POLYMED
MEDICAL DEVICES
We Care As We Cure

ANNUAL REPORT 2022-23

Poly Medicure Limited

CORPORATE INFORMATION

Board of Directors

Chairman
Devendra Raj Mehta

Non-Executive Independent Directors
Prakash Chand Surana
Shailendra Raj Mehta
Sandeep Bhargava
Amit Khosla
Sonal Mattoo
Dr. Ambrish Mithal

Non-Executive Directors
Jugal Kishore Baid
Mukulika Baid
Alessandro Balboni

Managing Director
Himanshu Baid

Joint Managing Director
Rishi Baid

Company Secretary
Avinash Chandra
Ravi Prakash

Chief Financial Officer
Naresh Vijayvergiya

Bankers
State Bank of India
Citibank N.A.
The Hongkong and Sanghai Banking Corp. Ltd.
HDFC Bank Ltd.

Auditors
M/s. M.C. Bhandari & Co.
204, Second Floor, Manisha Building,
75-76, Nehru Place, New Delhi-110019
New Delhi

Internal Auditors
M/s. Price WaterHouse Coopers Pvt. Ltd., New Delhi
M/s. Oswal Sunil & Company, New Delhi

Cost Auditors
M/s. Jai Prakash & Co.
Faridabad

Secretarial Auditors
M/s. P.K. Mishra & Associates
New Delhi

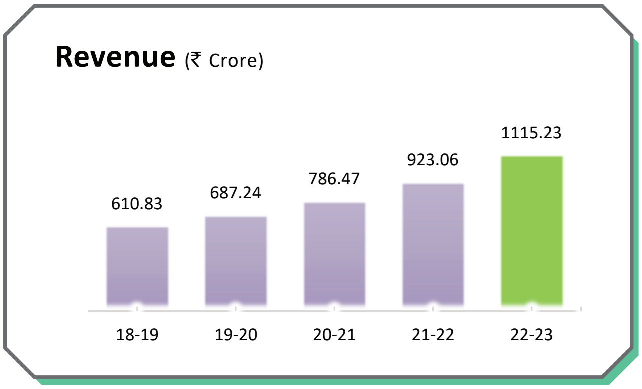
Registrar and Transfer Agents
MAS Services Limited,
T-34, 2nd Floor,
Okhla Industrial Area, Phase-II,
New Delhi-110020
Tel:+ 91(011)-26387281/82
Fax No. 011- 26387384
E-mail: mas_serv@yahoo.com
Website: www.masserve.com

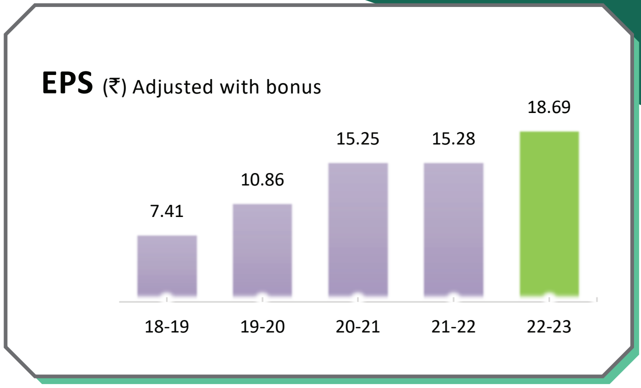
Registered Office
232B, 3rd Floor, Okhla Industrial Estate, Phase III
New Delhi – 110020 (India)
Tel No.: 91 11 - 26321838, 81, 89, 93
Fax No.: 91 11 – 26321839, 94
Email: investorcare@polymedicure.com
Website: www.polymedicure.com
CIN: L40300DL1995PLC066923

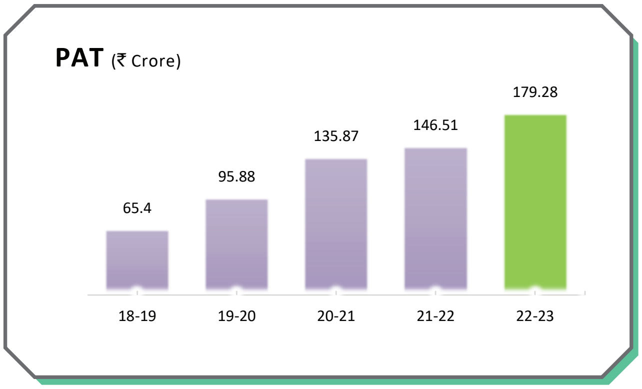
AGM Venue
Video Conferencing (VC) or
Other Audio Video Means (OAVM)

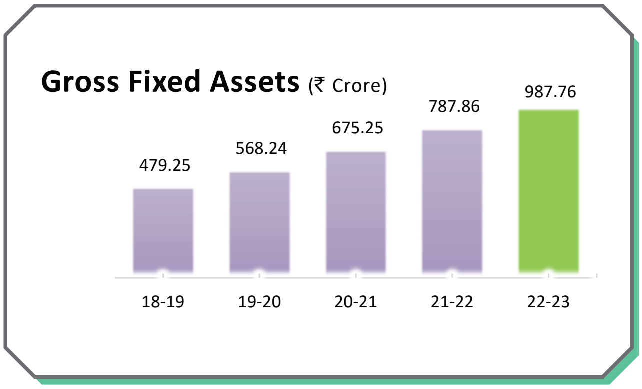
INSIDE THIS REPORT:

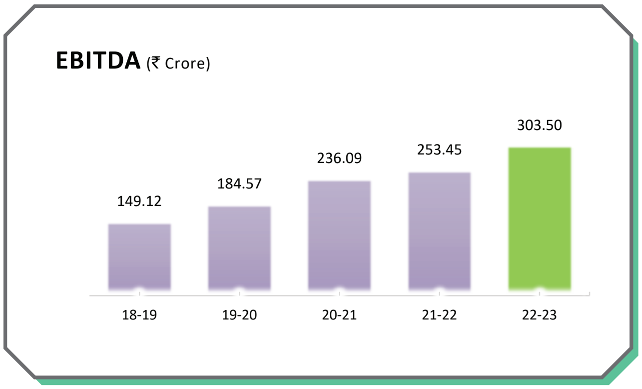
Key Performance Indicators (Consolidated):

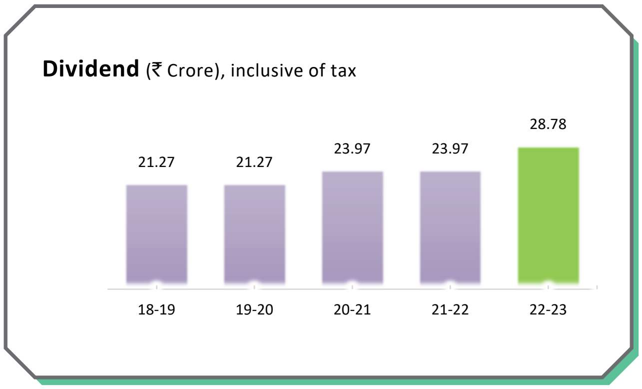


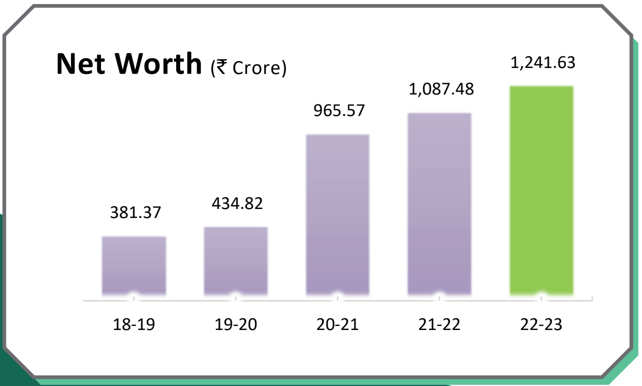


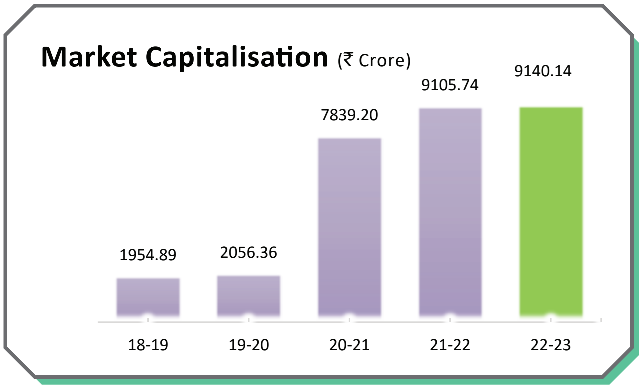












Awards and Recognitions

Top 50 Industrial Innovative Company of the Year 2022 by CII

Juror Award - 13th MT India Healthcare Awards 2023

Clinical Engagement Programme Conducted in Various Hospitals in India

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Participation in various Exhibitions and Conference in India and Abroad

Hospitalar, Brazil in May 2022

FIME, Florida in July 2022

Medica, Germany in November 2022

WOCOVA, Greece in October 2022

Participation in various Exhibitions and Conference in India and Abroad

Arab Health, Dubai in January 2023

Medical Fair, Mumbai in May 2022

ISNCON, Pune in December 2022

PATHCON & LAB EXPO, Delhi in December 2022

Highlights of CSR Initiatives and Projects

Global Manufacturing Footprint


Italy Plant


Egypt Plant (JV)


China Plant

Faridabad Plant 1

Faridabad Plant 2

Faridabad Plant 3


Haridwar Plant

Jaipur Plant


R & D Center


Faridabad Manufacturing
& Warehouse


Jaipur SEZ Phase - II


Faridabad Plant 117

Financial Highlights (Standalone)

(₹ in lacs)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue from Operations (Net)	1,06,804.50	87,935.76	74,738.24	64,616.24	58,669.05
Total Revenue	1,10,433.24	91,808.63	76,667.06	66,474.62	60,253.03
Earnings Before Depreciation, Finance Cost and Tax Expenses (EBDIT)	30,076.46	25,086.22	22,760.91	17,872.27	14,814.93
Depreciation and Amortisation	5,563.68	5,254.01	4,631.42	3,928.43	3,636.39
Profit For the Year (PAT)	17,904.47	14,601.71	12951.17	9,238.28	6,628.39
Equity Dividend %*	60%	50%	50%	40%	40%
Dividend (including tax)	2,878.33	2,397.95	2,397.01	2,127.57	2,127.57
Equity Share Capital	4,797.23	4,795.02	4,794.03	4,412.35	4,411.85
Reserves and Surplus	1,18,615.22	1,02,902.42	90,606.91	38,516.08	33,566.14
Net Worth	1,23,412.45	1,07,697.44	95,400.94	42,928.43	37,977.99
Gross PPE	96,030.94	76,245.46	65,218.47	54,730.78	46,090.17
Net PPE	59,495.50	44,630.34	38,279.93	32,106.80	26,854.00
Total Assets	1,53,776.00	1,33,396.23	1,18,741.19	73,995.36	63,315.23
Number of Employees	2,339	2,140	2,039	2,034	1,952

Key Indicators

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Earnings Per Share - (₹)	18.67	15.23	14.54	10.47	7.51
Cash from Operations per share (₹)	20.31	13.17	12.14	14.38	12.83
Book Value Per Share - (₹)	128.63	112.3	99.5	48.65	43.04
Debt : Equity Ratio	0.11:1	0.10:1	0.13:1	0.44:1	0.40:1
EBDIT/ Net Turnover %	27.23%	27.32%	29.69%	26.89%	24.59%
Net Profit Margin %	16.21%	15.90%	16.89%	13.90%	11.00%
RONW %	14.51%	13.56%	13.58%	21.52%	17.45%

CHAIRMAN MESSAGE

Dear Shareholders,

It is with great pleasure and enthusiasm that I present to you our Annual Report 2022-23, highlighting our achievements, progress, and promising prospects. Despite encountering various challenges, such as the global recession, high inflation impacting EU nations, and COVID-related obstacles in China, I am proud to announce that our Company successfully navigated through these dynamic situations, leading to a commendable financial performance.

I'd like to provide you with a concise overview of the turnover and profitability data for the year under review. At the consolidated level, Your Company recorded significant accomplishments during the year, achieving net sales of ₹ 1,115.23 Crores, EBITDA of ₹ 303.50 Crores, and a profit after tax of ₹ 179.28 Crores. This marks notable growth compared to the previous year's figures, which stood at net sales of ₹ 923.06 Crores, EBITDA of ₹ 253.45 Crores, and a profit after tax of ₹ 146.51 Crores.

At our Company, we have faced various challenges, including market changes, government regulations, health situations, rising costs, and higher customer expectations. However, we view these challenges as opportunities rather than risks. Our approach involves using our strategy, values, and vision to tackle these obstacles head-on, turning them into chances to showcase our best results and continue progressing, regardless of the circumstances.

Your Company is dedicated to fostering inclusive growth and cultivating long-term relationships with all stakeholders, emphasizing mutual trust and respect. As part of this commitment, the company has actively undertaken various Corporate Social Responsibility (CSR) initiatives. In the year under review, your Company continued the tradition and allocated ₹ 315.34 lacs towards various initiatives. These initiatives were primarily focused on promotion of education, welfare of disabled persons, along with social welfare.

I'm excited to share that your Company has been working hard to become more sustainable. We've been making efforts to use less water, reduce waste, and save energy in the past few years. We plan to keep investing in new ideas to make our carbon footprint in the future.

Our expertise in research and development, dedication to innovation, and focus on quality have enabled us to produce top-of-the-line products that are of high quality and cost-effective. These products have found success in both the domestic and export markets. As we move forward, POLYMED will remain committed to being the most trusted and reliable supplier of medical devices for both the Indian and International market.

The Management of Polymed is wholeheartedly committed to creating a supportive, nurturing, and rewarding work environment, which has been instrumental in achieving the success we have today. I would like to extend my heartfelt appreciation to all of you, our esteemed and valued shareholders, for your unwavering support and confidence in the Company. On behalf of the Board, I also express my gratitude to our stakeholders, partners, customers, bankers, and employees. Your continued support has been instrumental in building POLYMED into a world-class organization. Thank you for being an essential part of our journey and contributing to our success.

With regards,

D.R. Mehta
Chairman

MANAGING DIRECTOR MESSAGE

Dear Shareholders,

On behalf of Board of Directors, I present the 28th Annual Report summarizing Company's performance and achievements.
The demand for domestically manufactured medical devices is on the rise, and Polymed stands at the forefront of this trend by proactively embracing new technologies and actively exploring dynamic markets worldwide to expand the reach of our products.

Our company has ambitious plans to venture into the critical care business, aiming to make India self-reliant (Atmanirbhar) in the medical device segment. We are determined to contribute to the development and production of medical devices within India and abroad, ensuring the nation's healthcare needs are met with indigenous excellence.

Financial Performance
With great pleasure, I would like to present to you the financial performance of our company for the financial year ending on March 31, 2023.
The net sales have increased to ₹ 1,115.23 Crores, showing a significant increase of 20.82% compared to the previous year's net sales of ₹ 923.06 Crores.
Furthermore, our EBITDA has shown impressive improvement, reaching ₹ 303.50 Crores, compared to ₹ 253.45 Crores in the preceding year. This reflects a substantial advancement in operational efficiency and profitability. Notably, our Profit before Tax has also seen notable growth, standing at ₹ 237.49 Crores, as opposed to ₹ 195.24 Crores in the previous year. This represents an encouraging increase of 21.64% over the preceding year.

The Government of India has taken key initiatives for development and reducing import dependence in the medical devices sector.

Key Initiatives by Government of India

- Constitution of **"National Medical Devices Promotion Council"**, to discuss and resolve various regulatory issues for ease of doing business and export promotion of the sector.
- New Medical device policy 2023: Strategies to Promote Medical Device Sector:
- Regulatory Streamlining: creation of a Single Window Clearance System.
- Enabling Infrastructure: The establishment and strengthening of large medical device parks.
- Facilitating R&D and Innovation: Department's proposed National Policy on R&D and Innovation in the Pharma- MedTech Sector.
- Attracting Investments in the Sector: encourages private investments, Venture Capitalists, and also Public-Private Partnership(PPP).
- Human Resources Development: to have a steady supply of skilled work force across the value chain.
- Brand Positioning and Awareness Creation: Dedicated Export Promotion Council enabling market access.

Business Outlook
Our Company is a prominent player in the organized medical devices market committed to producing high-quality products that are integral to infusion therapy, blood management, surgery, dialysis, oncology and other critical medical segments. As one of the largest exporter of consumable medical devices from India, we have been able to extend our reach and impact on a global scale, contributing to improved healthcare practices worldwide.
In response to the expanding healthcare market and evolving dynamics, Polymed remains committed to investing in advanced technologies. Additionally, the company will prioritize expediting the development and launch of new product offerings, while also strengthening its manufacturing infrastructure.

We are launching a critical care division, which will focus on products used in intensive care.

The Company also received US FDA approvals for two product categories. So, this will now accelerate our growth in the US market, which is a very important milestone for the Company.

