block					Accumulated Depreciation				Net Block
	As at 1 April 2022	Acquired through Slump Sale	Additions	Transfer	Balance as at 31.03.2023	Transferred (Classified Held as Purchase)- 30.06.22	For the Period	Adjustments	Gross Depreciation Total	As at 31.03.2023
Tangible Assets										
i) Owned										
Borewell	-	1,042,797	-	-	1,042,797	927,258	-	-	927,258	115,539
Building	-	732,716,527	33,531,984	-	766,248,511	234,111,546	16,083,785	-	250,195,331	516,053,179
Land and Green Field	-	66,653,863	-	-	66,653,863	-	-	-	-	66,653,863
Canteen Equipment	-	645,866	-	-	645,866	609,673	4,049	-	613,722	32,144
Computer	-	43,382,296	2,144,926	832,883	44,694,339	36,896,094	1,815,842	832,883	37,879,053	6,815,286
Network Server equipment	-	6,311,778	-	-	6,311,778	3,531,513	556,136	-	4,087,649	2,224,129
Electrical Installation	-	351,298,784	34,611,360	165,000	385,745,144	173,886,954	17,278,496	(4,347,994)	195,513,444	190,231,700
ETP Building	-	56,584,753	-	-	56,584,753	22,756,166	1,335,451	-	24,091,617	32,493,136
ETP Machinery	-	61,538,028	850,468	-	62,388,496	21,966,996	2,001,250	4,691	23,963,555	38,424,941
Furniture	-	69,694,352	11,058,021	113,696	80,638,676	37,143,360	3,784,202	113,696	40,813,866	39,824,810
Lab Equipments	-	534,798,365	16,072,245	2,174,653	548,755,950	289,676,799	22,837,401	(2,000,743)	314,514,943	234,241,007
Office Equipment	-	7,035,107	122,115	-	7,157,222	5,732,355	437,315	-	6,169,669	987,552
P/M (Power Generation Unit)	-	-	-	-	-	-	-	-	-	-
Pipeline	-	648,548,492	79,472,230	-	728,020,722	142,943,433	23,096,036	-	166,039,470	561,981,252
Plant & Machinery	-	2,246,302,424	156,026,269	-	2,402,268,700	721,597,802	73,713,227	(414,499)	795,725,528	1,606,543,172
Pollution Control Equip.	-	3,707,455	-	-	3,707,455	3,190,352	29,402	-	3,219,754	487,701
Vehicle	-	4,740,051	-	80,802	4,659,249	4,482,804	9,948	1,744,767	2,747,985	1,911,264
weigh bridge	-	842,125	-	-	842,125	637,483	35,457	-	672,940	169,185
EHS Equipement	-	7,858,695	525,005	-	8,383,700	2,880,742	568,743	-	3,449,485	4,934,215
Vehicles Electrical Operated	-	-	-	-	-	-	-	-	-	-
	-	-	334,414,623	-	5,174,749,346	1,702,971,330	163,586,740	(4,067,199)	1,870,625,269	3,304,124,077
Sub-Total(A)	-	4,843,701,757	334,414,623	3,367,034	5,174,749,346	1,702,971,330	163,586,740	(4,067,199)	1,870,625,269	3,304,124,077
Intangible Assets										
Computer software	-	62,108,322	4,383,086	8,337,023	58,154,386	49,694,767	8,367,852	8,464,452	49,598,167	8,556,219
Technical Know How	-	6,957,000	14,167,841	2,188,000	18,936,841	2,306,891	712,511	2,187,690	831,711	18,105,130
DMF/ Patents Fees.	-	116,192,000	-	-	116,192,000	54,011,707	-	318	54,011,389	62,180,611
Sub-Total (B)	-	185,257,323	18,550,927.43	10,525,023	193,283,227	106,013,364	9,080,363	10,652,460	104,441,267	88,841,960
Sub-Total (A+B)	-	5,028,959,080	352,965,550	13,892,057	5,368,032,573	1,808,984,694	172,667,103	6,585,261	1,975,066,536	3,392,966,037



2023-24**3 CAPITAL WORK-IN-PROGRESS (Refer Note No:41)**

Particulars	As at 01 April, 2023	Additions	Deletions/ Transfer	As at 31 March, 2024
a) Machinery under erection	264,006,270	79,795,186	133,317,100	210,484,356
b) Projects under erection	356,163,131	68,807,336	308,868,662	116,101,805
Total	620,169,401	148,602,522	442,185,762	326,586,161

4 INTANGIBLE ASSETS UNDER DEVELOPMENT (Refer Note No:42)

Particulars	As at 01 April, 2023	Additions	Deletions/ Transfer	As at 31 March, 2024
a) Software under installation	40,500,000	638,591	1,611,403	39,527,188
b) Product under development	1,061,403	3,612,949	-	4,674,352
c) DMF /ANDA/Patents Fees	3,275,263	2,000,000	2,820,000	2,455,263
Total	44,836,666	6,251,540	4,431,403	46,656,803

2022-23**3 CAPITAL WORK-IN-PROGRESS (Refer Note No:41)**

Particulars	As at 01 April, 2022	Additions	Deletions/ Transfer	As at 31 March, 2023
a) Machinery under erection	-	264,091,212	84,942	264,006,270
b) Projects under erection	-	988,275,209	632,112,078	356,163,131
Total	-	1,252,366,421	632,197,020	620,169,401

4 INTANGIBLE ASSETS UNDER DEVELOPMENT (Refer Note No:42)

Particulars	As at 01 April, 2022	Additions	Deletions/ Transfer	As at 31 March, 2023
a) Software under installation	-	40,500,000	-	40,500,000
b) Product under development	-	1,061,403	-	1,061,403
c) DMF /ANDA/Patents Fees	-	3,275,263	-	3,275,263
Total	-	44,836,666	-	44,836,666



Shilpa Pharma Lifesciences Limited

(Formerly known as Shilpa Corporate Holdings Private Limited)

(all amounts in Indian rupees, except share data and where otherwise stated)

**Notes Forming Part of Standalone Financial Statement
for the Year ended****5 Financial Assets****(i) Investments**

Particulars	As at 31-03-2024	As at 31-03-2023
a) Investments in Equity Instruments (Unquoted)(at Amortised cost)		
i) In Subsidiary of Holding Company		
a)Corporate Gurantee given to Shilpa Biological Pvt Limited Pvt Ltd Hubli	15,159,709	15,159,709
b)Corporate guarentee Shilpa Biocare Pvt Limited Pvt Ltd Raichur(subsidiary of Holding company)	6,032,613	4,546,253
c) Investment in Equity of Shilpa Lifesciences Pvt Ltd (10000 shares of Rs. 10 each)	100,000	100,000
Unquoted equity instruments measured at amortized cost;		
ii) Others		
i) Investment in equity shares of Atria Wind Pvt Ltd (77695 shares @ Rs.251/-each)	19,501,445	19,501,445
ii) Invt in equity in Atria WindPower(Basavana Ba) Pvt Ltd (99457 shares @ Rs.197.07/-each)	19,600,000	-
b) Investments in Certificates of deposits carried at amortized cost		
i) In government securities (unquoted)		
National Savings Certificate	15,000	15,000
Total value of unquoted investment	60,408,767	39,322,407
Aggregate value of unquoted investment	60,408,767	39,322,407

(ii) LOANS

Particulars	As at 31-03-2024	As at 31-03-2023
Loans to Related parties		
Considered good, unsecured		
a) Shilpa Medicare Ltd (Holding Company)	137,689,454	-
Terms of repayment & interest rate: Repayable in 12 equal quarter installments after mortarium period of 5 year along with interest if any due. Interest is payable. applicable rate of interest is 7.50%		
Total	137,689,454	-

(iii) OTHER FINANCIAL ASSET

Particulars	As at 31-03-2024	As at 31-03-2023
a) Security deposits (unsecured considered good)		
i) Electricity deposits	20,529,648	20,529,648
ii) Rental deposits	150,000	150,000
iii) Telephone deposits	57,157	57,157
iv) Miscellaneous deposits	1,751,686	1,730,482
Total	22,488,491	22,467,287



6 Other non current assets

Particulars	As at 31-03-2024	As at 31-03-2023
a) Capital advances		
i) Unsecured, considered good	6,705,118	16,790,914
b) Others		
i) Prepaid Expenses	79,738,931	1,064,161
ii) Unamortized Finance Cost	59,999,085	-
iii) GST Paid under Protest	29,960,802	-
Total	176,403,936	17,855,074

7 INVENTORIES

Particulars	As at 31-03-2024	As at 31-03-2023
a) Raw materials	971,010,218	1,084,743,152
b) Work-in-progress	679,781,567	429,588,960
c) Finished goods	557,233,041	422,741,601
d) Stores and Spares	127,259,592	139,957,584
e) Packing materials	9,486,677	6,645,934
Total	2,344,771,095	2,083,677,229

8 FINANCIAL ASSETS**(i) TRADE RECEIVABLES (Refer Note 43 & 49)**

Particulars	As at 31-03-2024	As at 31-03-2023
a) Unsecured considered doubtful	4,907,030	3,219,675
Less: Provision for ECL	(4,907,030)	(3,219,675)
Total (a)	-	-
Unsecured, considered good	2,583,581,020	1,964,771,887
Total (b)	2,583,581,020	1,964,771,887
Total (a+b)	2,583,581,020	1,964,771,887

(ii) Cash and Cash Equivalents

Particulars	As at 31-03-2024	As at 31-03-2023
i) Cash on hand	1,490,368	796,031
ii) Balance with banks in current account	161,459,159	101,035,071
iii) Bank Deposits having Maturity of Less than 03 months	2,500,000	-
TOTAL	165,449,527	101,831,103

(iii) Other Financial Assets

Particulars	As at 31-03-2024	As at 31-03-2023
i) Staff advance	1,012,432	2,140,406
ii) Interest Accrued but not received	1,936,547	753,147
TOTAL	2,948,979	2,893,553



9 OTHER CURRENT ASSETS

Particulars	As at 31-03-2024	As at 31-03-2023
a) Advances to suppliers (Refer Note 49)	86,893,790	133,895,924
b) CGST /IGST /SGST Receivable (Refer Note 49)	172,913,334	82,302,036
c) Prepaid Expenses	48,619,054	16,983,726
d) Export Incentive Receivables	8,548,252	8,548,252
Total	316,974,430	241,729,938

10 CURRENT TAX ASSETS/(LIABILITIES)

Particulars	As at 31-03-2024	As at 31-03-2023
Income Tax (Net)	(50,768,655)	(49,508,734)
Total	(50,768,655)	(49,508,734)

12 OTHER EQUITY

Particulars	As at 31-03-2024	As at 31-03-2023
a) Capital Reserve	(523,896,498)	(523,896,498)
b) Retained Earnings	615,648,424	(1,143,836)
Add: Profit for the year	1,058,473,797	616,792,260
	1,150,225,723	91,751,926
c) Remeasurement of Defined Benefit Plan	(22,010,396)	(13,750,879)
Total	1,128,215,327	78,001,047

13 FINANCIAL LIABILITY**(i) Borrowings**

Particulars	As at 31-03-2024	As at 31-03-2023
Term loans (Secured)		
i) From Banks (secured)		
a) HDFC bank	-	222,656,261
Nature of Security: Shilpa Pharma : Term loan of Rs.10,000 Lakhs taken from HDFC, Hyderabad and is secured by first pari passu charge on the movable and immovable fixed assets of Unit -I, Raichur, second pari passu charge on SEZ unit, Jadcherla and personal guarantees given by two (02) of its Directors		
Terms of Repayment & Interest Rate: Shilpa Pharma : 5% Repayment is payable in the first year in equal quarterly installment and remaining 95% in four (04) years in equal quarterly installment from the date of disbursement. Interest chargeable at 8% linked to repo rate with reset on every three month.This term loan has been fully repaid during current financial year		



<p>b) AXIS bank</p> <p>Nature of Security: Shilpa Pharma:Term loan of Rs. 4375.00 Lakhs taken from Axis Bank, Bangalore and is secured by pari passu charge with HSBC Bank on movable and immovable fixed assets of Raichur Unit-II (EOU) situated at Raichur Growth Center Industrial Area, Chicksugur Village.</p> <p>Terms of Repayment & Interest Rate: Repayment of term loan from Axis Bank is repayable in 10 equal quarterly installments of C 3125.00 Lakhs with the final installment falling due on 04.02.2026. Interest payable monthly rests even during moratorium period. This term loan has been fully repaid during current financial year</p> <p><u>ii) Redeemable Non Convertible Debenture (Secured)</u></p> <p>a) 13.05% NCD-ICICI Prudential Corp Cre Opp (22500 Non Convertible Debenture of C 1,00,000/- each payable @ par)-Series 1</p> <p>b) 12.53% NCD-OCM Asia Credit I Pte Ltd (22500 Non Convertible Debenture of C 1,00,000/- each payable @ par) -Series 2</p> <p>Nature of security:</p> <p>i. First charge on all movable & immovable Fixed Assets of Shilpa Pharma Lifesciences. Ltd (SPLL) & Shilpa Biological Pvt Ltd (SBPL) both wholly owned subsidiaries and hypothecation of all receivables /loans from inter-company made by SPLL and SBPL to other group entities.</p> <p>ii. Second charge on all current assets of SPLL and SBPL.</p> <p>iii. Personal guarantees of Mr. Vishnukant Bhutada and Mr.Omprakash Innani</p> <p>iv. Pledge of 100% equity shares of SPLL and SBPL.</p> <p>v. Corporate guarantee provided by the holding Company and cross guarantee between SPLL and SBPL.</p> <p>vi. Non-Disposal Undertaking (NDU) from the Promoter group</p> <p>Terms of Repayment & Interest Rate: During the year the Company has issued 45,000 redeemable Non Convertible Debentures (NCD) in 2 series each having a face value of Rs 1,00,000 with agreed coupon rate of 13.05% p.a. for series-1 and 12.53% p.a. for series 2 respectively. They are redeemable over a period of 5 years starting from 27th month and ending at 60th month from the date of allotment or earlier based on agreed terms of the debenture trust deed. Catalyst Trusteeship Limited is appointed as Debenture Trustee for the said issue.</p>	<p>-</p> <p>1,250,000,000</p> <p>2,250,000,000</p> <p>3,500,000,000</p>	<p>250,000,000</p> <p>-</p> <p>-</p> <p>472,656,261</p>
TOTAL	3,500,000,000	472,656,261