Our Company is dedicated to generating value through the development of innovative healthcare products that prioritize safety for both medical professionals and patients. Every day, millions of patients benefit from these products, which are manufactured in POLYMED plants across the world.

Dividend Outlook
Our Company takes great pride in its history of generously rewarding its shareholders with dividends, and we are pleased to maintain this track record. Considering the financial performance during the year under review, the Board of Directors is delighted to propose a dividend of ₹ 3 per share (60%) for the year ended March 31, 2023.

This proposal is subject to the approval of our esteemed shareholders in the upcoming Annual General Meeting of the Company.

We remain committed to creating value for our shareholders and thank them for their continued trust and support.

Acknowledgement
I would like to extend my heartfelt gratitude to the dedicated employees of our Company. Their unwavering efforts and commitment have been instrumental in driving the Company's performance and sustaining success, especially during these challenging conditions. Their hard work, determination, and dedication have played a pivotal role in overcoming obstacles and achieving our goals. Thank you for your continued dedication and support.

I want to express my gratitude towards all our shareholders, stakeholders, bankers, customers, and suppliers for their support in the development and growth of our Company. Your trust, collaboration, and loyalty have been fundamental in our journey towards success. We value the strong relationships we have built with each one of you, and we look forward to continuing to work together to achieve even greater milestones in the future.

Himanshu Baid
Managing Director

New Delhi
7th August 2023

NOTICE

Notice is hereby given that the 28th Annual General Meeting (AGM) of the members of **"Poly Medicure Limited"** will be held on Thursday, 28th September, 2023 at 10:00 a.m. (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") to transact the following businesses::

Ordinary Business

1. To receive, consider and adopt

- the Audited Standalone Financial Statement for the Financial Year ended 31st March, 2023 together with the reports of the Board of Directors and Auditors thereon; and
- the Audited Consolidated Financial Statements for the Financial Year ended 31st March, 2023 together with the report of Auditors thereon.

2. To declare dividend on Equity Shares for the financial year 2022-23.

3. To appoint a director in place of Mrs. Mukulika Baid (DIN: 02900103) who retires by rotation and being eligible to offer herself for re-appointment.

Special Business

4. To consider and if thought fit, to pass with or without any modification(s) the following Resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, payment of Remuneration of ₹ 80,000/- (plus applicable taxes) to M/s. Jai Prakash & Company, Cost Accountants, who were appointed by the Board of Directors in their Meeting held on 07th, August, 2023 for conducting the audit of cost records of the Company for the financial year ending 31st March 2024, be and is hereby approved and ratified;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters, things and take all steps as may be necessary, proper or expedient to give effect to this resolution.

By order of the Board
Avinash Chandra
Company Secretary
(A32270)

Date: 7th August, 2023
Registered Office:
232-B, 3rd Floor, Okhla Industrial Estate, Phase III,
New Delhi -110020.
CIN: L40300DL1995PLC066923

Notes:

1. In view of the continuing Covid-19 pandemic and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 21/2021 dated December 14, 2021 followed by Circular No. 02/2022 dated May 5, 2022 and Circular No 10/2022 dated 28.12.2022 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circulars issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 201.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.polymedicure.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated January 13, 2021 Circular No. 21/2021 dated December 14, 2021, Circular

No. 02/2022 dated May 5, 2022 and Circular No 10/2022 dated December 28, 2022

8. Corporate members intending to attend the AGM through authorized representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorizing the representatives to attend and vote at the Annual General Meeting. The said Resolution /Authorization shall be sent to the Scrutinizer by email through its registered email address to pkmishra59@yahoo.com with a copy marked to evoting@nsdl.co.in.

9. Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 is annexed.

10. Additional information, pursuant to Regulation 36 (3), of the Listing Regulations, in respect of directors reappointing at the Annual General Meeting and Explanatory Statement as required under Section 102 of the Companies Act, 2013, is appended hereto and forms part of this Notice.

11. a) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 22nd September, 2023 to Thursday, 28th September, 2023 (both days inclusive).

b) The remote e-voting period commences on Monday, 25th September, 2023 (09:00 am) and ends on Wednesday, 27th September, 2023 (05:00 pm). No e-voting shall be allowed beyond the said date and time. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2023, may cast their vote by remote e-voting.

12. Shareholders of the Company are informed that pursuant to the provisions of the Companies Act and the relevant rules the amount of dividend which remains unpaid/unclaimed for a period of 7 years is transferred to the 'Investor Education & Protection Fund (IEPF)' constituted by the Central Govt. Accordingly the amount of dividend which remained unpaid/unclaimed for a period of 7 years for the year 2014-15 has already been transferred to IEPF. Shareholders who have not encashed their dividend warrant(s), for the years 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 are requested to make claim with the Registrar & Share Transfer Agent of the Company immediately.

13. Members holding shares in physical form are requested to intimate immediately to the Registrar & Share Transfer Agent of the Company, MAS Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110 020 Ph:- 011-26387281/82/83 Fax:- 011-26387384 quoting registered Folio No. (a) details of their bank account/change in bank account, if any, and (b) change in their address, if any, with pin code number.

In case share are in demat form members are requested to update their bank detail with their depository participant.

The equity share capital of the company is held by 35,583 shareholders, out of which 35,553 shareholders holding 99.77% of the capital are in dematerialized form and the balance 30 shareholders holding 0.23% of the capital are in physical form. The shareholders having shares in physical form are requested to dematerialize the shares at the earliest.

14. In terms of Section 72 of the Companies Act, 2013 and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.

15. Any member requiring further information on the Accounts at the meeting is requested to send the queries in writing to CFO, at least one week before the meeting.

16. In respect of the matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name/address etc., the members are requested to approach the Company's Registrars and Share Transfer Agent, in respect of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company/Registrar and Share Transfer Agent, members are requested to quote their folio numbers or DP ID and Client ID for physical or electronic holdings respectively.

17. The documents referred to in the proposed resolutions are available for inspection at its Registered Office of the Company during normal business hours on any working day except Saturdays, upto the date of meeting.

18. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.

19. Members who hold shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar, for consolidation into a single folio.

20. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, the Annual Report including audited financial statements for the financial year 2023 including notice of 28th AGM is being sent only through electronic mode to those Members who have registered their e-mail address with Company/Depository. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic mode and with the Company's Registrar & Share Transfer Agent in case the shares are held by them in physical mode.

In case you have not registered your email id with depository or RTA you may registered your email id in following manner.

Physical Holding	Send a ISR-1, SH-13, ISR-2 (if signature of shareholder not matched with RTA record) to RTA.
Demat Holding	Please contact your Depository Participant (DP) and register your email address as per the process advised by DP.

21. Additional information, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director's seeking appointment/re-appointment is annexed to the notice.

22. Voting through electronic means: In compliance with the provisions of Regulation 44 of the Listing Regulations and Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 Company is offering e-voting facility to its members. Detailed procedure is given in the enclosed letter.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 25th September, 2023 at 9:00 am and ends on Wednesday, 27th September, 2023 at 5:00 pm. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 21st September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 21st September, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility,** please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

1. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

2. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
3. Now, you will have to click on "Login" button.
4. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pkmishra59@yahoo.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Amit Vishal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to info@masserv.com.

2. In case shares are held in demat mode, please update your email id with your depository. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use the Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

   Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (cs@polymedicure.com). The same will be replied by the company suitably.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

In conformity with Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the special business mentioned in the accompanying notice and should be taken as forming part of the Notice.

Item No. 4
Approval of remuneration payable to M/s. Jai Prakash & Company, Cost Accountants, the Cost Auditor of the Company

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Jai Prakash & Company, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2024.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice, to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March 2024.

None of the Directors and Key Managerial Personnel or their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

By order of the Board
Avinash Chandra
Company Secretary
(A32270)

Date: 7th August, 2023
Registered Office:
232-B, 3rd Floor, Okhla Industrial Estate, Phase III,
New Delhi -110020.
CIN: L40300DL1995PLC066923
E-mail: investorcare@polymedicure.com

Annexure
Details of Directors seeking appointment/re-appointment at the Annual General Meeting
(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 on General Meeting)

Name of the Director	**Mrs. Mukulika Baid (DIN: 02900103)**
Date of Birth and Age	27th September, 1949, 74 years
Date of Appointment	30th July, 2014
Qualifications	Bachelor Degree in Arts (B.A)
Expertise in Specific functional areas	Around 22 years of experience in Management & Marketing
No. of Board Meetings attended during the Financial Year 2022-23	4
Remuneration last drawn	Not Applicable
Relationship with any Director(s) and Key Managerial Personnel of the Company	Smt. Mukulika Baid, is a director and related to Shri Jugal Kishore Baid, Director, Shri Himanshu Baid, Managing Director, Shri Rishi Baid, Joint Managing Director and Shri Vishal Baid, Sr. President (Corporate Sales & Marketing).
Directorship of other Companies as on 31stMarch, 2023	None
Chairmanship(s)/Membership(s) of Committees of other Companies as on 31st March, 2023	None
Number of Shares held in the Company	30,62,400 (3.19%)

For other details such as number of shares held, number of meetings of the Board attended during the year remuneration drawn in respect of the aforesaid Director; please refer to the Corporate Governance Report.

DIRECTORS' REPORT

Your Directors take immense pleasure in presenting the 28th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the year ended 31st March, 2023.

Financial Results **(₹In lacs)**

Parameters	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations (Net)	1,06,804.50	87,935.76	1,11,523.04	92,306.26
Add: Other Income	3,628.74	3,872.87	3,618.54	3,790.25
Total Revenue	**1,10,433.24**	**91,808.63**	**1,15,141.58**	**96,096.51**
Profit before Interest, Tax, Depreciation and Amortization (EBITDA)	30,076.46	25,086.22	30,157.01	25,100.46
Less: Depreciation & Amortization Expenses.	5,563.68	5,254.01	5,716.68	5,395.22
Less: Financial Costs	830.07	360.70	883.86	425.48
Profit Before Tax (PBT)	**23,682.71**	**19,471.51**	**23,556.47**	**19,279.76**
Add: Share of Profit from Associates			192.67	244.73
Profit Before Tax (after Share of Profit from Associates**)**	23,682.71	19,471.51	23,749.14	19,524.49
Less: Tax provision	5778.24	4,869.80	5,820.89	4,873.89
Profit after Tax	**17,904.47**	**14,601.71**	**17,928.25**	**14,650.60**
Add: Balance brought forward	39,863.11	30,158.41	39,904.12	30,416.53
Profit available for appropriation	**57,767.58**	**44,760.12**	**57,832.37**	**45,067.13**

Briefly, during the year under report, the Company's consolidated total income increased to ₹ 1,15,141.58 lacs from ₹ 96,096.51 lacs in the previous year, registering a growth of 19.82%. EBIDTA improved to ₹ 30,157.01 lacs as from ₹ 25,100.46 lacs in the previous year which translates into a rise of 20.15%. Profit before Tax (PBT) is ₹ 23,556.47 lacs as against ₹ 19,279.76 lacs in previous year which translates into a rise of 22.18%.

Highlights of performance are discussed in detail in the Management Discussion and Analysis Report which forms part of the Directors' Report.

Share Capital

During the year under report, the paid-up share capital of your Company has been increased by ₹ 44,000 due to the allotment of 17,750 equity shares of ₹ 5 each under the Employee Stock Options Scheme, 2016 and 26,250 equity shares of 5 each under the Employee Stock Options Scheme, 2020 on exercise of stock options by the eligible employees.

ESOP issuance

The Company has framed an ESOP Scheme 2016 and ESOP Scheme 2020 for the benefit of its employees under which it has issued 17,750 and 26,250 equity shares respectively. The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme of the Company, in accordance with the SEBI (Share Based Employee Benefits & Sweat Equity Shares) Regulations, 2021.

Dividend

In keeping with the Company's tradition of rewarding the Shareholders, your directors are pleased to recommend a dividend of ₹ 3.00/- per equity share of the face value of ₹ 5/- each for the financial year ended on 31st March, 2023. The proposal is subject to the approval of the shareholders at the forthcoming Annual General Meeting. The final dividend on equity shares, if approved by the members would involve a cash outflow of ₹ 2,878.33 lacs. The dividend would be payable to all Shareholders whose names appear in the Register of Members and in respect of shares held in dematerialized form, to the members whose names are furnished by the National Securities Depository Limited and Central Depository Services (India) Limited on book closure date.

The aforesaid dividend paid for year under review is in accordance with the Company's policy on Dividend Distribution which is linked to long term growth objectives of your Company to be met by internal cash accruals. The Dividend Distribution Policy of the Company can be viewed on the Company's website at https://www.polymedicure.com/wp-content/uploads/2020/09/Dividend-Distribution-Policy.pdf

Transfer to Reserves

The Board of Directors has proposed to transfer ₹ 2,500.00 lacs to General Reserves out of the profit available for appropriation.

Subsidiaries and Associate

The subsidiary companies performed as follows:

- **Poly Medicure (Laiyang) Co. Ltd, China** - The wholly owned subsidiary Company has achieved a turnover of ₹ 1,391.10 lacs for the year ending 31st March, 2023 against ₹ 1,536.69 lacs in the previous year.

- **Poly Medicure B.V., Amsterdam, Netherlands** - During the year under review the Company has not done any business operations.

- **Plan1 Health s.r.l., Italy,** a step-down Subsidiary – The wholly owned subsidiary Company has achieved a turnover of ₹ 4,222.10 lacs for the year ending 31st December, 2022 against ₹ 3,392.22 lacs in the previous year.

- **Plan1 Health India Pvt. Ltd., India –** During the year under review the Company has not done any business operations.

- **Poly Health Medical Inc.,(USA),** a step-down Subsidiary- During the year under review the Company has not done any business operations.

The Company has one Associate in Egypt, viz.
Ultra for Medical Products Company (ULTRA MED), Egypt – The Associate has achieved sales of ₹ 7,362.00 lacs during the year ending 31st December 2022, as compared to ₹ 9,392.19 lacs in the previous year. The decrease in sales is due to currency devaluation.

Audited financial statements of the subsidiaries of the Company are available on the website of the Company. The shareholders, who wish to receive a copy of Annual Accounts of the Subsidiary Companies, may request the Company Secretary for the same.

Pursuant to Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the subsidiary companies in prescribed Form AOC-1 is given in the Consolidated Financial Statements of Company and forms part of this Annual Report.

Transfer of Unpaid/Unclaimed Dividend Amounts to Investor Education and Protection Fund
During the Year under review, the Company has transferred ₹ 6,36,192 lying in the unpaid/unclaimed dividend account, to the Investor Education and Protection fund (IEPF) in compliance with Section 205C of the Companies Act, 1956, read with Investor Education & Protection Fund (Awareness and Protection of Investors) Rules, 2001. The said amount represents the final dividend for the financial year 2014-15 and interim dividend of 2015-16 which remained unclaimed by the shareholders of the Company for a period of seven years from the due date of payment.

Significant Events After Balance Sheet Date
There are no significant events after the balance sheet date.

Directors and Key Managerial Personnel
In view of the provisions of the Companies Act, 2013, Mrs. Mukulika Baid is liable to retire by rotation at the ensuing Annual General Meeting, and she offers herself for re-appointment. The information as required to be disclosed under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in case of re-appointment of directors is provided in the Notice of the ensuing Annual General Meeting of the Company.

Pursuant to Section 149(4) of the Companies Act, 2013, every Listed Company is required to appoint one third of its Directors as Independent Directors. The Board has seven Independent Directors in terms of the provisions of Regulation 17(b) of the SEBI (LODR) Regulations, 2015. Necessary details in respect of the directors are given in the Corporate Governance Report.

The Independent Directors have submitted their respective declarations of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of Independence specified in the Act and the Rules made there under as also under Regulation 25 of the SEBI (LODR) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the key managerial personnel of the Company are Shri Himanshu Baid, Managing Director, Shri Rishi Baid, Joint Managing Director, Shri Naresh Vijayvergiya, Chief Financial Officer, Shri Avinash Chandra, Company Secretary and Shri Ravi Prakash, Deputy Company Secretary.

Board Evaluation
Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its committees.

The Nomination and Remuneration Committee has defined the evaluation criteria for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, Board structure, composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its committees and of the Directors.

Secretarial Standards
The Company has complied with the provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2).

Directors' Responsibility Statement
Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge hereby state and confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.

b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.

c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d) the directors have prepared the annual accounts on a going concern basis.

e) the directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and are operating effectively.

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under regulation 34 (2)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a cash flow statement is part of the Annual Report 2022 - 2023. Further, the Consolidated Financial Statements of the Company for the financial year 2022 - 2023 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Financial Statements have been prepared on the basis of the audited financial statements of the Company, its subsidiaries and joint venture companies as approved by their respective Boards of Directors.

Policy on Directors' Appointment and Remuneration

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) of the Companies Act, 2013, adopted by the Board are covered in Corporate Governance Report as **Annexure – 1,** which forms part of this Report.