14 Provisions

Particulars	As at 31-03-2024	As at 31-03-2023
Provision for employee benefits		
a) Provision for Gratuity / Severance pay / Pension accrued	149,734,257	129,291,464
b) Provision for leave encashment	20,005,247	14,949,402
TOTAL	169,739,504	144,240,866

15 DEFERRED TAX LIABILITY (NET)

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred tax liability (On account of timing difference of depreciation & others)	404,056,682	350,573,859
Deferred tax asset (On account of disallowable items under Income Tax Act)	-73,628,902	-103,827,016
Total	330,427,780	246,746,843

16 OTHER NON-CURRENT LIABILITY

Particulars	As at 31-03-2024	As at 31-03-2023
a) Capital subsidy	3,482,713	4,588,513
b) Corporate Guarantee Liability	6,257,826	14,411,084
c) Deferred Revenue	4,534,672	-
Total	14,275,211	18,999,597



17 FINANCIAL LIABILITY

(I) Borrowing

Particulars	As at 31-03-2024	As at 31-03-2023
Secured Loan		
a) Current Maturities of Long term debts	-	612,500,000
b) Working capital loan.		
From Banks		
i) ICICI Bank-WCDL [refer note 'a' & 'f (i)' below]	600,000,000	496,439,088
ii) HSBC, Bangalore-WCDL [refer note 'b' & 'f (ii)' below]	150,000,000	345,000,000
iii) Citi Bank Blore-WCDL [refer note 'c' & 'f (iii)' below]	-	227,955,436
iv) AXIS - WCDL [refer note 'd' & 'f (iv)' below]	1,185,000,000	785,000,000
v) Citi Bank-Cash Credit [refer note 'c' & 'f (v)' below]	-	149,000,000
vi) DBS-Cash Credit [refer note 'e' & 'f (vi)' below]	-	29,958,615
vii) ICICI Bank-Cash Credit [refer note 'a' & 'f (vii)' below]	342,122,196	
viii) Axis bank-Cash Credit [refer note 'd' & 'f (viii)' below]	204,910,447	-
<u>Nature of Security</u>		
(a) Working capital from ICICI Bank (ICICI) is secured First Pari Passu charge on all the Current Assets of the Company and Second Pari Passu charge on all the Movable Fixed Assets of company (Present and future) and personal Gurantee of Two (2) Directors in all matters of it's Holding Company.		
(b) Working capital loan from HSBC is secured by First Pari Passu charge on all the Current Assets of the Company and Second Pari Passu charge on all the Movable Fixed Assets of company (Present and future) and personal Gurantee of Two (2) Directors in all matters of it's Holding Company.		
(c) Working capital from Citibank is secured by first pari passu charge on current assets of the Company in line with other working capital lenders and secured by on movable and immovable fixed assets of Raichur Unit-I situated at Deosugur Industrial Area, Shaktinagar. and personal gurantee of 02 Directors. The sanction facility is interchangeably as PCFC/PSFC/WCDL/Buyer's Credit/Cash credit and applicable interest will be charge		
(d) Working capital from Axis Bank (AXIS) is secured by First Pari Passu charge on all the Current Assets of the Company and Second Pari Passu charge on all the Movable Fixed Assets of company (Present and future) and personal Gurantee of Two (2) Directors in all matters of it's Holding Company.		
(e) Working capital from DBS Bank (DBS) is secured by first pari passu charge on the entire current assets of the Company and secured by corporate gurantee given by Shilpa Medicare Limited (Holding Company)		
<u>(f) Interest rate as at March 31, 2024 is as under:</u>		
(i) ICICI-WCDL-8.75% (PY 2023 - 8.54%)		
(ii) HSBC-WCDL-9.42% (PY 2023- 9.42%)		
(iii) CITI-WCDL-NA (PY 2023 - 9.27%)		
(iv) Axis Bank-WCDL-8.95% (PY 2023 - 8.65%)		
(v) CITIBANK-Cash Credit-NA (PY 2023 - 13%)		
(vi) DBS-Cash Credit-NA (PY 2023 - 5.498%)		
(vii) ICICI-Cash Credit-8.90% (PY 2023 - NA)		
(viii) AXIS-Cash Credit-8.70% (PY 2023 - NA)		
Total	2,482,032,643	2,645,853,139



(ii) Trade Payables

Particulars	As at 31-03-2024	As at 31-03-2023
i) Trade payables due to micro and small enterprises	31,933,034	128,791,342
ii) Trade payables due to other than micro and small enterprises	1,361,281,699	994,519,792
Total	1,393,214,733	1,123,311,134

(III) OTHER FINANCIAL LIABILITY

Particulars	As at 31-03-2024	As at 31-03-2023
i) Deferred Revenue	3,339,415	7,143,451
ii) Interest accrued & due on borrowings.	1,416,509	4,311,643
iii) Employee benefit liability	166,423,185	143,946,297
iv) Slum Sale Consideration receivable	(0)	3,160,107,896
v) Capital Creditors (Refer Note 49)	116,857,711	132,847,959
vi) Others	-	2,634,545
TOTAL	288,036,820	3,450,991,792

18 Other Current liabilities

Particulars	As at 31-03-2024	As at 31-03-2023
a) Advances from Customers (Refer Note 49)	21,824,459	32,768,958
b) Tax deduction at Source	69,207,280	50,136,730
c) Provident fund payable	6,733,846	5,371,424
d) ESI, Professional Tax, Etc.	304,648	327,848
e) Unclaimed Bonus & Salary	2,279,357	963,447
TOTAL	100,349,590	89,568,407

19 PROVISION

Particulars	As at 31-03-2024	As at 31-03-2023
a) Compensated absences (Leave Encashment)	7,655,461	5,693,460
b) Gratuity	38,999,005	29,056,371
c) Others	77,500,283	77,892,932
Total	124,154,749	112,642,763

20 REVENUE FROM OPERATION

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
a) Sales of Products		
i) Sales of API	8,111,681,298	5,995,356,466
ii) Sales of FPS / MEIS Licences	7,662,274	-
Total	8,119,343,572	5,995,356,466
Abstract		
(i) Bulk Drugs/Intermediates	7,845,919,343	5,842,246,278
(ii) Trading	59,047,283	31,383,612
(iii) Others	214,376,946	121,726,575
Total	8,119,343,572	5,995,356,466

21 OTHER OPERATING REVENUE

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Product development revenue	419,959,283	160,755,103
Total	419,959,283	160,755,103



22 OTHER INCOME

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
a) Interest on :		
i) Others	2,161,858	4,096,872
b) Corporate guarantee fees	6,202,366	5,294,878
c) Liabilities written back	-	1,890,259
d) Capital Subsidy (Grants)	1,105,800	1,496,016
e) Miscellaneous Income	16,672,115	12,776,724
f) Corporate guarantee Liability written-Back (Old)	7,591,233	-
Total	33,733,372	25,554,749

23 COST OF MATERIAL CONSUMED

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Inventory at the beginning of the year	1,091,389,086	1,381,859,445
Add: Purchases	3,968,799,860	2,380,931,716
Less: Inventory at the end of the year	980,496,895	1,091,389,086
Cost of raw materials and packing materials consumed	4,079,692,051	2,671,402,075
Material consumed comprises of :		
a) Raw material	4,054,752,474	2,653,025,746
b) Packing material	24,939,577	18,376,329
Total	4,079,692,051	2,671,402,075

24 Purchase of stock-in-trade

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Purchase of Medicines / Bulk Drugs/ Others	-	2,169,200
Total	-	2,169,200

25 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		
a) Finished goods	422,741,601	503,438,748
b) Work-In-process	429,588,959	374,066,129
Closing Inventories		
a) Finished goods	557,233,041	422,741,601
b) Work-In-process	679,781,567	429,588,960
(Increase) / decrease in inventory	(384,684,048)	25,174,317

26 Employee benefits expense

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
a) Salaries, wages, allowances and bonus	1,317,520,801	982,538,557
b) Contribution to provident and other funds	74,445,431	47,970,779
c) Staff welfare expenses	16,818,363	13,652,006
Total	1,408,784,595	1,044,161,341



27 Finance costs

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest expense on :	-	-
a) Working capital facility	192,850,963	106,306,002
b) Term loans	33,256,014	83,787,803
c) Factoring Charges	39,280,597	20,489,235
d) NCD		
i) Interest on Corporate guarantee	10,000,914	-
ii) Interest on NCD-ICICI	104,293,032	-
iii) Interest on NCD-OCM	212,055,448	-
iv) Finance cost other charges-ICICI	7,604,027	-
v) Finance cost other charges-OCM	12,830,299	-
e) Others	-	-
i) Unsecured Loan	2,567,273	20,707
ii) Others	9,998,843	180,038
TOTAL	624,737,411	210,783,784

28 Other Expenses

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
a) Power and fuel	289,910,641	253,030,142
b) Repairs and maintenance	-	-
i) Buildings	30,809,383	34,380,882
ii) Plant and machinery	121,398,183	122,544,464
iii) Others	14,539,472	8,990,019
c) Rent	2,839,670	1,988,013
d) Foreign exchange Loss / (Gain) Net	(40,496,448)	(59,634,948)
e) Rate & Taxes Expenses	6,471,555	6,063,020
f) Insurance	14,085,683	6,536,078
g) Travelling and conveyance	7,094,933	10,020,659
h) Contractor labour charges	99,984,068	79,030,970
i) Legal & Professional fees	150,394,158	118,653,540
j) Facility fees	4,464,686	3,224,249
k) Payment to Auditor (Refer Note No:29)	2,065,000	1,600,000
l) Quality Control / Research and development exp.	163,792,049	169,285,169
m) Transportation Charges	12,320,982	8,070,905
n) Brokerage and Commission	34,594,112	5,615,662
o) Sales promotion and advertisement	4,293,372	6,549,801
p) Advance Written-off	-	3,562,575
q) Bad debts / advance written-off	12,318,749	792,960
r) Clearing and forwarding expenses	47,557,491	28,666,461
s) (Profit) / Loss on sale /discard of assets.	(386,692)	(531,844)
t) Custom Duty	54,841,541	32,396,177
u) CSR expenditure	7,697,934	6,248
v) Miscellaneous expenses	78,690,872	57,310,766
w) Provision for ECL	2,907,030	1,219,675
TOTAL	1,122,188,426	899,371,641



29 Payment to Statutory Auditors *

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
a) For Statutory audit	1,300,000	1,200,000
b) For Tax audit	630,000	200,000
c) For Certification	135,000	70,000
d) For Others	-	130,000
TOTAL	2,065,000	1,600,000

*Note : Excluding applicable tax.

30 Earnings per share (EPS)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Net profit after tax attributable to equity shares holders for Basic EPS	1,050,214,280	616,792,260
Weighted Average no of equity shares outstanding during the year for Basic & Diluted EPS	10,000,000	10,000,000
Basic & Diluted EPS	105.02	61.68
Nominal Value per share	10.00	10.00



31 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at 31 March, 2024	As at 31 March, 2023
a) Foreign letter of credit	-	-
b) Bank guarantees / Corporate guarantee*	2,500,000,000	4,000,000,000
c) Claims against the Company not acknowledged as debt	-	-
d) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	88,585,054	60,320,253
Total	2,588,585,054	4,060,320,253

1. Guarantees amounting to Rs. 25,000 Lakhs (Rs.40,000) lakhs include Corporate guarantees provided against the term loans granted by banks to the subsidiaries of the holding company & corporate guarantees provided in respect of issue of non-convertible debenture on behalf of its subsidiaries. The liabilities associated with the corporate guarantees provided stood at Rs.22,485.56 Lakhs (PY Rs.17,366.56 Lakhs).