Further, the policy also indicates the manner of performance evaluation of Independent Directors, Board committees and other individual directors which include criteria for performance evaluation of the non-executive and executive directors. The policy of the Company on directors' appointment and remuneration can be viewed on the Company's website at https://www.polymedicure.com/wp-content/uploads/2023/02/Criteria-of-making-payments-to-non-executive-directors.pdf

Annual Return

In terms of Section 93(3) of the Companies Act, 2013, as amended the Annual Return of the Company is placed on the website of the Company on the following link https://www.polymedicure.com/annual-return-as-provided-under-section-92-of-the-companies-act-2013/

Auditors and Auditors' Report

Statutory Auditors

At the 24th Annual General Meeting held on September 23, 2019 M/s. M. C. Bhandari & Company, Chartered Accountants (Firm Registration No. 303002E), were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 29th Annual General Meeting of the Company to be held in the year 2024.

Your Company has received a certificate from M/s. M. C. Bhandari & Company, Chartered Accountants (Firm Registration No. 303002E) confirming their eligibility to continue as the Auditors of the Company in terms of the provisions of the Act and the Rules framed thereunder and a copy of the certificate issued by the Peer Review Board (ICAI) as required under Regulation 33 of the Listing Regulations.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any comments. The Auditors' Report does not contain any qualifications, reservations, or adverse remarks.

Further, during the year, in the course of the performance of their duties as auditor, no frauds were reported by them.

Cost Auditor

The Board had appointed M/s. Jai Prakash & Company, Cost Accountants as Cost Auditor for the Financial Year 2022-23. M/s. Jai Prakash & Company, Cost Accountants have been re-appointed as Cost Auditor to conduct the audit of cost records of the Company for the Financial Year 2023-24 and approval of the members is being sought for ratification of their remuneration.

Secretarial Auditor

The Board of Directors has appointed M/s. P.K. Mishra & Associates (Certificate of Practice No.- 16222), Company Secretaries in Practice to conduct Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the financial year ended 31st March, 2023 is annexed this Report as **Annexure – 2**.

The Board of Director has appointed M/s. P.K. Mishra & Associates, Company Secretaries in Practice to conduct Secretarial Audit for the financial year 2023-24.

Business Responsibility & Sustainability Report (BRSR)

A detailed Business Responsibility & Sustainability Report (BRSR) has been prepared. As a green initiative the BRSR is placed on website of your Company and can be accessed at the website of the Company www.polymedicure.com/wp-content/uploads/2023/09/BRSR-1.pdf

Particulars of Loans, Guarantees or Investments under Section 186

The Particulars of Loans, Investments and guarantees made/given by the Company, under Section 186 of the Companies Act, 2013, are furnished in **Annexure - 3** and forms part of the Report.

Particulars of Contracts or Arrangements with Related Parties The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC - 2 in **Annexure - 4** and form part of this Report. The Related Party Transaction Policy can be accessed at the website of the Company https://www.polymedicure.com/wp-content/uploads/2023/02/policy-on-dealing-with-related-party-transactions.pdf

Fixed Deposits

Your Company has not accepted/or invited any Fixed Deposits within the meaning of Section 58A of the Companies Act, 1956 and Section 73 or 76 of the Companies Act, 2013.

Corporate Social Responsibility

As per the Companies Act, 2013, all companies having a net worth of ₹ 500 Crore or more, or a turnover of ₹ 1,000 Crore or more or a net profit of ₹ 5 Crore or more during any financial year are required to constitute a CSR Committee of the Board of Directors comprising three or more directors, at least one of whom should be an independent director. All such Companies are required to spend at least 2% of the average net profits of their immediately preceding three financial years on CSR related activities. Accordingly, the Company was required to spend ₹ 315.34 lacs towards CSR activities. The Company overall spends ₹ 315.34 lacs for activities specified in schedule VII of the Companies Act, 2013. Details of CSR policy and the initiatives adopted by the Company on CSR during the year are available on the website of the Company at http://www.polymedicure.com/wp-content/uploads/2015/03/CSR_Policy_2015.pdf. The Annual Report on CSR as per Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as Annexure – 5 to this Report in the prescribed format.

Vigil Mechanism/ Whistle Blower Policy:

The Company has a "Policy on Whistle Blower and Vigil Mechanism" to deal with instances of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The whistle blower Policy is displayed on the Company's Website viz, https://www.polymedicure.com/wp-content/uploads/2023/02/vigil-mechanism-and-whistle-blower-policy.pdf.

Prevention of Sexual Harassment at Workplace
The Company has a detailed Policy on Prevention of Sexual Harassment (POSH Policy) in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Act). Internal Complaints Committees (ICC) have been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of ICC under the Act. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The POSH Policy is gender inclusive, and the framework ensures complete anonymity and confidentiality.

During the year under review, no complaints were received by the Committee for Redressal.

Details in respect of Adequacy of Internal Financial Controls with reference to the financial statements
The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Audit Committee of the Board reviews reports submitted by the independent internal auditors and monitors follow-up and corrective actions.

Particulars of Employees pursuant to Section 197(12)
Details pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed herewith as **Annexure-6.**

Particulars of Employees and Related Disclosures in terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

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

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may send their email to cs@polymedicure.com.

Quality and Certification
At POLYMED, our utmost priority is delivering products that adhere to stringent global quality standards. Our Quality Management system forms the foundation of our commitment to excellence. All our products comply with international standards and regulatory requirements, reflecting our dedication to meeting the highest industry benchmarks.

We strive for continuous learning and improvement and adopt and implement world-class processes to enhance the quality of our offerings. Our products undergo rigorous quality tests, and our dedicated quality assurance team diligently monitors each stage of the manufacturing process. Additionally, we conduct thorough inspections to ensure that the products meet the standards.

This unwavering focus on quality enables us to provide our customers with products that are reliable, safe, and of the highest quality fulfilling our purpose of "We Care as We Cure". Our associates are committed to a culture of quality inspired by all our stakeholders.

All our products are manufactured in strict adherence to the current Good Manufacturing Practices (GMP). To ensure compliance with these high-quality standards, we undergo regular internal and external quality audits. These audits verify that our quality systems align with the latest international standards, providing customers with products of superior quality.

Furthermore, our various manufacturing facilities have been certified from esteemed independent external agencies. These certifications include the ISO 9001:2015 for quality management system by DNV GL Business Assurance, EN ISO 13485:2016, and CE Certification by TUV SUD Product Service GmbH, Germany. POLYMED has also been granted USFDA 510K certification for some of its products for sale in the USA market.

Human Resources
Polymed acknowledges the pivotal role its employees play as a key asset, understanding that investing in them directly contributes to creating value for all stakeholders. With the company's expansion and execution of new projects, recruitment receives significant attention, successfully attracting skilled professionals at various levels.

The Management of Polymed is dedicated to fostering a supportive, nurturing and rewarding work environment. They achieve this through a range of employee engagement programs, empowering individuals to excel in their respective fields. Together, we strive to exceed expectations and make a positive impact in the lives of our stakeholders.

We are committed to maintaining a diverse, healthy and thriving workforce that imbibes our culture of empowerment, innovation, safety and well being. Our associates play a key role in decision making and providing impactful solutions in transformation of the organization.

The Human Resources department organizes training and development programs to continually enhance the skills and knowledge of the employees, ensuring their growth and success within the organization.

Polymed takes immense pride in its diverse talent pool, comprising of approximately 28% female workforce.

Credit Rating
CRISIL continue to accord the Company, the ratings on the bank facilities of the Company as under:

Long-Term Rating	CRISIL AA-/ Stable
Short Term Rating	CRISIL A1+

Global Economic Volatility Risk
We take pride in our extensive geographical presence, which contributes to a diverse revenue mix for our company. Approximately one-third of our revenue is generated within India, reflecting our strong domestic market presence. The remaining two-thirds of our revenue comes from exports, indicating our success in serving international markets and reaching customers across the globe.

However, this exposes us to the uncertainties in the global economic, political, and financial landscape which has the potential to cause significant disruptions in supply chains.

Our procurement of raw materials relies on purchase orders, with suppliers sourced from both domestic and international markets. We maintain adequate stocks of raw materials to ensure continuity in manufacturing processes.

Regulatory Risk
The medical devices industry is one of the highly regulated industries worldwide. Governments and regulatory agencies around the globe impose strict standards and requirements on medical device manufacturers to ensure the safety, efficacy, and quality of medical devices being used by healthcare providers and patients. The regulations for medical devices vary from country to country. Compliance with these regulations is critical to gain and maintain market access and uphold the trust of healthcare professionals and consumers.

The company maintains a robust quality assurance and regulatory control mechanism, which ensures strict compliance at every level of its operations. To stay up-to-date with the latest developments in the regulatory landscape, regular regulatory trainings are organized for employees. These training sessions equip the staff with the necessary knowledge and understanding to adhere to the ever-changing regulations and guidelines in the industry. By prioritizing quality and regulatory compliance, the company demonstrates its commitment to delivering safe and reliable products and services to its customers while meeting all necessary regulatory requirements.

Foreign Exchange Risk
The Company engages in various operational transactions, including anticipated sales, purchases, and borrowings, that are denominated in foreign currencies. As a result, we are exposed to exchange rate fluctuations. Although we don't have a significant currency risk as we're an export driven company, however, these fluctuations can have an impact on our financial results and overall performance, and therefore, managing these exposures is crucial to mitigate any potential risks and uncertainties associated with currency fluctuations.

To manage the risks arising from currency, our Company has implemented robust risk management policies, namely the Foreign Exchange Risk Management Policy and the Commodity Risk Management Policy. By adhering to these policies, we actively engage in hedging activities to mitigate the potential impacts of adverse movements in foreign exchange rates and commodity prices.

Through a systematic and well-structured approach, we aim to safeguard our financial position and ensure stability and predictability in our operations.

Corporate Governance
Corporate governance for us is pivotal to drive our growth and development. It acts as catalyst to realise our vision and mission across the organisation and implement set of process and procedures of achieving our goals. Since our inception, we believed in adopting good governance practices for fulfilling our vision and mission. The Corporate Governance Report forms an integral Part of this Report and is set out separately in this Annual Report.

All Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct as applicable to them for the year ending on 31st March, 2023 as per Regulation 26(3) of SEBI (LODR) Regulations, 2015. A declaration to this effect as signed by the Managing Director is annexed with this Report.

Management Discussion and Analysis Report
The Management Discussion and Analysis Report on the operations of the Company, as required under the provision of Regulation 34 of the Listing Regulation is provided in **Annexure-7** forming part of Directors' Report.

Listing
The Shares of your Company are listed on the BSE Limited (BSE), Mumbai and National Stock Exchange of India Limited, (NSE), Mumbai. The Listing fees to the Stock Exchanges for the year 2023-24 have been paid.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in "Annexure - 8" and forming an integral part of this Report.

Green Initiatives

As part of the Green Initiative, we propose to send documents such as Notices of General Meeting(s), Annual Reports and other shareholders communications for the year ended 31st March 2023 in electronic form, to the email addresses provided by you and/or made available to the Company by the Depositories. A copy of annual report shall be available on the website of the Company and for inspection at the registered office of the Company, during office hours. In case any member wishes to get Annual Report and other communication in physical form, he may write to the company and the same will be provided free of cost.

Electronic copies of the Annual Report 2022-23 and Notice of the 28th Annual General Meeting would be sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses, physical copies of the same would be sent in the permitted mode.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company's operations in future.

Other Disclosures

✓ The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

✓ Neither the Managing Directors nor the Whole-time Directors of the Company have received any remuneration or commission from any of its subsidiaries.

✓ No fraud has been reported by the Auditors to the Audit Committee or the Board.

✓ Neither application was made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

✓ No settlements have been done with banks or financial institutions.

Acknowledgements & Appreciation
The Directors take this opportunity to express their deep sense of gratitude to its Central and State Governments and local authorities for their continued co-operation and support.

They also would like to place on record their sincere appreciation for the commitment, hard work, and high engagement level of every employee of the Company.

The Directors would also like to thank various stakeholders of the Company including customers, dealers, suppliers, lenders,

transporters, advisors, local community, etc. for their continued committed engagement with the Company.

The Directors would also like to thank the shareholders of the Company for their confidence and trust reposed in the management team of the Company.

For and on behalf of **Board of Directors**

7th August, 2023	D. R. Mehta	Himanshu Baid
New Delhi	Chairman	Managing Director

Annexure-1

REMUNERATION POLICY

Preamble:

Pursuant to the provisions of section 178 of the Companies Act, 2013, read with rule 6 of Companies (Meeting of Board and its powers) rules, 2014, the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee consisting of three or more Non-Executive Directors out of which not less than one half shall be Independent Directors. The Board has already constituted its Remuneration Committee comprising of Non-Executive Independent Directors. In order to align with the provisions of the Companies Act, 2013 and rules made there under the Board in its meeting held on 15th May, 2014 has changed the nomenclature of the Remuneration Committee to Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall determine the criteria of appointment to the Board and is vested with authority to identify candidates for appointment to the Board and evaluate their performance. This policy has been formulated by Nomination and Remuneration Committee and approved by the Board of Directors in compliance with section 178 of the Companies Act, 2013 read with rule 6 of Companies (Meeting of Board and its powers) rules, 2014.

Objectives:

The primary objective of the policy is to provide a framework and set standards for nomination, remuneration and evaluation of Directors, Key Managerial Personnel and Officers comprising the Senior Management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

The main objective of the policy and committee includes the following:

- To guide and recommend to the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management Personnel.
- To formulate the criteria for determining qualification, positive attributes and independence of a director and recommendation to the Board on the remuneration payable to Directors, Key Managerial Personnel and officials in Senior Management of the Company.
- Formulating the criteria for evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To guide on providing reward to Directors, Key Managerial Personnel and Senior Management directly linked to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented Managerial Personnel and create competitive advantage.
- To develop a succession plan for the Board Members, Key Managerial Personnel and Senior Management and to regularly review the plan.

Constitution and Composition of Nomination and Remuneration Committee:

I. Membership of the Committee:

   a) The Nomination and Remuneration Committee shall consist of a minimum 3 Non-Executive Directors, provided one half shall be Independent Directors.

   b) Minimum two (2) members shall constitute a quorum for the Committee meeting.

   c) Membership of the Committee shall be disclosed in the Annual Report.

   d) Term of the Committee shall be continued unless terminated by the Board of Directors.

II. Chairman of the Committee:

   a) Chairman of the Committee shall be an Independent Director.

   b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

   c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

   d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting.

III. Frequency of meetings:

   The meeting of the Committee shall be held annually or as may be decided by the Chairman.

IV. Committee members' interests:

   a) A member of the Committee is not entitled to be present when his or her own, remuneration is to be discussed at a meeting or when his or her performance is being evaluated.

   b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

V. Secretary:

   The Company Secretary of the Company shall act as Secretary of the Committee.

VI. Voting:

   a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of Committee.

   b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

VII. Minutes of Committee Meeting:

   Proceedings of all meetings must be recorded in minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Definitions:

"**Board**" means Board of Directors of the Company.

"**Company**" means 'Poly Medicure Limited.'

"**Independent Director"** means a director referred to in Section 149(6) of the Companies Act, 2013.

"**Key Managerial Personnel**" (KMP) means:

(i) Managing Director or Chief Executive Officer or Manager

(ii) Whole Time Director

(iii) Company Secretary

(iv) Chief Financial Officer

"Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

"Policy" shall mean **Nomination and Remuneration Policy**.

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

"Senior Management" mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all the functional heads.

Applicability:
The Policy shall be applicable to all the Directors (Executive and Non-Executive), Key Managerial Personnel and Senior Management Personnel of the Company.

Policy for appointment and removal of Director, KMP and Senior Management:

I. Appointment Criteria and Qualifications:

a) The Nomination and Remuneration Committee ("Committee") shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and at Senior Management level and recommend to the Board his/her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on explanatory statement annexed to the notice for such motion including the justification for extension of appointment beyond the seventy years.

II. Term/Tenure

a) Managing Director, Whole Time Director and Executive Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Whole Time Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board Report.

No Independent Director shall hold office for more than two consecutive terms of maximum of 5 years each, but such Independent Directors shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not during the said period of three years be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation/Assessment of Directors/KMPs/Senior Officials of the Company:
The evaluation/assessment of Directors, KMPs and the Senior Officials of the Company is to be conducted on an annual basis by the Committee.

The following criteria may assist in determining how effective the performances of Directors/KMPs/Senior Officials have been:

- Leadership & Stewardship abilities.
- Contributing to clearly define corporate objectives & plans.
- Communication of expectations & concern clearly with subordinates.
- Obtain adequate, relevant & timely information from external sources.
- Review & approval of achievement of strategic and operational plans, objectives, budgets.
- Regular monitoring of corporate results against projections.
- Identify, monitor & mitigate significant corporate risks.
- Assess corporate policies, structure & procedures.
- Director, monitor & evaluate KMP's, Senior Officials.
- Review management's succession plan.
- Effective meetings for corporate purposes.
- Assuring appropriate board size, composition, independence, structure
- Clearly defining roles & monitoring activities of committees.
- Review of corporation's ethical conduct.

Evaluation on the aforesaid parameters will be considered by the Independent Directors for each of the Executive/Non-Executive/ Non Independent Director in a separate meeting of the Independent Director.
The Executive Director/ Non Independent Director along with the Independent Directors will evaluate/ assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

Removal:
Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons the removal of Director, KMPs subject to the provisions and compliance of the Company's Act, rules and regulations.

For Senior Management Personnel, the removal will be governed by Company's HR Policy and the subsequent approval of Managing Director.

Retirement:
Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons the removal of Director, KMPs subject to the provisions and compliance of the Company's Act, rules and regulations.

For Senior Management Personnel, the removal will be governed by Company's HR Policy and the subsequent approval of Managing Director.

Remuneration:
The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and other Senior Management Officials.

The Directors, Key Managerial Personnel and other Senior Management Official's salary shall be based & determined on the basis of person's responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The Nominations and Remuneration Committee determines remuneration packages for Directors, KMP's and Senior Management Officials of the Company taking into account factors it deems relevant, including but not limited to market conditions, business performance, prevailing laws and other guidelines.

i. Remuneration to Executive Directors:

- Section 197 of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its Directors, including Managing Director and Whole Time Director, and its Manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in section 198 of the Companies Act, 2013.

- The Company with the approval of the shareholders and Central Government may authorize the payment of remuneration exceeding eleven percent of the net profits of the Company, subject to the provisions of schedule V.

- The Company with the approval of the shareholders, may authorise the payment of remuneration upto five percent of the net profit of the Company to anyone of its Managing Director/ Whole Time Director/Manager and ten percent in case more than one such official.

- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto one percent of the net profit of the Company, if there is a Managing Director or Whole Time Director or Manager and three percent of the net profits in any other cases.

- The net profit for the purpose of the above remuneration shall be computed in the manner referred to in section 198 of the Companies Act, 2013.

ii. Remuneration/Sitting Fee to Non-Executive/ Independent Director:
The Independent Directors shall not be entitled to any stock option of the Company. The Non- Executive/Independent Directors may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purposes as may be decided by the Board and profit related commission as may be approved by the shareholders.

iii. Remuneration to Key Managerial Personnel and Officials in Senior Management
The remuneration payable to Key Managerial Personnel and to the officials in Senior Management shall be decided by the Board/Committee having regard to the provisions of Act, Policy of the Company and their experience, Leadership abilities, initiative taking abilities and knowledge base.

Duties of the Committee in relation to Nomination matters:

- Ensuing that on appointment to the Board, Non-Executive/ Independent Directors receive a formal letter of appointment as per the provisions of the Companies Act, 2013.
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board as per the provisions of the Companies Act, 2013.
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board.
- Developing a succession plan for the Board and Senior Management and reviewing the plan from time to time.
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective.
- Recommend necessary changes to the Board.
- Considering any other matters as may be assigned by the Board.

Duties of the Committee in relation to Remuneration matters:

- To consider and determine the remuneration based on the principles of (a) pay for responsibilities (b) pay for performance and potential.
- To pay for growth and ensure that the remuneration fixed is reasonable and sufficient to attract, retain and motivate the Directors, KMP's and Officials in Senior Management.
- To take into account financial position of the Company, qualification, experience, past performance, past remuneration etc.
- To consider other factors as the Committee shall deem appropriate for elements of the remuneration of the members of the Board and ensure compliance of provisions of Companies Act and other applicable laws.
- To ensure that a balance is maintained between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company in the remuneration of Directors, KMP's and Senior Management.
- To consider any other matters as may be assigned by the Board.

Review and Amend

- The Committee or the Board may review the policy as and when it deems necessary.
- The Committee may issue the guidelines, procedures, format, reporting mechanism and manual in supplement and better implementation to this policy, if it things necessary.
- The Company reserves the rights to modify, add, or amend any of these Policy Rules/Guidelines any time.

Evaluation of Director(s), KMP's etc.
The evaluation of Director(s), Key Managerial Personnel and president level employees of the Company is to be conducted on an annual basis by the committee. Below mention criteria may be assisted in determining the effective of the performance:

Executive Directors:

1. Performance Criteria:
   - Management qualities
   - Results/Achievements
   - Domain Knowledge
   - Decision making

2. Personal Attributes:
   - Leadership qualities
   - Motivation and Commitment
   - Vision
   - Strategic Planning
   - Principles and Values

Non Executive Independent Directors and Non Executive Non Independent Directors

- Engagement
- Strategic Planning
- Team spirit
- Knowledge and Skills

Annexure-2

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors,
Poly Medicure Limited,
Property no. 232B, Third Floor,
Okhla Industrial Estate Phase – III,
New Delhi 110020

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Poly Medicure Limited having CIN L40300DL1995PLC066923 (hereinafter called the company) Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon I report that:-

a) Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

b) I have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

c) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

d) Wherever required, I have obtained the management representation about the compliance of law, rules and regulations and happening of events etc.

e) The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to verification of procedures on test basis.

f) The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Based on my verification of the Poly Medicure Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering for the financial year ended on March 31, 2023 ('Audit Period'):

- complied with the statutory provisions listed hereunder and

- proper Board-processes and compliance mechanism in place;

to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Poly Medicure Limited ("the Company") for the financial year ended on March 31, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under were duly complied for the period from 1st April 2022 to 31st March 2023;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under were duly complied for the period from 1st April 2022 to 31st March 2023;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, the provisions were duly complied for the period from 1st April 2022 to 31st March 2023 as disclosed by the management of the Company;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(The company has filed the required disclosure under the SEBI (SAST) Regulations, 2011 during the period under audit as disclosed by the management of the company);**

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(The company has filed the required disclosure under the SEBI (Prohibition of Insider Trading) Regulations, 2015 during the period under audit as disclosed by the management of the company);**

   As per Regulation 3(5) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, every company is required to maintained digital database, the Company has installed the same and complied with the provisions.

   (c) The Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018; **(The**

company has issued 17,750 Equity Shares and 26,250 Equity Shares of Rs.5/- each on 04.08.2022 & 28.01.2023 respectively pursuant to Employees Stock Options Scheme, 2020 in compliance with the provisions of SEBI (Issue of Capital Disclosure Requirements) Regulations, 2018);

(d) The Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021) **(Applicable, the company has received approval from shareholders at the Annual General Meeting held on 29.09.2020 with respect to its Poly Medicure Employee Stock Option Scheme-2020. Moreover, the company has issued 17,750 Equity Shares and 26,250 Equity Shares of Rs.5/- each on 04.08.2022 & 28.01.2023 respectively pursuant to Employees Stock Options Scheme, 2020 during the period under audit as disclosed by the management of the company).**

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable during the review period);**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the review period);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable during the review period);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable as the company has not bought back / proposed to buy-back any of its securities during the review period);** and

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
and other applicable laws

The management has identified and confirmed the following laws as specifically applicable to the Company

1. Drugs and Cosmetics Act,1940;

2. Applicable labour laws.

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

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- The Listing Agreement(s) entered into by the Company with Bombay Stock Exchange Limited ("BSE"), National Stock Exchange of India ("NSE"), if any

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2), Listing Agreements etc mentioned above.

I further report that:

➢ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors, and Woman Director. There is no change in the composition of the Board of Directors that took place during the quarter ended on 31.03.2023.

➢ Adequate notices were given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda items were sent generally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

➢ Majority decisions are carried out unanimously as recorded in the minutes of the Board of Directors and Committees of Board as the case may be.

The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the period under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules and Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

➢ As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period, there was no other event/ action having major bearing on the affairs of the Company.

FOR P.K. MISHRA & ASSOCIATES
COMPANY SECRETARIES

Firm's Registration No. S2016DE382600
Peer Review Certificate No.: 2656/2022

PAWAN KUMAR MISHRA
PROPRIETOR
Membership No.FCS-4305
COP No.16222
Date: 03-05-2023
Place: New Delhi
UDIN- F004305E000244347

Annexure-3

Particulars of Loans, Guarantees or Investments under Section 186

❖ Details of Investments as on 31st March, 2023

S. No.	Name of Company	Relationship	Amount (INR) (in Lakhs)
1	Plan1 Health India Private Limited*	Subsidiary	1.00
2	Poly Medicure (Laiyang) Co. ltd. China*	Subsidiary	472.39
3	Poly Medicure B.V., Netherlands*	Subsidiary	5133.63
4	Ultra for Medical Products Company (ULTRAMED), Egypt*	Associate	88.67

*Exempt under section 186 of the Companies, Act, 2013

❖ Details of Loans outstanding during the year ending 31st March, 2023. The Company has Loan outstanding from Poly Medicure B.V., Netherlands of ₹ 180.04 lakhs as on 31st March, 2023.

Annexure-4

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

NONE; DURING THE REPORTING PERIOD, ALL TRANSACTIONS WERE AT ARM'S LENGTH BASIS

(a) Name(s) of the related party and nature of relationship: **NA**
(b) Nature of contracts/arrangements/transactions: **NA**
(c) Duration of the contracts / arrangements / transactions: **NA**
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **NA**
(e) Justification for entering into such contracts or arrangements or transactions **NA**
(f) Date(s) of approval by the Board: **NA**
(g) Amount paid as advances, if any: **NA**
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **NA**

2. Details of material* contracts or arrangement or transactions at arm's length basis:

(*As defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company, "Material Related Party Transaction" means a transaction with a related party if the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover OR 1000 crores, whichever is lower, of the Company as per the last audited Financial Statements of the Company.)

(a) Name(s) of the related party and nature of relationship: **M/s. Vitromed Healthcare, Jaipur**
(b) Nature of contracts/arrangements/transactions: **Job work Contract**
(c) Duration of the contracts / arrangements / transactions: **3 (Three) Years i.e. F.Y. 2021-22 to 2022-24.**
(d) Salient terms of the contracts or arrangements or transactions including the value, if any: **The Company hereby agrees for job work contracts for some of the products and components of Medical Devices and their components to M/s Vitromed Healthcare (The Firm) and the Firm agrees to manufacture the same on Job work basis. The maximum amount of the Contract shall be Rs. 60 Crore in Financial Year 2021-22, Rs. 70 Crore in Financial Year 2022-23 and Rs. 80 Crore in Financial Year 2023-24.**
(e) Date(s) of approval by the Board, if any: **1st October, 2021.**
(f) Amount paid as advances, if any: **No Advance**

For and on behalf of **Board of Directors**

New Delhi	**D. R. Mehta**	**Himanshu Baid**
7th August, 2023	**Chairman**	**Managing Director**

Annexure-5

1. **Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   In adherence to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee, in its meeting held on 15th May, 2014, has approved a CSR Policy of the Company.

   In accordance with the primary CSR philosophy of the Company and the specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain thrust areas such as Eradicating hunger, poverty and malnutrition, Promoting Health Care, Promoting gender equality and empowering women, supporting education and healthcare.

   The Corporate Social Responsibility Policy of the Company is available on the website of the Company http://www.polymedicure.com/wp-content/uploads/2015/03/CSR_Policy_2015.pdf.

2. **Composition of the CSR Committee:**

Sl No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Devendra Raj Mehta	Chairman -Independent Director	1	1
2.	Shri Jugal Kishore Baid	Member - Non Executive Director	1	1
3.	Smt. Mukulika Baid	Member - Non Executive Director	1	1
4.	Smt. Sonal Mattoo	Member - Independent Director	1	1

3. **Provide the Web link where Composition of the CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company. Web link are as under:** http://www.polymedicure.com/wp-content/uploads/2015/03/CSR_Policy_2015.pdf.

4. **Impact Assessment of CSR projects carried out in pursuance of sub rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if any-** Not Applicable

5. **Amount required for set off for the financial year 2022-23, in pursuance of sub rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:** Not Applicable

6. **Average net profit of the Company for the last three financial years:** Average net profit: ₹ 15,767 Lacs

7. **(a) Two percent of average net profit of the Company as per Section 135(5):** ₹ 315.34 lacs/-
   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

   (c) **Amount required to be set off for the financial year 2021-22:** Not Applicable

   (d) **Total CSR obligation for the financial year 2022-23:** Rs. 315.34 Lacs/-

8. (a) CSR Amount spent or unspent for the financial year:

Total Amount spent for the financial year (In Rs.)	Amount unspent (In Rs.)				
	Total Amount transferred to unspent CSR Account as per Section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 315.34 Lacs	Not Applicable				

   (b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

   (c) Details of CSR amount spent against **other than ongoing projects** for the financial year: **Rs. 315.34 Lacs**

Sl. No.	Name of Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/ No)	Location of Project		Amount Spent for the Project (In Rs.)	Mode of Implementation-Direct (YES/NO)	Mode of implementation-Through implementation agency
				State	District			
1	On Providing food and related services	(i)	YES	HARYANA (Faridabad) RAJASTHAN (Jaipur) UTTARAKHAND (Haridwar)		-		
2	On Promotion of Healthcare	(i)	YES			66.35	NO	HELP IN SUFFERING, TERAPANTH PROFESSIONAL FORUM, JAI CHAND LAL HULASI DEVI BAID CHARITABLE TRUST
3	On Promotion of Education	(ii)	YES			82.18	NO	JITO ADMINISTRATIVE TRAINING, RAJMAHAL SCHOOL, BHAGIRATHI SAVA PRANYAS, NAVODAYA VIDYALAYA SAMITI, etc.
4	On Welfare for dis-abled person and social welfare	(ii)	YES			9.67	NO	VIKLANG PUNARVAS AVAM PRASHIKSHAN SANSTHAN etc.
5	Contribution to CSR Eligible Trust	(i)	YES			157.15		SAMARPAN SANSTHAN, PRAKART BHARATI ACAD-EMY, Gulab Kaushalya Charitable Trust etc.
		TOTAL				**315.34**		

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment: Not applicable

(f) Total amount spent for the financial year 2022-23 (8b+8c+8d+8e): Rs. 315.34 Lacs

(g) Excess amount for set off, if any: Nil

Sl no.	Particulars	Amount (in Rs.)
1.	Two percent of average net profit of the Company as per Section 135(5)	Rs. 315.34 Lacs
2.	Total amount spent for the F.Y. 2022-23	Rs. 315.34 Lacs
3.	Excess amount spent for the F.Y. 2022-23	Nil
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
5.	Amount available for set off in succeeding financial years (iii-iv)	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

   (b) Details of CSR amount spent in the F.Y. 2022-23 for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, the details relating to the asset so created or acquired through CSR spent in the F.Y. 2022-23- Not Applicable

11. The reason for failure to spend two percent of the average net profit as per Section 135(5): Not applicable

Responsibility Statement by the Corporate Social Responsibility Committee:

The responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Shri Devendra Raj Mehta
(Chairman CSR Committee)

Himanshu Baid
(Managing Director)

Annexure-6

(A) DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	– Ratio of the remuneration of Shri Himanshu Baid, Managing Director to the median remuneration of the employees – 434 :1 – Ratio of the remuneration of Shri Rishi Baid, Joint Managing Director to the median remuneration of the employees – 416: 1 – Ratio of the remuneration of Shri Naresh Vijayvergiya, CFO – 33 : 1 - Ratio of the remuneration of Shri Avinash Chandra, CS – 6 : 1
(ii)	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	– Shri Himanshu Baid, MD – 21.09% – Shri Rishi Baid, JMD – 19.41% – Shri Naresh Vijayvergiya C.F.O. (w.e.f. 1st July 2022) – 20.15% – Shri Avinash Chandra, CS – 21.11 %
(iii)	Percentage increase/(decrease) in the median remuneration of employees in the financial year	9.87 %
(iv)	Number of permanent employees on the rolls of company	2,339 Employees
(v)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.

Annexure-7

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. The Global medical devices sector has grown significantly in the last decade and is estimated to reach USD 433 billion by 2025, growing at a compound annual growth rate of 4.1% from 2020 to 2025. The market is dominated by United State of America (40%), European market (25%) and Japan (15%) etc. The Global medical devices industry is also growing in the emerging markets like Thailand, Brazil and China. Electronics and Equipment are the biggest segment followed by Disposables & Consumables. The Disposables & Consumables segment is expected to grow at the fastest rate of 10 percent, followed by Surgical Instruments at 9.49 percent between 2020 and 2025.

   The per capita spend on medical devices in India is very low at USD 3, compared o global average of per capita consumption of USD 47 as well as the per capita consumption of developed nations like USA at USD 415 and Germany at USD 313.

Leading Medical Device Clusters in the World

Medical device firms are many a times operating in clusters. This is necessitated due to the various cross-functional support required by the units, including the presence of hospitals and doctors for conceptualizing and testing and quality raw materials. USA has over ten clusters. Europe too has a number of medical device clusters in Germany Netherlands, France, Italy, Switzerland, etc. India has over ten clusters. Medical devices clusters are also present in Japan, China, South Korea, Brazil, Australia etc.