EMPLOYEE BENEFIT DEFINED CONTRIBUTION PLANS

Particulars	As at	
	31 March, 2024	31 March, 2023
Defined Contribution Plan		
Provided fund	39,582,459	29,367,144
Movement of present value of the defined benefit obligation		
i) Change in defined benefit obligation		
Obligations at year beginning	170,647,444	-
Service cost	15,411,885	16,981,577
Interest on defined benefit obligation	12,034,867	
Benefits settled	(20,792,451)	(2,522,298)
Actuarial (gain)/loss	11,431,517	20,142,546
Increase/(Decrease) due to effect of any business combination/divestiture/transfer*	-	136,045,619
Obligations at year end	188,733,262	170,647,444
ii) Change in plan assets		
Plans assets at year beginning, at fair value	12,299,610	-
Expected return on plan assets	-	707,058
Actuarial gain/(loss)	-	2,571,245
Benefits payout	(12,299,610)	(787,154)
Increase/(Decrease) due to effect of any business combination/divestiture/transfer*	-	9,808,461
Plans assets at year end, at fair value	-	12,299,610
iii) Amount recognised in the balance sheet		
Closing BPO	188,733,262	170,647,444
Closing fair value of plan assets	-	12,299,610
Net asset/(liability) recognized in the balance sheet	188,733,262	158,347,834
iv) Expenses recognised in the statement of P & L account		
Service cost	15,411,885	16,981,577
Interest cost	12,034,867	-
Expected return on plan assets	-	(707,058)
Expenses recognised in the statement of Other Comprehensive income		
Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	-	-
Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	-	-
Actuarial (Gain)/ Losses due to Experience on DBO	11,431,517	20,142,546
Return on Plan Assets (Greater) / Less than Discount rate	-	(2,571,245)
Total actuarial (gain)/loss included in OCI	11,431,517	17,571,301
v) Assets Information		
i) Insured (fund is managed with Life insurance corporation of India)	-	12,299,610
%	0.00%	7.21%
ii) Non fund based (Company manages at its own)	188,733,262	158,347,834
%	100%	93%
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)	7.22%	7.51%
Expected rate of return on assets		
Salary increase (taking into account inflation, seniority, promotion and other relevant factor)	10.00%	11.00%
Attrition rate of employees	16.00%	16.00%
Retirement age of employees (Years)	58	58
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	4.64%	-4.22%	5.13%	-4.64%
Salary increase	-3.73%	3.78%	-4.52%	4.69%
Attrition rate	0.31%	-0.30%	0.71%	-0.66%

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



33 FAIR VALUE MEASUREMENT HIERARCHY:

Particulars	As at 31 March, 2024					As at 31 March, 2023				
	Carrying Amount					Carrying Amount				
	Amortised Cost	FVTPL			Total	Amortised Cost	FVTPL			Total
Level 1		Level 2	Level 3	Level 1			Level 2	Level 3		
FINANCIAL ASSETS										
I. At Amortized Cost										
Non-current investments	50,408,767	-	-	-	60,408,767	39,322,407	-	-	-	39,322,407
Loans	-	-	-	-	-	-	-	-	-	-
Trade receivable	2,583,581,020	-	-	-	2,583,581,020	1,964,771,887	-	-	-	1,964,771,887
Cash & bank balance	165,449,527	-	-	-	165,449,527	101,831,103	-	-	-	101,831,103
Other bank balance	-	-	-	-	-	-	-	-	-	-
Other financial assets	25,437,470	-	-	-	25,437,470	25,360,840	-	-	-	25,360,840
Total	2,834,876,784	-	-	-	2,834,876,784	2,131,286,237	-	-	-	2,131,286,237
FINANCIAL LIABILITIES										
Borrowings	5,982,032,643	-	-	-	5,982,032,643	3,118,509,400	-	-	-	3,118,509,400
Trade payables	1,393,214,733	-	-	-	1,393,214,733	1,123,311,134	-	-	-	1,123,311,134
Other financial liabilities	302,312,031	-	-	-	302,312,031	3,469,991,389	-	-	-	3,469,991,389
Total	7,677,559,408	-	-	-	7,677,559,408	7,711,811,922	-	-	-	7,711,811,922

Level 1: Hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value:

- 1) The use of quoted market prices or dealer quotes for similar instruments
- 2) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- 3) The fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

34 FINANCIAL RISK MANAGEMENT

The company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk
- Liquidity risk

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 operates internationally and a major portion of the business is transacted in USD, EURO & GBP currencies and consequently, the Company is exposed to foreign exchange risk through operating and borrowing activities in foreign currency.

The currency profile of financial assets and financial liabilities as at March 31, 2024 and March 31, 2023 are as below:

Particulars	As at 31 March, 2024				As at 31 March, 2023			
	USD	EURO	CNY	RMB	USD	EURO	CNY	RMB
Loan	-	-	-	-	-	-	-	-
Trade receivables	10,755,431	956,544	150,563	-	10,027,553	23,188	-	-
Cash and cash equivalents	17,825,021	-	1,490,585	837,563	8,857,188	70,278	-	-
Short-term borrowings	-	-	-	-	-	-	-	-
Trade payables	(7,026,189)	(239,750)	-	-	(3,522,676)	(8,920)	-	-
Net Foreign Currency Risk	21,554,263	716,794	1,641,147	837,563	15,362,064	84,546	-	-



Sensitivity analysis

The sensitivity of profit or loss to changes in exchange rates arises mainly from foreign currency denominated financial instruments and the impact on other components of equity arises from foreign exchange forward/option contracts designated as cash flow hedges.

Particulars	Impact on Profit & Loss		Impact on other component of equity	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
USD-Sensitivity				
Increase by 1% (gain/(loss))	17,970,630	12,630,213	-	-
Decrease by 1% (gain/(loss))	(17,970,630)	(12,630,213)	-	-
Euro-Sensitivity				
Increase by 1% (gain/(loss))	646,675	75,760	-	-
Decrease by 1% (gain/(loss))	(646,675)	(75,760)	-	-
CNY-Sensitivity				
Increase by 1% (gain/(loss))	191,010	-	-	-
Decrease by 1% (gain/(loss))	(191,010)	-	-	-
RMB-Sensitivity				
Increase by 1% (gain/(loss))	97,482	-	-	-
Decrease by 1% (gain/(loss))	(97,482)	-	-	-

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest expenses/ income and to manage the interest rate risk, the Company weighted average balance manage its interest rate risk by having portfolio of fixed / variable interest rate on long / short term borrowings. The analysis is prepared assuming the amount of liability outstanding at the ending of the reporting period is the average weighted balance of the respective reporting period.

According to the Company interest rate risk exposure is only for floating rate borrowings, change in 0.5% in the interest rate component applicable to the short term borrowings would effect the Companies net profit before tax at the end of the reporting period year ended 31 March, 2024 and 31 March, 2023 respectively.