Medical Device Clusters in the World

India Health Scenario

India's healthcare industry comprises hospitals, medical devices and equipment, health insurance, clinical trials, telemedicine, and medical tourism. The country's healthcare sector has grown rapidly over the last 5 years with a Compound Annual Growth Rate (CAGR) of approximately 22% since 2016. Healthcare has become one of the largest sectors of the Indian economy, in terms of both revenue and employment.

The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services, and increasing expenditure by public as well private players.

India's healthcare delivery system is categorized into two major components - public and private. The government, i.e., public healthcare system, comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of primary healthcare centres (PHCs) in rural areas. The private sector provides a majority of secondary, tertiary, and quaternary care institutions with a major concentration in metros, tier-I and tier-II cities.

India's competitive advantage lies in its large pool of well-trained medical professionals. India is also cost-competitive compared to its peers in Asia and western countries. The cost of surgery in India is about one-tenth of that in the US or Western Europe. The low cost of medical services has resulted in a rise in the country's medical tourism, attracting patients from across the world. Moreover, India has emerged as a hub for R&D activities for international players due to its relatively low cost of clinical research. (https://www.ibef.org/industry/healthcare-india)

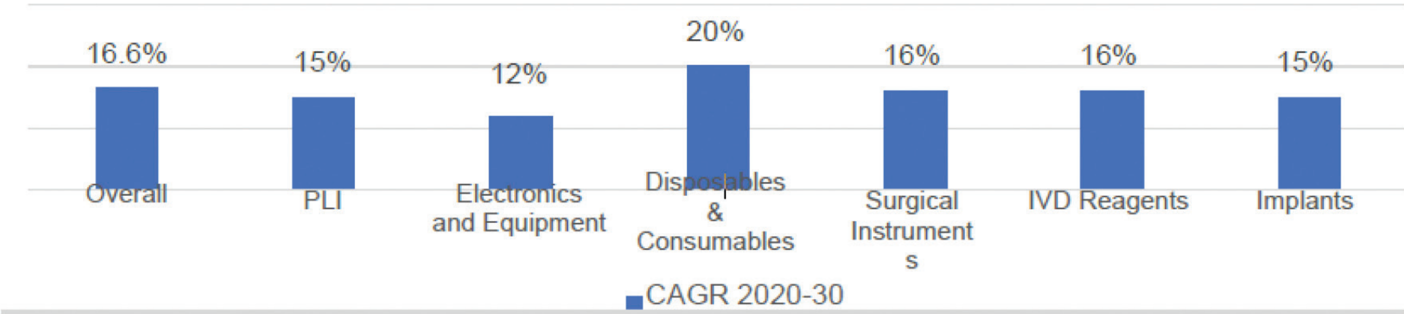
India has a public-funded universal healthcare system providing access to healthcare to poorest of the poor in the country. India's share of government health expenditure in total GDP has increased from 1.15% in 2013-14 to 1.28% in 2018-19 and is expected to reach 2.5% of GDP by 2025 as prescribed by the National Health Policy of 2017. In per capita terms, the government health expenditure has significantly grown from Rs 1042 in 2013-14 to Rs.1815 in 2018-19, with more emphasis on the primary healthcare sector.

The out-of-pocket expenditure as a share of total health expenditure has come down to 48.2% in 2018-19 from 64.2% in 2013-14. As on 2021-22, nearly 70 percent of the population is protected by health insurance coverage including state government schemes, social insurance schemes, and private insurance. In a landmark step, the Government of India introduced the Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana (PMJAY). PMJAY provides cash less and paper less benefit cover of Rs. 5.00 lakh per annum per family on floater basis in the empaneled hospitals across India. At present AB-PMJAY target to cover 10.79 Crore families (covering more than 50 crore population in India).

India Medical Devices Sector – Overview:

The medical devices sector in India is an essential and integral constituent of the Indian healthcare sector, particularly for the prevention, diagnosis, treatment and management of all medical conditions and disabilities. It forms an important pillar in the healthcare delivery system along with healthcare providers, pharmaceuticals and healthcare insurance industry, thereby helping achieve the key objective of the National Health Policy (NHP), 2017.

Medical devices is a sunrise sector of the Indian economy, which is growing at a fast pace and is expected to become important in the future. The size of the Indian medical devices market is estimated at USD 11 Billion in 2020, expected to grow to USD 50 Billion by 2030 with CAGR of 16.4%. The Indian medical device market share in the global market is estimated to be 1.65%. India is the 4th largest Asian medical devices market after Japan, China, and South Korea and among the top 20 global medical devices markets in the world.

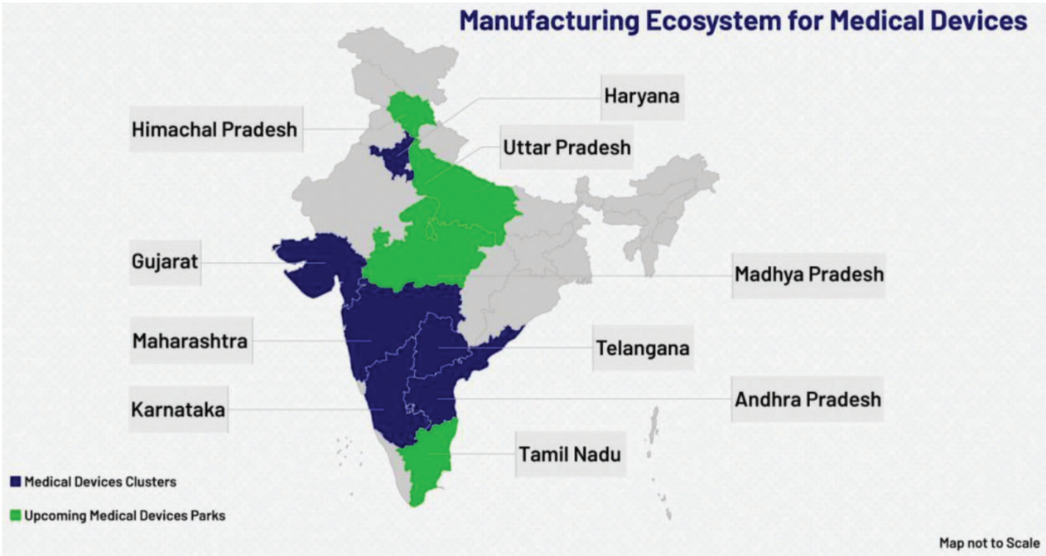


India being an emerging market is also evolving as a potential manufacturing hub for the key global medical device companies. It has huge market potential and is witnessing a double-digit growth rate. As per "Invest India", there are 750 – 800 domestic medical devices manufacturers in India with an average investment of USD 2.3 – 2.7 mn and an average turnover of USD 6.2 – 6.9 mn. Since 1989, the regulations for Medical Devices including IVD in India has been growing consistently under Drugs & Cosmetics Act 1940.

The growth of medical device sector in India is primarily driven by growing and ageing population, increased per capita and disposable income, demand for healthcare infrastructure, rise in diagnostic services and spread of healthcare services and insurance.

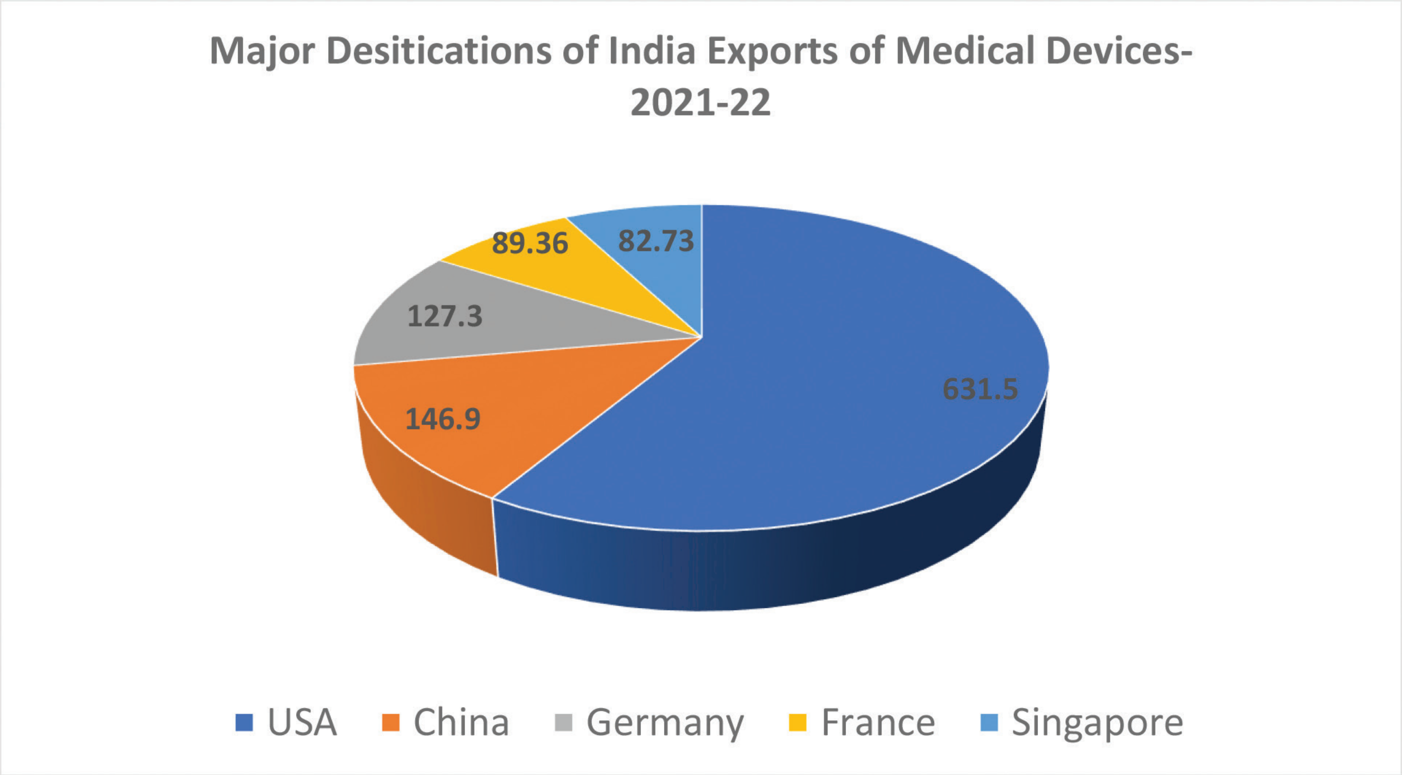
The Indian medical devices sector's contribution has become even more prominent as India supported the domestic and global battle against COVID-19 pandemic through the production of medical devices & diagnostics kits. The pandemic has also created a demand for innovative products focusing on digital services, miniaturization, wearables etc., which offer opportunity to leverage Indian IT skills and digital ecosystem to capture higher value in the global market.

Almost all the lead global firms have their Indian subsidiary. The lead 50 medical devices leaders of the world have their Indian subsidiaries. 50 per cent of those are from USA, 20 per cent from Japan, 4 each from France and Switzerland, 3 from Germany and the remaining from UK, China, etc.



Medical Devices Exports from India

India exported USD 2.9 billion worth of medical devices in FY 2021-22, a growth of 15.47 per cent over 2020-21. The CAGR for the period 2019-20 to 2021-22 is 8.43%. In 2021-22, USA (21.6%) was the top export destination of India, followed by China (5%), Germany (4.4%), France (3.1%) and Singapore (2.8%). The top 5 export destinations in 2021-22 accounted for around 36.9 percent of India's exports.



Value in USD Million
Source: EEPC, DGCI&S

Exports of Medical Devices as per Product Category

(Value in USD Million) Category	2019-20	Percent of Total in 2019-20	2020-2021	Percent of Total in 2020-21	2021-2022	Percent of Total in 2021-22	Growth rate in 2020-21 over 2019-20 (%)	Growth rate in 2021-22 over 2020-21 (%)	CAGR 2019-20 to 2021-22 (%)
IVD Reagents	67.58	2.95	104.18	4.12	175.7	6.01	54.16	68.65	37.50%
Disposables & Consumables	1082.53	47.21	1290.26	50.97	1378	47.14	19.19	6.80	8.38%
Equipment & Electronics	998.87	43.56	984.73	38.9	1163	39.79	-1.42	18.10	5.20%
Surgical Instruments	49.77	2.17	53.64	2.12	71.21	2.44	7.78	32.76	12.68%
Implants	94.12	4.1	98.81	3.9	135.2	4.63	4.98	36.83	12.83%

Source: EEPC, DGCI&S

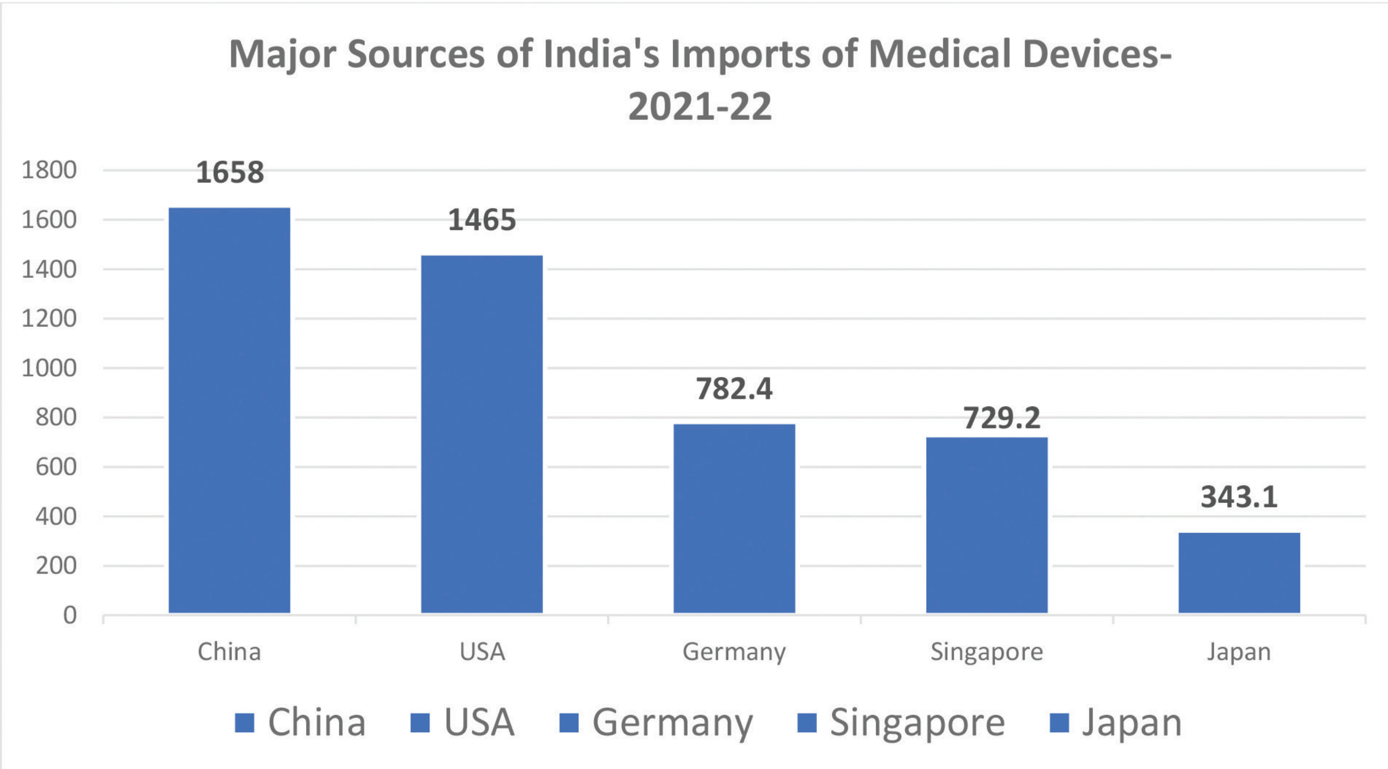
Disposables and Consumables: In 2021-22, 'disposables and consumables' contributed towards 47.14% (50.97% in 2020-21) of medical device exports, with India having comparative advantage in manufacturing high-volume, low-cost medical devices of this category.

Equipment and Electronics: In 2021-22, exports had a fair share of 39.8% (38.9% in 2020-21), with an export value of USD 1.16 billion in FY 2021-22, showing substantial growth of 18.10% in 2021-22.

IVD reagents, Implants, and Surgical Instruments: IVD reagents contributed to 6.01% of export of medical devices in 2021-22. Exports 68.65% in 2021-22, with USA being the top export destination. USA also imports majority of Indian manufactured implants (USD 29.46 mn) like artificial joints, cardiac catheters, artificial teeth, and defibrillators.

Imports by India

India is a net importer of medical devices, with total imports of USD 8.5 bn in 2021-22, a growth of 36.8% over 2020-21. China is the top source of imports (19.4%), followed by USA (17.2%), Germany (9.2%), Singapore (8.5%), and Japan (4.0%). Together, the top 5 import destinations accounted for 58.3 percent of India's imports in 2021-22.



Value in USD Million

Source: EEPC, DGCI&S

Imports of Medical Devices as per Product Category

(Value in USD Million) Category	2019-20	Percent of Total in 2019-20	2020-2021	Percent of Total in 2020-21	2021-2022	Percent of Total in 2021-22	Growth rate in 2020-21 over 2019-20 (%)	Growth rate in 2021-22 over 2020-21 (%)	CAGR 2019-20 to 2021-22 (%)
IVD Reagents	527.2	9.02	871.89	13.97	882.65	10.3	65.38	1.23	18.74%
Disposables & Consumables	1076.23	18.41	1470.77	23.57	1623.55	19.0	36.66	10.39	14.69%
Equipment & Electronics	3646.53	62.38	3568.64	57.18	5441.22	63.7	-2.14	52.47	14.27%
Surgical Instruments	180.1	3.08	103.62	1.66	169.02	2.0	-42.47	63.12	-2.09%
Implants	415.35	7.11	225.63	3.62	423.06	5.0	-45.68	87.50	0.61%
Total	**5845.4**	**100**	**6240.55**	**100**	**8539.5**	**100.0**	**6.76**	**36.84**	**13.47%**

Source: EEPC, DGCI&S

Equipment and Electronics: In 2021-22, import dependency on equipment and electronics grew by 52.47%. It comprised 63.7% of total medical devices exports in 2021-22 (57.18% in 2020-21).

Disposables and Consumables: India imported USD 1.6 bn worth of disposables and consumables in 2021-22, consisting of 19% of medical devices import (23.57% in 2020-21). Imports grew significantly by 36.66% in 2020-21, moderating to 10.39% in 2021-22. Major products of this import segment include syringes and needles, animal blood used for therapeutic, prophylactic, and diagnostic uses, surgical gloves, opacifiers for X-Rays and diagnostic reagents for patient administration.

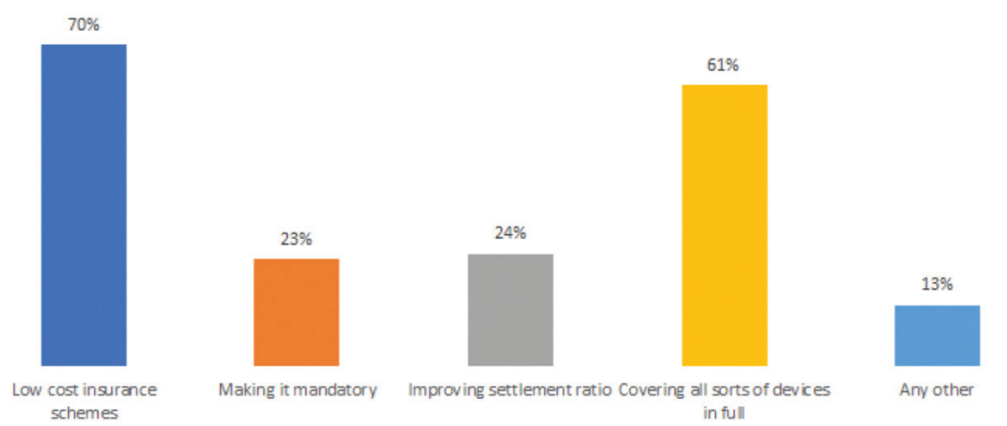
IVD reagents, Implants, and Surgical Instruments: India's import dependence on 'IVD reagents' sky-rocketed by 65.38 percent to USD 871.89 mn in 2020-21, moderating to 1.23% in 2021-22. The CAGR from 2019-20 to 2021-22 was 18.74%. Import growth rate from USA (33.43%) shot up significantly, making it the top import destination for IVD reagents in 2021-22.

Growth Factors: India Medical Devices

Increasing Demand: India is expected to become the third largest economy by 2030, with an expected GDP growth rate of 7.8 percent in FY 2022-23. The growth in GDP is likely to trickle down to priority sectors like health technology, in particular medicines and medical devices. Backed by growing healthcare needs and government's focus to facilitate growth, the medical devices industry is likely to experience strong growth.

The population in India is expected to reach 1.4 billion by 2025, with an increase in life expectancy to 70+ years in 2022 from 67 years in 2015. This has come with an increased burden of chronic/communicable diseases. By 2051, around 57 percent of the disease burden is expected to be from chronic/communicable diseases (46 percent in 2006) as per NCBI Resources, May 2022. In case of chronic diseases, clinical diagnostics and care are required throughout the patient's life. With the growth in 65+ age-group population, the prevalence of non-communicable diseases is also expected to steepen. These factors can attribute to significant growth in demand for medical devices in India.

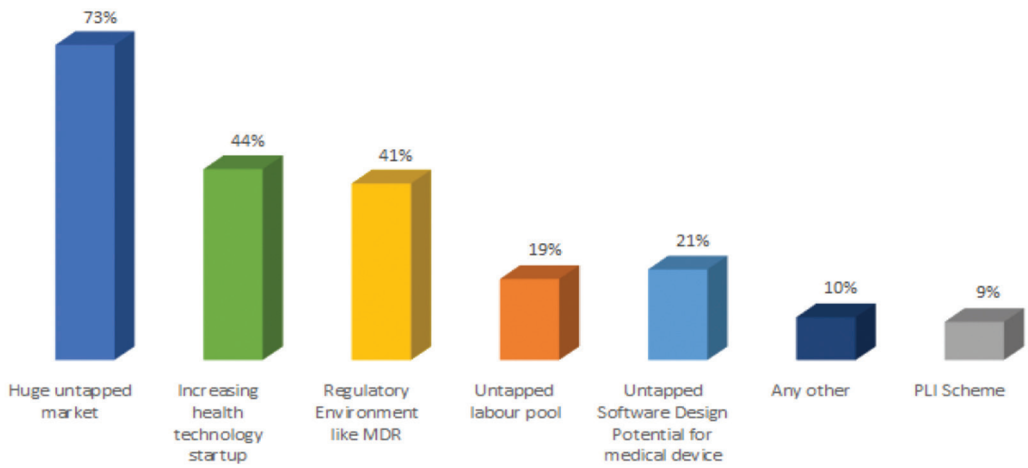
Impact of Public Health Insurance on Medical Devices Market in India



India's per capita income is expected to reach USD 2730 by 2025 (USD 1875 in 2016) (As per India GDP per capita, Trading Economics Report). With the rising income levels, and better health awareness, India's per capita spend on healthcare is projected to be the highest (9.3%) in Asia-Pacific market as compared to China (6.7%), Thailand (5.4%), Malaysia (4.0%), Japan (3.9%), and Australia (1.3%). The government's expenditure on healthcare as a percentage of GDP has grown from 1.15% in 2013-14 to 1.28% in 2018-19 and is expected to reach 2.5% by 2025 as prescribed by the National Health Policy of 2017. The medical devices industry will experience a boost with rising private and government spending in India.

Export Opportunities: Despite recent experiences in accelerating domestic production of medical devices, most imports of medical devices are largely high-value and low-volume devices while the domestic production are largely low-value and high-volume diagnostic tools. However, in recent years, Indian medical devices manufacturing industry is improving its coverage even among sophisticated and high-end segment. Indian industry has begun manufacturing more sophisticated devices like electro-diagnostic apparatus, used in medical, surgical, dental, or veterinary sciences, orthopaedic appliances, splints and other fracture appliances, artificial parts of the body etc. (Datta and Selvaraj, 2019).

Strength of Indian Medical Devices Industry



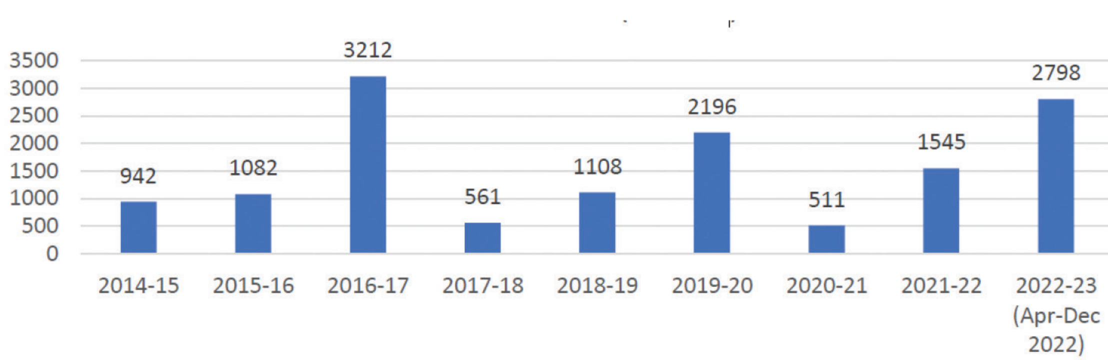
Labour Cost (2252 USD/annum) of Indian Manufacturing Sector is among the lowest in the world as per the ILO 2018 data. In fact, Labour Cost (2547 USD/annum) of Indian Medical Devices Industry is also among the lowest and is significantly cheaper from other fast-developing countries like China (9274 USD/annum), Brazil (8038 USD/annum), Mexico (7415 USD/annum) and Vietnam (3090 USD/annum). Percentage of high skilled workforce (13%) in Medical Devices Industry is third highest in Manufacturing Sectors after Petroleum Products Industry (15%) and Pharma Industry (14%). However, the percentage of low to medium skilled workforce (65%) is lowest in Manufacturing sector after Pharma Industry (61%). More than 8% of the Medical Device Industry receives foreign investment, second highest after Automobile Industry (11%) in the Manufacturing Sector and 30% more when compared to Pharma Industry (6%). Although less than Pharma, average GVA and Profit of Medical Devices Industry is 20% higher, on an average, than most industries in Indian Manufacturing Sector.

Policy Support: The industry has particularly benefitted because of two flagship schemes of the Department of Pharmaceuticals – PLI and Medical Devices Park. It is also benefitting local manufacturers with special purchase policy. The Industrial land bank portal will make investment easier too. A number of medical devices arks are also opening up in various parts of the country. However, comparatively low R&D base is one of the major weaknesses of the Indian medical devices manufacturing industry. As per Annual Survey of Industries (2017-18) by Foundation of MSME Clusters (FMC) shows that only 8% of factories manufacturing medical devices and equipment have R&D units (whereas 15% of pharmaceuticals, medicinal chemical & botanical products manufacturing factories have R&D units). If this is taken care of India will be more confident a manufacturing base for innovative products.

With a rising domestic demand, the support through various programs of the various Ministries, especially the Department of Pharmaceuticals, the Indian medical device industry is all poised to grow.

Increasing Investment: Recognizing the importance and need for investments in the sector, 100% Foreign Direct Investment (FDI)through automatic route was allowed in the medical devices sector in 2014. FDI per annum increased from Rs 942 crores in 2014-15 to Rs 1545 crores in 2021-22. There was a quantum jump in FDI in 2022-23. FDI during the first three quarters of the year was Rs 2,798 crores. The cumulative FDI during the years 2014-15 to December 2022 stood at Rs 13955 crores.

FDI Inflows in Medical Devices in India (Rs. Crores)



Source: DPIIT

Initiatives undertaken by the Government for the MedTech Sector

Government of India has taken several initiatives to support the medical device industry in the country.

1. Recognizing the importance and need for investments in the sector medical devices were included in the Make in India campaign launched and 100% FDI on the automatic route was allowed. The Department of Pharmaceuticals has been allocated the responsibility for promotion of the medical devices.

2. **Assistance to Medical Device Industry for Common Facility Centre:** In 2019, under the scheme "Assistance to Medical Device industry for Common Facility Centre", financial assistance of Rs 25 crore was approved to the Andhra Pradesh MedTech Zone (AMTZ) for a superconducting magnetic coil project which has been completed in 2022.

3. **Scheme for Promotion of Medical Devices Parks:** In 2020, scheme named "Promotion of Medical Device Parks" was approved. Under this scheme, financing support of Rs 100 crore each has been approved for creation of common facilities in four medical devices parks coming up in Uttar Pradesh, Tamil Nadu, Madhya Pradesh, and Himachal Pradesh. This is an infrastructure support scheme wherein the common facilities will be accessed by the industrial units in the parks which are being developed by the said State Governments. These parks will come up as manufacturing hubs and provide enabling ecosystem dedicated solely for medical devices.

4. **The Medical Devices Rules, 2017** were notified under the Drugs and Cosmetics Act 1940 by the Department of Health and Family Welfare. These rules lay out the regulatory framework for medical devices in terms of their quality, safety, and efficacy. This expanded the regulatory oversight to the entire gamut of devices and classified them into four categories based on the level of risk associated with the medical devices. Two more notifications in February 2020 expanded the coverage of medical devices. The new Rules also aim to promote a culture of self-compliance by manufacturers of medical devices.

5. **Production Linked Incentive Scheme:**

   - The Union Cabinet approved the proposal on 20.03.2020 with the objective of the Scheme is to boost domestic manufacturing and attract large investments in the Medical Devices Sector.

   - The Notification has been issued on 21.07.2020 and Guidelines has been issued on 27.07.2020 and revised guidelines has been issued on 29.10.2020.

   - The tenure of the scheme is from FY 2020-21 to FY 2027-28 with total financial outlay of Rs.3,420 crore. The financial incentive is to be given to selected companies at the rate of 5% on incremental sales of medical devices manufactured in India and covered under the Target segments of the scheme, for a period of five (5) years.

   - The identified products under this Scheme have been categorized into four Target Segments which is "Cancer care/Radiotherapy medical devices, Radiology & Imaging medical devices (both ionizing & non-ionizing radiation products) and Nuclear Imaging devices, Anesthetics & Cardio-Respiratory medical devices including Catheters of Cardio Respiratory Category & Renal Care medical devices and All Implants including implantable electronic devices".

   - Under the Scheme, 26 applicants have been approved with a total Committed Investment of Rs. 1,205.52 Crores and employment generation of about 7,411.

   - Based on the arising needs, the Department has further revised the Guidelines of the PLI Scheme for Medical Devices and issued the same on 18.08.2022. Pursuant to this, the department has invited applications from eligible Category B applicants for Medical Devices listed under the four target segments.

6. **Phased Manufacturing Program:** To promote domestic manufacturing in India, the Department of Pharmaceutical has introduced a Phased Manufacturing Programme for Medical X-Ray Machines and specified sub-assemblies /parts / sub-parts thereof; a Phased Manufacturing Programme (PMP). The PMP shall enable the Medical X-Ray Machines and related sub-assembly / parts / sub-parts industry to plan their investment in the sector. The following PMP roadmap was notified by the department, with the objective of progressively increasing domestic value addition for establishment of a robust Medical X-Ray Machines manufacturing eco-system in India.

7. **Standing Forum of Medical Device Industry Associations:** The medical device sector in India has participation both from domestic manufacturers as well as multi-national companies. Therefore, owing to the divergence of views of the industry, a "Standing Forum of Medical Device Industry associations" has been set up by the Department of Pharmaceuticals on 25th August 2021, which provides a platform to the different associations to deliberate on the common issues of the industry and arrive at a consensus before the same are taken up by the Department for examination. The mechanism has been very much appreciated by the industry.

8. **The National Pharmaceutical Pricing Authority (NPPA):** The National Pharmaceutical Pricing Authority (NPPA) monitors the prices of Non-Scheduled Medical Devices and fixed the ceiling prices for Scheduled Medical devices. In view of the extraordinary circumstances arising due to COVID pandemic and with the aim of making these medical devices affordable the prices of (i) Pulse Oximeters, (ii) Blood Pressure Monitoring Machines, (iii) Nebulizers, (iv) Digital Thermometers, (v) Glucometers and (vi) Oxygen Concentrators were brought under price cap using Trade Margin Rationalization

9. **National Medical Devices Promotion Council (NMDPC):** Constitution of "National Medical Devices Promotion Council (NMDPC)" under the Department of Pharmaceuticals since 5th August 2022. The council consists of stakeholders from Government and industry and provides a platform to discuss and resolve various regulatory issues for ease of doing business and promotion of the sector.

10. **Pradhan Manti Bharatiya Janaushadhi Pariyojana (PMBJP):** The Scheme "Pradhan Mantri Bharatiya Janaushadhi Pariyojana (PMBJP)" are making available close to 1800 drugs, 285 types of surgical supplies in over 9082 Jan Aushadhi Kendras at highly affordable prices as on 31.03.2023

11. **PMJAY: Ayushman Bharat** a flagship initiative of Government of India, was launched as recommended by the National Health Policy 2017, to achieve the vision of Universal Health Coverage (UHC). This initiative has been designed to meet Sustainable Development Goals (SDGs) and its underlining commitment, which is to "leave no one behind." Ayushman Bharat is an attempt to move from sectoral and segmented approach of health service delivery to a comprehensive need-based health care service. Ayushman Bharat adopts a continuum of care approach, comprising of two inter-related components, which are Health and Wellness Centers (HWCs) and Pradhan Mantri Jan Arogya Yojana (PM-JAY). More than 4.21 crore hospital

admissions have been done under this scheme since its launch, as on 30th December 2022.