Particulars	31-Mar-24	31-Mar-23
Change in 0.50% interest on WCL	12,410,163	13,229,266

(iii) Price Risk

The Company does not have any exposure to price risk ,as there is no market based equity investment 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.

Long outstanding receivable from customer are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of trade and other receivable. One customer accounted for more than 10% of the trade receivable as at 31 March, 2024 and Three Customer accounted for more than 10% of the trade receivable as at 31 March, 2023. Since the Company is dealing with the customer from past several years, hence there is no risk in dealing with said customers.

Expected credit loss assessment

The Company reviews the customer balances outstanding at the end of each reporting period and determines the expected credit losses. Past trend of impairment of trade receivables do not reflect any significant credit losses. The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

Allowance for Impairment	31-Mar-24	31-Mar-23
Opening balance	3,219,675	-
Impairment loss recognised	2,907,030	3,219,675
Impairment loss reversed/transferred	1,219,675	-
Closing balance	4,907,030	3,219,675



C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liability that are settled by delivering cash or other financial asset. The objective of liquidity risk management is to maintain sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

The present available working capital facility is sufficient to meet its current requirement. Accordingly no liquidity risk is perceived.

The following are the contractual maturities of financial liabilities and excluding interest payments. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay:

March 31,2024

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	2,482,032,643	-	-	-
Long term borrowings	-	-	3,500,000,000	-
Trade and other payable	-	1,510,072,444	-	-
Total	2,482,032,643	1,510,072,444	3,500,000,000	-

March 31,2023

Particulars	On Demand	< 01 year	01 to 05 Years	> 05 years
Short term borrowing	2,033,353,139	612,500,000	-	-
Long term borrowings	-	-	472,656,261	-
Trade and other payable	-	1,256,159,093	-	-
Total	2,033,353,139	1,868,659,093	472,656,261	-

35 CAPITAL MANAGEMENT

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor and customer confidence and to safeguard their ability to continue as a going concern. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the company.

Company's vision is to keep the ratio below 1.33 and its adjusted net debt to equity ratio was as follows

Particulars	31-Mar-24	31-Mar-23
Total Debts (A)	5,932,032,643	3,118,509,400
Total equity (B)	1,228,215,327	178,001,047
Net Debt to Equity Ratio A/B	4.87	17.52

36 RESEARCH AND DEVELOPMENT EXPENSES ELIGIBLE FOR WEIGHTED DEDUCTION UNDER INCOME TAX ACT 1961

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	Raichur Facility	Raichur Facility
A) ELIGIBLE EXPENSES		
a) Capital Expenditure	-	-
b) Revenue Expenditure	-	-
Total (A)	-	-
B) IN-ELIGIBLE EXPENSES		
a) Revenue Expenditure		
i) Employee Cost	245,735,490	182,587,089
ii) Research & Development expenses	108,850,587	101,851,728
iii) Equipment Maintenance	2,112,303	5,145,827
iv) Power & Fuel	22,662	36,000
v) Other Expenses	10,174,499	1,239,199
vi) Misc. Expenses	2,410,008	4,536,510
vii) Depreciation	19,017,375	12,500,578
	388,322,925	307,896,930
Less : Revenue Income	-	2,588
Less : Sale of Assets	-	-
	388,322,925	307,894,342
b) Capital Expenditure	123,655,204	4,884,084
Total (B)	511,978,129	312,778,426
Total (A+B)	511,978,129	312,778,426



37 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a Company, has to spend 2% of its average net profits of three immediate preceding financial year. The Company has formed trust by name ' Shilpa Foundation' to commit the expenditure under the various activity like pure and safe drinking water, Orphanage home, Education promotion, Hospital/ Medical facility. Swatch bhara, Green Prroject with local bodies/NGO to make eco-friendly environment.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A) Amount required to be spent by the company during the year	7,697,934	-
B) Amount of expenditure on construction/acquisition of any asset	-	-
C) Amount of expenditure other than B above	724,990	-
D) Short fall at the end of the year	-	-
E) Total of previous year shortfall	-	-
F) Details of related party transaction	6,972,944	-

The Company has transferred Rs.69,72,944/- (PY NA) to "Shilpa Foundation". The amount of earmarked fund is insufficient to kick start the project, the committee has set aside the fund to take on the project when sufficient fund are available for initiating the project.

The company made no revenues during immediately preceding financial year to 2022-23. Hence, Provisions of section 135 was not applicable for the previous year.

38 RECONCILIATION OF TAX EXPENSES**(I) Income Tax**

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Statement of Profit or loss		
On continuing operations		
Current Tax	323,257,223	274,021,596
Deferred Tax	88,487,337	251,372,122
Amount recognised in statement of profit & loss account	411,744,561	525,393,718
Profit before tax	1,470,218,358	1,155,936,857
Tax at enacted tax rate in India C.Y. @ 25.17% (P.Y. 25.17%)	370,053,961	403,930,575
Effect of:		
Tax Holidays (Sec. 10AA Benefit)		5,094,455
Non-deductible expenses for tax purpose	(6,616,916)	285,817,809
Tax Impact on slump sale transaction	-	(112,981,268)
Income which is chargeable at different rate	(143,697,075)	(56,467,853)
Others	92,004,591	
Income tax expense reported in the profit or loss relating to operations	411,744,561	525,393,718



(II) Recognised Deferred Tax Assets / Liabilities

Movement of Deferred Tax Assets / Liabilities	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Liabilities		
Property, plant and equipment, and intangible assets	404,056,682	350,573,859
Gross Deferred Tax Liabilities	404,056,682	350,573,859
Deferred Tax Assets		
Defined benefit obligations/Employees benefit liabilities	64,706,961	97,246,811
MAT Credit Entitlement Benefit	-	-
On Business Losses	-	-
Others	8,921,941	6,580,205
Gross Deferred Tax Assets	73,628,902	103,827,016
Net Deferred Liabilities	330,427,780	246,746,843

Movement of Deferred Tax Assets / Deferred Tax Liabilities	As at 01 April, 2023	Recognised in statement of profit & loss	Recognised in OCI	Upon fair valuation of financial asset	As at 31 March, 2024
Deferred Tax Assets					
Defined benefit obligations/Employees benefit liabilities	97,246,811	-35,318,042	2,778,192	-	64,706,961
MAT Credit Entitlement Benefit	-	-	-	-	-
Others	6,580,205	313,527	-	2,028,209	8,921,941
Total	103,827,016	-35,004,515	2,778,192	2,028,209	73,628,902
Deferred Tax Liabilities					
Property, plant and equipment, and intangible assets	350,573,859	53,482,823	-	-	404,056,682
Cross Currency Swap	-	-	-	-	-
Others	-	-	-	-	-
Total	350,573,859	53,482,823	-	-	404,056,682
Net Deferred Liabilities recognised	246,746,843	88,487,338	-2,778,192	-2,028,209	330,427,780