12. **Health Technology Assessment in India (HTAIn)** scheme of Department of Health Research conducts studies that provide evidence related to cost-effectiveness, clinical- effectiveness and safety of medicines, devices, and health programs to support evidence-based decision making in healthcare services for development of quality and affordable medical devices in the country.

13. **Medical Device and Diagnostics Mission Secretariat (MDMS):** To foster Make-in-India product development and nurture the clinical validation ecosystem in the MedTech sector, the Indian Council of Medical Research (ICMR) has established MDMS. This program aims to support and catalyse research, development, and indigenous manufacturing of cost-effective medical devices to strengthen healthcare sector in India and reduce import dependence through a mission mode consortia approach.

14. **Public Procurement (Preference to Make in India) in 2017:** The Department for Promotion of Industry and Internal Trade (DPIIT) came out with the policy and designated the Department of Pharmaceuticals (DoP) as the Nodal Department for implementing the provisions related to medical devices. DoP thereafter came out with the definition of Class-I, Class-II, and Non-Local supplier under the said Policy. Initiatives have been taken under the policy to give preference to domestic manufacturers in public procurement of medical devices done by the hospitals of the Central Government. The Public Procurement (Preference to Make in India) policy is an important pillar of the Atmanirbhar Bharat program.

15. DST, BIRAC, CSIR, DSIR, ICRM and SERB also has a number of schemes for promoting R&D, product development, proof of concept, fabrication, incubation, etc.

Overview of the Company

Poly Medicure Limited (POLYMED) is a medical devices company driven by a profound vision "We Care As We Cure". Our journey is knitted with innovation, as we strive to deliver safe and superior-quality products to both the medical community and patients, ensuring comprehensive care at every step. Our unwavering dedication lies in becoming a world-class manufacturer and supplier of medical devices. We achieve this by actively pursuing excellence, ensuring customer satisfaction through effective quality management systems, embracing innovative and cost-effective technologies, and continuously improving our processes. Notably, POLYMED proudly holds the distinction of being India's largest exporter of consumable medical devices. Additionally, we rank amongst the top IV Cannula manufacturers globally and are the pioneering indigenous producer of dialyzers.

The company's product portfolio comprises of more than 130 SKUs of medical devices in the product verticals of infusion therapy, oncology, anesthesia and respiratory care, urology, gastroenterology, blood management and blood collection, surgery and wound drainage, dialysis, central venous access catheters, veterinary medical devices, and others.

In the year FY 2023, we received notable awards, including the Juror Award at the 13th MT India Healthcare Awards and the Top 50 Innovative Companies Award by CII. Additionally, we actively participated in several significant national and international conferences and exhibitions, such as NATHealth Annual Conference, 10th INS Annual Conference, India Diagnostic Expo, Medical Fair in Mumbai, ISNCON in Pune, FIME in Florida, Medica in Germany, Arab Health in Dubai, Hospitalar in Brazil, and WOCOVA in Greece.

Business Operations and Manufacturing Facilities
India
We currently operate ten manufacturing facilities across India, China, Egypt and Italy. In India, we operate seven manufacturing facilities, four of which are situated at Faridabad (Haryana), and two in Jaipur (Rajasthan) and one in Haridwar (Uttarakhand). In addition, we are in the process of expanding the manufacturing capacities at our facilities situated in Faridabad (Haryana) and Jaipur (Rajasthan). Our Indian and International manufacturing facilities have been accredited with several international quality certifications. All our manufacturing facilities have been accredited with the EC certificates for quality assurance systems and EN ISO 13485:2016 certifications. Further, our Faridabad Facilities and Haridwar Facility, have also been accredited with management system certificates for compliance with ISO 9001:2015.

Foreign Facilities
We also operate one manufacturing facility in China through our wholly owned subsidiary Poly Medicure (Laiyang) Company Limited that is certified to be compliant with Korea Good Manufacturing Practices by the Korea Food and Drug Administration, Ministry of Food and Drug Safety and has been accredited with a EC certificate for quality assurance system and EN ISO 13485:2016 for its quality management system. In addition, we operate one manufacturing facility in Assuit, Egypt, through our associate Ultra for Medical Products that is also accredited with EC certificates or quality assurance system. We also operate one manufacturing facility in Italy through our step-down subsidiary Plan 1 Health S.R.L., which is accredited with EC certification for quality assurance system and EN 13485:2016 for its quality management system by DEKRA Certification B.V. Netherlands.

Manufacturing Process & Technology
Our manufacturing process for medical devices takes place in a controlled clean room environment, utilizing highly sophisticated equipment and technology. By incorporating automated machinery technology, we can produce the most cost-effective devices possible. As an Indian manufacturer, we have distinguished ourselves by offering a comprehensive range of products supported by a patient-centric approach. We take pride in our unique position in the market, which has been achieved through a serious commitment to research and development. We have made substantial investments in R&D to ensure future growth and advancement.

To meet the demands of a growing healthcare market and evolving dynamics, Polymed remains committed to investing in advanced technologies. The company is dedicated to expediting the introduction of new products and strengthening its manufacturing infrastructure. At present, Polymed holds an impressive portfolio of over 375 patents covering a diverse range of products in various areas, including vascular access, renal care, transfusion & diagnostics systems. These products cater to a wide array of therapeutic segments such as infusion therapy, dialysis, respiratory care, cardiology, oncology, urology, gastroenterology, critical care, blood collection & management, anaesthesia, and surgery & wound drainage.

Research and Development
The Company's Research and Development division remains consistently dedicated to the exploration and enhancement of both new and existing products and processes. A fundamental principle of the Company is to continuously upgrade technology and products to meet global standards. This approach is imperative to stay at the forefront of technological advancements and maintain a competitive edge in the present business landscape.

The R&D Center, situated in Faridabad, Haryana, operates under the approval of DSIR (Department of Scientific and Industrial Research). The R&D team collaborates closely with various functions and departments to understand consumer requirements, resulting in the creation of innovative products with unique features.

The primary focus of the R&D efforts revolves around developing new products within current product verticals and introducing products to enter new verticals. Particularly, the emphasis lies in fluid management solutions within the non-communicable diseases segment, encompassing oncology, nephrology, and cardiology. Furthermore, the R&D team continuously works on improving existing processes and production cost efficiency.

As of March 31, 2023, the company has successfully obtained more than 375 patents and has filed for the grant of over 73 patents worldwide, including in prominent regions like the USA, Europe, South Africa, Russia, China, and Australia.

Sales and marketing network

Polymed serves a global market, supplying its products to more than 100 countries across Europe, Africa, the Americas, Australia, and Asia. This extensive reach is facilitated by a network of over 250 distributors, with many of them benefiting from local or regional exclusivity arrangements.

In India, Polymed boasts a country-wide sales and distribution network, allowing it to tap into a wide market base. As of March 2023, the distribution network employed over 300 personnel in sales and marketing teams, consisting of product and clinically trained graduates, as well as supply chain management personnel.

Within India, the company's products are distributed to over 6,500 private and government hospitals and nursing homes, further solidifying its presence and impact in the domestic healthcare landscape.

Financial Performance (Consolidated)

Income

The Company's total revenues comprise revenue from operations and other income.

Total revenue increased from ₹ 96,096.51 lacs in fiscal 2022 to ₹ 1,15,141.58 lacs in fiscal 2023 i.e. 19.82% and this increase is primarily due to growth in our revenue from operations, for reasons described below.

Revenue from Operations

The Company's net revenue from operations increased from ₹ 92,306.26 lacs in fiscal 2022 to ₹ 1,11,523.04 lacs in fiscal 2023, which was primarily due to increased sales of our products.

Sale of products increased from ₹ 91,688.79 lacs in fiscal 2022 to ₹ 1,10,865.82 lacs in fiscal 2023 primarily on account of increase in sales of our products, including from the continued sale of our medical devices Infusion therapy products and blood management products.
Other operating revenues increased from ₹ 617.47 lacs in fiscal 2022 to 657.22 lacs in fiscal 2023.

Other Income

Other income decreased from ₹ 3,790.25 lacs in fiscal 2022 to ₹ 3,618.54 lacs in fiscal 2023 primarily on account of decrease in interest income and decrease in gains on net foreign exchange fluctuations.

Expenses

The Company's total expenses increased from ₹ 76,816.75 lacs in fiscal 2022 to ₹ 91,585.11 lacs in fiscal 2023.

Cost of raw materials including packing materials consumed and purchase of stock-in-trade

Cost of raw materials including packing materials consumed (which includes plastic granules, PVC sheets, boxes, medical paper and film) and purchase of stock-in-trade increased from ₹ 34,807.45 lacs in fiscal 2022 to ₹ 40,587.53 lacs in fiscal 2023 due to increased production.

Employee Benefit Expenses

Employee benefit expenses increased from ₹ 16,361.99 lacs in fiscal 2022 to ₹ 20,274.58 lacs in fiscal 2023, primarily due to an increase in the salaries, wages and bonus, and on account of increase in the number of employees from 2,140 as on March 31, 2022 to 2,339 as on March 31, 2023.

Research and development expenses

Research and development expenses decreased from ₹ 1,877.11 lacs in fiscal 2022 to ₹ 1,780.25 lacs in fiscal 2023. As a percentage of our total revenue, research and development expenses decreased from 1.95% in fiscal 2022 to 1.55 % in fiscal 2023.

Other Expenses

Other expenses increased from ₹ 17,949.50 lacs in fiscal 2022 to ₹ 22,342.22 lacs in fiscal 2023.

Earnings before interest, tax and depreciation

The Company's EBITD increased from ₹ 25,100.46 lacs in fiscal 2022 to ₹ 30,157.01 lacs in fiscal 2023. This is 27.04 % of total revenue as against 26.19 % in previous year.

Depreciation and amortization expenses

The Company's depreciation expenses increased from ₹ 5,395.22 lacs in fiscal 2023 to ₹ 5,716.68 lacs in fiscal 2023 due to more capitalization in existing plant as well as new plant.

Finance costs

The Company's finance costs increased from ₹ 425.48 lacs in fiscal 2022, to ₹ 883.86 lacs in fiscal 2023, primarily on account of increase in borrowings.

Profit Before Tax

The Company's profit before tax increased from ₹ 19,524.49 lacs in fiscal 2022 to ₹ 23,749.14 lacs in fiscal 2023.

Tax Expenses

Tax expenses increased from ₹ 4,873.89 lacs in fiscal 2022 (which consist of current tax of ₹ 4,632.27 lacs, deferred tax of ₹ 265.99 lacs and Tax adjustment for earlier years ₹ (24.37) lacs) to ₹ 5.820.89 lacs in fiscal 2023 (which consist of current tax of ₹ 5,912.91 lacs, deferred tax of ₹ (109.76) lacs and Tax adjustment for earlier years ₹ 17.74 lacs) primarily due to increase in the profit for fiscal 2023.

Share of profit from associates

Share of profit from our associate Ultra for Medical Products Company (ULTRAMED) Egypt, decreased from ₹ 244.73 lacs in fiscal 2022 to ₹ 192.67 lacs in fiscal 2023.

Profit for the Year

For the various reasons discussed above, profit for the year increased from ₹ 14,650.60 lacs in fiscal 2022 to ₹ 17,928.25 lacs in fiscal 2023. This is 15.57% of total revenue as against 15.25% in previous year.

RISK AND CONCERN

Managing risk has become a crucial aspect for our business. It is essential to control, mitigate, and manage various types of risks that exist. Implementing effective risk management practices not only promotes accountability, performance measurement, and rewarding, but it also enhances efficiency throughout the organization.

Therefore, having a detailed risk management framework is imperative. This ensures that all foreseeable risks are thoroughly understood and accepted before making significant decisions. Moreover, monitoring new projects and ongoing operations is necessary to ensure their satisfactory development and to identify and address any potential problems or emerging risks.

The Company faces the following Risks and Concerns:

Credit Risk

Credit risk can lead to disruptions in cash flows and increased collection costs. To effectively manage its credit exposure, the Company has implemented a comprehensive credit policy, which includes credit limit requests and approval procedures.

Before bidding for a project, the Company conducts thorough research on the client's financial health and project prospects. Moreover, a timely and rigorous process is in place to follow up with clients for payments as per the agreed schedule.

To ensure timely collections, the Company has streamlined its receivables management system, which is focused and proactive in nature. These efforts aim to minimize credit risk and maintain a healthy cash flow for the Company.

Interest Rate Risk

Excessive interest rate risk can threaten liquidity, earnings, capital, and solvency.

Therefore, the Company ensures to maintain a judicious blend of debt and equity, reflecting its effective debt management strategy. In the past year, the Company made significant debt payments, resulting in reduced overall interest costs. This achievement highlights the Company's commitment to financial stability and responsible financial practices.

Competition Risk

Competitive risk is the potential for a business's competitors to prevent its growth and success. Since many companies compete for the same target customers and distributors, prudent measures to combat competition are necessary.

In each segment, we encounter varying levels of competition, both from domestic and multinational companies. However, the Company has successfully established strong differentiators for its products through extensive research and development efforts and by investing in good manufacturing practices. These factors have played a crucial role in setting our products apart from the competition.

Input Cost Risk

Changes in raw material costs, freight costs, and other input costs can have a relatively more substantial impact on our profitability and cost-effectiveness. As a result, this is one of those risks that are potentially significant and require careful monitoring on an ongoing basis.

Liability Risk

This risk may hold us liable or responsible for an action or inaction, whether or not at fault, resulting in a direct or indirect financial loss.

It could be due to supply of faulty or damaged products which may result in patient or user injury. The company ensures adequate insurance coverage to mitigate these risks.

Inventory Risk

Inventory risk is the probability that a business will be unable to sell its products or that its inventory will lose value. In either case, inventory risk results in a business losing money which ultimately would impact our profitability. Periodic reviews of stocks and inventories are conducted by the Company and the minimum stock level is updated in accordance with the required production trends in order to mitigate this risk.

Risk Management Committee

The Board of Directors have constituted a Risk Management Committee in Compliance with SEBI (LODR) Regulations. Following are the Members of the Committee:

1. Mr. Shailendra Raj Mehta
2. Mr. Himanshu Baid
3. Mr. Rishi Baid
4. Ms. Sonal Mattoo

Internal Control System & Adequacy

Internal control can help an entity achieve its performance and profitability targets and prevent loss of resources. It can help in reliable financial reporting and compliance with all the applicable laws and regulations including Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, drugs and cosmetics laws, Medical and Pharma Laws, labour laws, tax laws etc.

The Company has put in place appropriate and sufficient systems of internal control to ensure the safeguarding and protection of all assets from unauthorized use or disposition. Furthermore, these internal control systems ensure that all transactions are duly authorized, accurately recorded, and reported.

The Internal control system also focuses on enhancing financial management and optimizing the Company's investments. Through this system, there is an emphasis on facilitating efficient information flow, which enables effective monitoring and decision-making processes.

The internal audit system also ensures formation and implementation of corporate policies for financial reporting, accounting, information security, project appraisal, and corporate governance. A qualified and independent Audit Committee of the Board of Directors also reviews the internal control system and its impacts on improvement of overall performance of the Company.

Related party transactions

The Company has formulated a Policy on Related Party Transactions and manner of dealing with related party transactions which is available on the Company's website at the link: www.polymedicure.com. All related party transactions entered into during FY 2022-23 were on an arm's length basis and in the ordinary course of business. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2022-23.

All transactions with related parties were reviewed and approved by the Audit Committee. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. The transactions entered into pursuant to the omnibus approval so granted are reviewed by the internal audit team. Thereafter, a statement giving details of all related party transactions, entered pursuant to omnibus approval so granted, is placed before the Audit Committee on a quarterly basis for its review.

Details of the transactions with Related Parties during the FY 2022-23 are provided in the accompanying financial statements.

Sustainability

For us, running a sustainable business means harmonizing the expectations of our stakeholders with our company objectives. Through continuous, constructive, and responsible engagement, we are able to extend our endeavors and work towards a sustainable future, benefiting both ourselves and our stakeholders.

As part of our commitment to sustainability, our comprehensive sustainable strategy is geared towards fostering a low-carbon society by diminishing greenhouse gas emissions, conserving natural resources, and fostering social progress. We have also incorporated recycled paper in our cartons, contributing to our efforts in this direction. Additionally, we utilize plastics within specified proportions, ensuring they do not compromise the functionality of our products.

Complying with regulatory guidelines, we carefully select specific materials for our production processes. Moreover, we rigorously monitor our sustainability Key Performance Indicators (KPIs), including energy consumption, greenhouse gas emissions, water intake, and waste disposal.

We are dedicated to sustainable development, and our efforts extend beyond our operational limits. We consistently strive to create value for our stakeholders by pushing the boundaries of knowledge and enhancing lives.

We are fully aware of the environment in which we operate and prioritize its well-being. Here are some of the practices that exemplify our strong commitments to environmental, social, and governance responsibilities:

Low-Carbon Footprint

To contribute to the preservation of the world's ecosystem and support a new model of global development with sustainability as its foundation, we have embraced a low-carbon growth strategy that prioritizes the utilization of renewable energy sources. Additionally, in our mold manufacturing process, we have implemented gang machining wherever feasible to avoid reloading, thus conserving electricity and further reducing our environmental impact.