39 FOREIGN EXCHANGE EARNINGS AND OUTGO**(i) Earning in Foreign Currency**

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Products & Services	2,818,173,636	2,301,032,747
Others	-	-
Total	2,818,173,636	2,301,032,747

(ii) Expenditure in foreign currency

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Import of raw material	2,103,125,451	911,861,608
Others	364,579,749	143,077,032
Total	2,467,705,200	1,054,938,640



Shilpa Pharma Lifesciences Limited

(Formerly known as Shilpa Corporate Holdings Private Limited)
(all amounts in Indian rupees, except share data and where otherwise stated)

**Notes Forming Part of Standalone Financial Statement
for the Year ended 31 March, 2024**

40 Related party transactions

Related parties where control exists and related parties with whom transactions have taken place during period 01st April 2023 to 31st March 2024 are listed below :

List of Related Parties

1. Holding Company

a) Shilpa Medicare Limited

2. Fellow Subsidiary Companies

- a) Shilpa Biocare Pvt. Ltd
b) Shilpa Biologicals Pvt. Ltd.
c) Indro Biotech SDN. BHD
d) FTF Pharma Private Limited
e) Vegil Labs Private Limited
f) Shilpa Therapeutics Pvt Ltd

3. Wholly Owned Subsidiary Company

a) Shilpa Lifesciences Private Limited

2. Key Management Personnel-(KMP)

- a) Vishnukant C. Bhutada - Managing Director
b) Ramakant Innani - Director
c) Keshav Bhutada - Director
d) Kalakota Reddy Sharath - Director
e) Anita Bandyopadhyay - Independent Director
f) Ritu Tiwary - Company Secretary
g) Santosh Kumar Mahil - Chief Executive Officer
h) Alpesh Dalal - Chief Financial Officer

3. Enterprises having common Directors/ Board of Trustees

- a) Mohini Infra (P) Ltd
b) Shilpa Foundation
c) Reva Medicare Pvt. Ltd.
d) Sravathi Advance Process Technologies Pvt. Ltd.

4. Relatives

Madhav Bhutada

Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2023 to 31st Mar 2024	Balance as at 31st March 2024 (Payable) / Receivable	01st April 2022 to 31st Mar 2023	Balance as at 31st Mar 2023 (Payable) / Receivable
				Transaction		Transaction	
A	Remuneration paid to Key Management Personnel						
i)	Vishnukant C. Bhutada	Managing Director	Commission	75,000,000	-75,000,000	51,193,056	-51,193,056
ii)	Keshav Bhutada	Director	Remuneration	2,560,326	-142,320	-	-
iii)	Santosh Kumar Mahil	Chief Executive Officer	Salary	253,301	-253,301	-	-
B	Relative						
i)	Madhav Bhutada	Relative	Salary and perquisites*	2,560,326	-142,220	-	-
C	Others						
i)	Shilpa Biocare Pvt Ltd	Fellow Subsidiary Company	Sales of Capital Goods	75,133,986	-	4,464,663	-
			Sales of Goods /services	0	-	-	-
			Other Income	2,986,937	-	-	-
			Purchase of Goods/service	288,843	-	-	-
			Purchase of Capital Goods	-	-	-	-
			Trade Payable	-	(340,835)	-	-
			Trade Receivable	-	81,969,323	-	2,099,122
			Corporate Guarantee to banks	-	15,000	-	-
			Corporate Guarantee Income	1,441,823	-	-	-
			Investment in Equity	1,486,360	6,032,613	4,546,253	4,546,253
ii)	Shilpa Biologicals Pvt Ltd	Fellow Subsidiary Company	Sales of Goods /services	880,675	-	297,122	-
			Purchase of Capital Goods	2,964,661	-	9,435,994	-
			Trade Payable	-	-613,553	-	-
			Trade Receivable	-	29,500	-	-
			Corporate Guarantee given against NCD	1,000,000,000	1,000,000,000	-	-
			Corporate Guarantee received	3,500,000,000	3,500,000,000	-	-
			Corporate Guarantee income	12,367,347	-	-	-
			Corporate Guarantee Expense	5,000,457	-	-	-
			Investment in Equity	-	15,159,709	-	15,159,709



Sl. No.	Name of the related party	Relationship	Description of transaction	01st April 2023 to 31st Mar 2024	Balance as at 31st March 2024 (Payable) / Receivable	01st April 2022 to 31st Mar 2023	Balance as at 31st Mar 2023 (Payable) / Receivable
				Transaction		Transaction	
iii)	Shilpa Medicare Limited	Holding Company	Sales of Goods /services	814,855,077	-	412,945,481	-
			Purchase of Goods/service	143,594,000	-	118,932,126	-
			Purchase of Capital Goods	20,496,500	-	-	-
			Interest Received	924,041	-	3,260,000	-
			Interest Paid	2,567,273	-	-	-
			Trade Payable	-	-4,337,753	-	-58,300,000
			Trade Receivable	-	343,823,610	-	57,467,027
			Interest accrued but not paid	-	-	-	-
			Interest accrued but not received	-	831,637	-	-
			Slump Sales Consideration	-	-	47,228	-
			Slump Sales Consideration Payable	-	-	-	-3,160,107,896
			Advance Received	-	-	-	-
			Equity Share Capital	-	-100,000,000	-	-100,000,000
			Loan Received	108,000,000	-	-	-
			Loan Given during the year	407,500,000	-	-	-
			Loan repaid by SML during the year	267,500,000	-	-	-
			Loan receivable	-	137,689,454	-	-
			Loan payable	-	-	-	-
Loan repaid during the year	108,000,000	-	-	-			
Corporate Guarantees Received	3,500,000,000	-3,500,000,000	-	-			
Corporate Guarantees Expense	5,000,457	-	-	-			
iv)	Shilpa Therapeutics Pvt Ltd	Fellow Subsidiary Company	Sales of Goods /services	150,025	-	62,200	-
			Electricity Charges	1,594,351	-	1,799,536	-
			Purchase of Capital Goods	2,164,278	-	-	-
			Trade Receivable	-	-	-	-
Trade Payable	-	-421,877	-	-398,490			
v)	FTF Pharma	Fellow Subsidiary Company	Sales of Goods /services	1,689,240	-	499,749	-
			Purchase of Goods /Services	4,125,000	-	19,840,000	-
			Trade Receivable	-	271,283	-	-
			Trade payable	-	-	-	-22,475,000
vi)	Sravathi Advance Process Technolog	Joint Venture of Holding Company	Purchase of Capital Goods /Services	5,500,000	-	9,055,000	-
			Trade payable	-	-	-	-261,000
			Trade payable	-	-	-	-
Advance paid	-	-	-	-			
vii)	Reva Medicare Pvt Ltd	Joint Venture of Holding Company	Purchase of Goods/Services	7,166,927	-	4,180,108	-
			Trade payable	-	-6,818,768	-	-5,218,071
			Commission Accrued But not paid	-	-818,581	-	-1,383,904
viii)	Mohini Infra P Ltd	Enterprise having Common directors	Godown Rent	920,400	-	585,000	-
			Trade payable	-	-70,200	-	-70,200
ix)	Indo Biotech SDN	Fellow Subsidiary Company	Purchase of Goods	-	-	82,181,401	-
			Trade Payable	-	-82,701,073	-	-82,181,401
x)	MAIA PHARMACEUTICALS, INC.	Joint Venture of Holding Company	Trade Receivable	-	20,115,621	-	-
xi)	Shilpa Lifesciences Private Limited	Subsidiary Company	Investment in Equity	-	100,000	-	100,000
xii)	Shilpa Foundation	Enterprises having common Board of Trustees	CSR Expenditure	6,972,944	-	-	-



41. CWIP AGEING SCHEDULE

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2024
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	96,962,850	229,623,311	-	-	326,586,161
ii) Projects temporarily suspended	-	-	-	-	-
Total	96,962,850	229,623,311	-	-	326,586,161

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in progress	620,169,401	-	-	-	620,169,401
ii) Projects temporarily suspended	-	-	-	-	-
Total	620,169,401	-	-	-	620,169,401

42. INTANGIBLE ASSETS UNDER DEVELOPMENT AGEING SCHEDULE

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) Software under installation	88,591	-	-	-	88,591
b) Product under development	3,612,949	40,500,000	-	-	44,112,949
c) DMF /ANDA Fees /Patents under development	2,000,000	455,263	-	-	2,455,263
Total	5,701,540	40,955,263	-	-	46,656,803

Particulars	Amount in capital work-in-progress for a period of				As at 31 March, 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
a) Software under installation	1,061,403	-	-	-	1,061,403
b) Product under development	40,500,000	-	-	-	40,500,000
c) DMF /ANDA Fees /Patents under development	3,275,263	-	-	-	3,275,263
Total	44,836,666	-	-	-	44,836,666

43. TRADE RECEIVABLES AGEING SCHEDULE

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	2,557,274,645	1,188,391	24,997,746	120,238	2,583,581,020
Total	2,557,274,645	1,188,391	24,997,746	120,238	2,583,581,020

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	1,964,771,887	-	-	-	1,964,771,887
Total	1,964,771,887	-	-	-	1,964,771,887



44. TRADE PAYABLES AGEING SCHEDULE

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	
Micro and small enterprises	31,869,489	53,344	10,201	-	31,933,034
Others	1,349,978,001	3,406,050	4,407,263	3,490,386	1,361,281,699
Total	1,381,847,489	3,459,394	4,417,464	3,490,386	1,393,214,733

Particulars	Outstanding for following periods from due date of payment				As at 31 March, 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	128,791,342	-	-	-	128,791,342
Others	994,519,792	-	-	-	994,519,792
Total	1,123,311,134	-	-	-	1,123,311,134



45 Analytical ratios

Sr No	Particulars	Numerator	Denominator	31st March 2024	31st March 2023	% of variance	Reasons for variance
1	Current Ratio	Current Assets	Current Liabilities	1.22	0.59	107.36	Increase in mainly on account of full payment made towards slump sale consideration payable to SML during the year
2	Debt Equity Ratio	Total Debt	Share holder equity	4.87	17.52	-72.20	Decrease is mainly on account of principal repayment made towards Term loan during the year.
3	Debt service coverage ratio	Earnings available for debt service	debt service	1.39	3.34	58.44	Increase is mainly on account of principal repayment made towards Term loan during the year.
4	Inventory turnover ratio	Cost of Goods sold	Average inventory	1.67	1.30	28.84	Increase is on account of rise in raw material priced and reduction in margin during the year.
5	Return on equity	Net profit after taxes	Average shareholders equity	1.49	4.69	-68.14	Decrease is on account of losses incurred by company during FY 2021-22.
6	Trade receivable turnover ratio	Revenue	Average Trade Receivables	3.75	3.13	19.84	
7	Trade payable turnover ratio	Purchase of trade and services	Average Trade Payables	4.78	2.78	71.71	Increase is mainly on account of significant rise in purchases during the year.
8	Net Capital turnover ratio	Revenue	Average Working Capital	-8.13	-2.00	306.14	Increase is mainly on account of significant growth in revenue during the year.
9	Net Profit ratio	Net Profit	Revenue	0.12	0.10	22.75	
10	Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	0.32	0.45	-29.88	Decrease mainly on account of Significant increase in debts taken in the form of issue of NCD during the year.



46 Additional Regulatory information

- a** The Title Deeds of all immovable properties namely freehold / Leasehold land/ building are held in the name of the company.
- b** In the opinion of the Board, all assets other than fixed assets, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.
- c Valuation of Property Plant & Equipment, intangible asset**
The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- d 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.
- e 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.
- f** The quarterly returns of current assets filed by the group Companies with banks are in agreement with books of account.
- g Wilful defaulter**
The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- h 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.
- i** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- j 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.
- k Compliance with approved scheme(s) of arrangements**
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- l Utilisation of borrowed funds and share premium**
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 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(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 on behalf of the Ultimate Beneficiaries.
- m 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
- n 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.



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	31,933,034	128,791,342
b. Interest due thereon remaining unpaid*	-	-
c. Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
d. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
e. Interest accrued and remaining unpaid	-	-
f. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

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 During the previous year the transfer of API division from holding company to company on slump sale basis as a going concern entity was completed on 30.06.2022.

49 Balances of Trade Receivables / Trade payables / Long Term Borrowings / advances from customers / Advances to suppliers and Deposits are subject to Balance Confirmation.

50 Previous year figures have been reclassified / regrouped wherever necessary in line with the current year numbers.

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

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

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


Yogesh R Bung
Partner
M.No.143932




Place : Raichur
Date: 22.05.2024

for and on behalf of Board of Directors of
Shilpa Pharma Lifesciences Limited


Vishnukant Bhutada
Managing Director
DIN No.01243391


Ramakant Innani
Director
DIN No.03222748


Ritu Tiwary
Company Secretary


Alpesh Maheshkumar Dalal
Chief Financial Officer


Santosh Kumar Mahil
Chief Executive Officer

Place : Raichur
Date: 22.05.2024

Place : Raichur
Date: 22.05.2024