Waste Disposal & Reduction

We have implemented stringent policies to effectively reduce waste, handle disposal responsibly, and promote recycling to minimize our ecological footprint. The Company has developed a comprehensive plan for managing different types of waste, including plastic waste, e-waste, hazardous waste, and other waste.

As part of this plan, an authorized recycler or third party collects waste from our manufacturing plants and ensures proper recycling or disposal. The waste generated is meticulously segregated and collected at our facilities. Hazardous and toxic chemicals are treated through an Effluent Treatment Plant, and the residues are sold or disposed of by authorized recyclers or third parties.

We have embraced paperless manufacturing processes for mold manufacturing. Throughout the manufacturing and assembly stages, digital drawings are utilized, eliminating the need for unnecessary paper printing and reducing wastage.

Through these measures, we are committed to responsible waste management.

Water Conservation

Harmful and heavy chemicals can adversely impact aquatic life, contaminating water sources. To mitigate this, we have implemented various water conservation measures at our plants. Rainwater harvesting is utilized to enhance nearby groundwater levels, while water-efficient offices and factories help reduce overall water consumption. Furthermore, we actively recycle treated water through innovative wastewater treatment processes. Additionally, smart water metering assists us in closely monitoring our water usage, aiding us in becoming a water-sustainable business.

Opportunity and Future Prospects

The global market for disposable medical supplies is projected to reach $429.1 billion by 2030, with an annual growth rate of 5.8% from 2022 to 2030. Several factors contribute to this growth, including the increasing prevalence of diseases and disorders, the aging population, a rise in Hospital Acquired Infections (HAIs), the impact of COVID-19 outbreaks, and a growing preference for low-cost disposable medical supplies to reduce contamination and healthcare-associated infections. Additionally, favorable government regulations further fuel the expansion of this market.

India's healthcare sector has witnessed rapid growth, boasting a Compound Annual Growth Rate (CAGR) of approximately 22% since 2016. This expansion is attributed to the sector's improved coverage, services, and increased spending by both public and private entities. The Indian medical devices industry shows great potential, with an anticipated annual growth rate of 28%, reaching $50 billion by 2030. The central government's efforts to enhance skilled manpower and promote business ease through industry-friendly regulations create a substantial market. Opportunities abound with the rise in medical facilities and government initiatives such as the 'Production Linked Incentive (PLI) Scheme for Medical Devices 2020' and the establishment of medical parks, driving demand.

In November 2021, the Indian Council of Medical Research (ICMR) partnered with Indian Institutes of Technology (IITs) to establish 'ICMR at IITs' and set up Centers of Excellence (CoE) for Make-in-India product development and commercialization in the medical devices sector.

India and Russia have set a bilateral trade target of US$ 30 billion by 2025, with additional opportunities in pharmaceuticals & medical devices, minerals, steel, and chemicals. The medical devices sector is highly attractive for export, drawing significant investments, as foreign investments in the sector surged by 98% YoY to Rs. 2,196 crore (US$ 301.01 million) in FY20. Additionally, FDI inflow in the medical and surgical appliances sector reached US$ 2.71 billion between April 2000 and June 2022.

Moreover, the Medical Disposables Market is poised to experience substantial growth from 2022 to 2028. This growth can be attributed to the steady shift from reusable medical devices to disposable medical supplies, which lowers the risk of cross-contamination and surgical-site infections, making it a highly sought-after market segment. (Source- https://www.researchandmarkets.com/reports/5357395/global-disposable-medical-supplies-market-2022, https://www.ibef.org/industry/healthcare-india & https://www.gminsights.com/industry-analysis/medical-disposables-market)

Human Assets

Employees serve as the face of an organization, putting their heart and soul into their work. The most valuable assets they bring to the table are their skill sets. Ultimately, the satisfaction level of your employees is of utmost importance. In order to meet their Self-actualization needs, the Company's plans include ongoing investments in training programs and additional resources aimed at enhancing employees' skills and productivity. These initiatives are designed to foster a customer-oriented corporate culture and uphold service quality standards, enabling employees to effectively meet the changing needs and preferences of customers.

The HR of Polymed is committed to cultivating a supportive, nurturing, and rewarding work environment. They achieve this by implementing various employee engagement programs that empower individuals to excel in their respective fields.

The Company has established staff training policies and assessment procedures and plans to maintain a strong focus on attracting and retaining motivated employees.

As of March 31, 2023, the Company has a workforce of 2,339 employees, and the industrial relations within the organization are harmonious and satisfactory.

Insurance
Our Company ensures that all the necessary parameters and precautions are in place to address and mitigate various risks in the business.

However, in the event of unforeseen circumstances, measures have been put in place to address and mitigate these risks which includes coverage from reputed independent insurers in relation to our business and operations and our assets such as our buildings, equipment and inventories.

The Company holds Product Liability Insurance that safeguards against significant risks that may arise from the nature of its products. Additionally, a Marine Cargo Policy is in place to cover export products during transportation. Moreover, eligible employees are protected through group Medical Insurance and Personal Accident Policies provided by the Company.

Our Strengths
Our motto, 'We care as we cure,' reflects our core purpose. With a business network spanning over 120 countries, we are dedicated to delivering quality healthcare.

The sustained success of your Company is attributed to its strong, committed, and dedicated workforce, which plays a crucial role in achieving our goals.

We prioritize understanding customer needs and staying updated to market trends, which enables us to work closely with healthcare professionals for continuous product advancements.

Our diverse product portfolio empowers us to cater to a wide range of market segments effectively. Our commitment to innovation drives us to consistently develop new products and enhance existing ones, ensuring we provide the best solutions for our customers.

The Company's inherent strength lies in the combination of good governance practices and strong leadership. These factors have contributed significantly to the Company's success.

Competition
The Indian healthcare and medical device sectors have grown significantly in the last decade. To boost domestic manufacturing of medical devices and attract huge investments in India, the Department of Pharmaceuticals launched a PLI scheme for domestic manufacturing of medical devices which has enabled domestic competition in the sector. The Company faces competition from multi-national companies too.

We compete with them on various fronts, including technology, product quality, pricing, and overall performance, continuously striving to stay ahead in the market.

We are consistently enhancing our production strategies to effectively handle the ever-increasing complexities of technology and to address tough quality and regulatory challenges with efficiency.

We recognize that serving healthcare community requires thinking beyond products.

Hence, we put due consideration to improving processes, break down barriers, and reduce healthcare costs to continually find more ways to serve people better, improving their quality of life and helping them live better and longer.

Cautionary Statement
Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond its control. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent developments, information or events. Readers are cautioned that the risks outlined here are not exhaustive. Readers are requested to exercise their judgment in assessing the risks associated with the Company.

Annexure-8

A. <u>Conservation of Energy</u>

The Company has consistently been mindful of the necessity to preserve energy within its manufacturing facilities and safeguard the environment. Our primary focus is on advancing sustainable practices. We are proactively putting into action a range of initiatives, including the incorporation of recycling and reusing methods. Our goal is to prudently manage natural resources while actively striving to increase the share of renewable energy in our overall energy consumption. Furthermore, we are committed to enlightening and engaging our stakeholders about environmental issues and implementing projects centered around conservation and revitalization. Energy conservation initiatives that have been implemented across all the Plants and Offices are:

a) **During the year, the Company has taken the following initiatives for conservation:**

i. The company orderly recycles, reuses and disposes its plastic waste/E-waste/Hazardous waste/other waste through an Authorized Recycler or Authorized Third Party.
ii. Installation of PNG, RECD kit for diesel
iii. Generator Installation of UFRO & High TDS RO
iv. Reduction of water consumption, recycling of waste water and rain water harvesting.
v. Turbo Ventilators installed in place of electric exhaust fans to reduce energy consumption.
vi. Adoption of higher cavitation molds to provide higher production output enabling lower energy consumption per unit of production
vii. Replacing motorized feeds by gravity feeds to reduce energy consumption.
viii. Replacement of all conventional lamps/lights with LED lamps/lights
ix. Voltage optimization and power factor improvements to reduce energy consumption.
x. Cycle time reduction in various manufacturing processes through introduction of new technology and Kaizens
xi. Compressed air consumption reduced by conducting regular audits and process improvements.
xii. Improving machine efficiency through continuous improvement in technology.
xiii. Implementation of Solar panels to generate solar energy.
xiv. Sewage Treatment Plants (STP) for water recycling
xv. Using recycled paper in cartons

xvi. Fuel Saving by minimizing HT Line fault
xvii. Increasing the use of renewable energy and reducing reliance on traditional source.

b) **Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:**
   i. Purchasing of power from open access at Faridabad location to get steady power supply resulting in lower use of DG sets
   ii. Installation of energy efficient Chillers to reduce energy consumption
   iii. Inefficient pumps replaced with new generation energy saving pumps
   iv. Inefficient motors replaced with new generation energy saving motors
   v. Synchronization of DG panels for optimization of DG sets
   vi. Improving production efficiency through Standardization of processes across all plants.
   vii. Use of robots in manufacturing process to improve productivity.
   viii. Use of Gang machining wherever possible for mould manufacturing process to avoid reloading which results in helping save electricity

The company is using solar power at plants to harness energy directly from the Sun and reduce our carbon footprint. The Company has reduced the per unit carbon footprint by 3.8% during 2021 over the per unit carbon footprint during the year 2020 and recommendations for reduction of carbon emission by 7.1% over the benchmark year 2020.

c) **Impact of measures in (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:**
   The above measures helped in reduction of power, fuel, air and water consumption and made the company more sustainable.

B. Technology Absorption
Efforts made in technology absorption
Research and Development

1. Specific Area in which R&D carried out by the Company
During the year, the R&D Centre of the Company was engaged in supporting all the businesses. Following activities were conducted through the R&D Center:
- Development of new design, processes and products based on customer/market requirements.
- Development of new products.
- Carrying out ongoing research
- Research work to reduce plastic consumption for manufacturing of Medical devices and reduce cycle time of molds to make the products more cost effective
- Quality up-gradation of existing medical devices
- Optimization of products and processes to minimize waste generation and reduce safety concerns
- Development of new analytical tools & methods
- Import substitution and identification, testing and validation of new raw materials from indigenous suppliers

2. Benefits derived as a result of the above R&D
Some of the benefits derived as a result of Research and Development are as follows:
- Development and commercialization of new products,
- Constant up-gradation and adoption of new technology for better productivity, yield and quality
- Reduction of cycle time in manufacturing process and material consumption
- Filings of Patents for Protection of Intellectual Property
- Achieving competitive prices and better product quality
- Improving Productivity and Process efficiencies
- Significant quality improvement in existing products
- Enhanced Global presence/visibility

3. Future plan of action
In order to address the needs of the customers and in view of the changing market scenario, the Company will continue to strengthen its technical skills of its personnel. Some of the future plans are as follows:
- Expansion of R&D team
- Faster Commercialization of new products
- Strengthening the Research Infrastructure and capabilities and partnering with academic institutions
- Development of cost effective and environment friendly processes
- Augmenting R&D capabilities through technological innovation, use of modern scientific techniques, training and development
- Explore new area of technology for providing cost effective Devices to customers
- Enhance National and International Research networking and strategic alliances.
- Work closely with medical professionals to identify new product areas.

(₹ in Lacs)

	Expenditure on Research & Development	Year Ended 31.03.2023	Year Ended 31.03.2022
(a)	Capital	-	-
(b)	Revenue	1,780.25	1,877.11
	Total	**1,780.25**	**1,877.11**
	Total Research and Development Expenditure as percentage of total turnover.	**1.55%**	**1.95%**

i. Technology Absorption, Adaption and Innovation Efforts in brief made towards technology absorption, adaption and innovation:
The Company's Research and Development division is continuously engaged in Research and Development of new & existing products and processes. The Company has also developed indigenous technologies and testing protocols of products. It is the philosophy of the Company to continuously upgrade the technology and products in accordance with global standards.

ii. Benefits derived as results of the above efforts:
The Company has developed several new Products during the year and has made efforts in process optimization, cost reduction and cost competitiveness. Batch sizes and cycle times were optimized for better efficiency and for overall improved productivity.

iii. In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year), following information may be furnished:

a)	Technology Imported.	No Imported Technology
b)	Year of Import.	
c)	Has the technology been fully absorbed.	
d)	If not fully absorbed, areas where these has not being taken place, reasons thereof and future plans of action.	

C. **Foreign Exchange Earnings and Outgo**

Activities relating to export, Initiative taken to increase exports, development of new products and service and export plans:

The Company continues to keep its focus on widening of new geographical area to augment its exports. The Company is regularly participating in major overseas conferences and trade shows, which are helpful in improving the visibility of various products in International markets and widening its customer base.

Foreign Exchange used and earned

(₹ in lacs)

	Particulars	2022-23	2021-22
(a)	Foreign Exchange Used	39,752.52	25,951.65
(b)	Foreign Exchange Earned	72,243.07	57,433.20

REPORT ON CORPORATE GOVERNANCE

A brief statement on the Company's philosophy on Code of Governance

Effective corporate governance practices form the foundation on which enduring commercial enterprises are constructed. Polymed consistently prioritizes the implementation of exemplary governance practices and wholeheartedly abides by them. Our corporate governance policies are designed to guarantee transparency in all business transactions.

Polymed acknowledges the significance of robust corporate governance as a crucial mechanism for safeguarding investor interests. As the company's reach expands, the business landscape evolves rapidly, and social responsibilities increase, Polymed actively engages with all stakeholders to adapt to these changes.

The Company believes that any meaningful policy on Corporate Governance must provide empowerment to the executive management of the Company, and simultaneously create a mechanism of checks and balances which ensures that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and society's expectations.

In line with the above philosophy, your Company continuously strives for excellence through adoption of best governance and disclosure practices. The Company recognizes that good governance is a continuing exercise and thus reiterates its commitment to pursue highest standard of Corporate Governance in the overall interest of its stakeholders. The fundamental objective of the Company's Corporate Governance is "enhancement of the long-term shareholder value while at the same time protecting the interests of other stakeholders without compromising on compliances of any laws and regulations."

Your Company is in compliance with the requirements of the guidelines on Corporate Governance stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and hereby presents the following Corporate Governance Report for the Financial Year 2022-23 based on the said requirements.

1. BOARD OF DIRECTORS ("BOARD")

Composition of the Board of Directors

As on 31st March, 2023, the Company has twelve Directors, of which ten are Non-executive Directors including seven Independent Directors. The Board has two Women Directors and one of which is an Independent Woman Director. The Composition of the Board is in the conformity with Regulation 17(1) of SEBI (LODR) Regulations, 2015. None of the Directors on the Board is Member of more than ten committees or Chairman of more than five committees across all the companies as on 31st March,2023 for which confirmations have been obtained from the Directors. Chairmanships/Memberships of the Board committees include only Audit Committee and Stakeholders' Relationship Committee.

The Company is managed and guided by the Board of Directors. The Board formulates the strategy and regularly reviews the performance of the Company. The Board has been entrusted with the requisite powers, authorities and duties to enable it to discharge its responsibilities and provide effective leadership to the Business.

The Company has an optimum combination of Executive, Non-Executive and Independent Directors who are eminent persons with professional expertise and valuable experience in their respective areas of specialization and bring a wide range of skills and experience to the Board.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. The maximum tenure of each Independent Director is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

Composition and category of Directors as on 31st March, 2023 is as under:

Shri Devendra Raj Mehta

Shri Devendra Raj Mehta, aged 86 years, is Chairman and a non-executive, Independent Director of our Company. He holds a bachelor's degree in economics and law and is a retired officer of the Indian Administrative Services. Further, he is an alumnus of MIT Sloan School of Management, Massachusetts Institute of Technology, Boston, USA and the Royal Institute of Public Administration, London, United Kingdom. He has over 52 years of experience in civil services. Prior to joining the Board of the Company, he has held positions including, chairman of SEBI, deputy governor of RBI and Director General of Foreign Trade, Government of India and has held various positions with the Government of Rajasthan and the Government of India. He has been on the Board since May 26, 2005.

Shri Jugal Kishore Baid

Shri Jugal Kishore Baid, aged 81 years, is a non-executive Director of the Company. He holds a bachelor's degree in Science (Mechanical Engineering) from Birla Institute of Technology, Mesra, Ranchi. He has over 54 years of experience in engineering and has undertaken various industrial training programmes with engineering companies. Prior to joining the Board, he was associated with Hyderabad Allwyn Metal Works and Jai Polypan Private Limited. He was involved in setting up the rotational molding technology in Rajasthan for the manufacture of multi layered and foam filled water storage containers under the brand name "Polycon". He has been associated with the Company since its incorporation.

Smt. Mukulika Baid
Smt. Mukulika Baid, aged 73 years, is a non-executive Director of the Company. She holds a bachelor's degree in arts from Jodhpur National University. She has 22 years of experience in management and marketing. She is associated with several non-profit organisations. She has been on the Board since July 30, 2014.

Shri Prakash Chand Surana
Shri Prakash Chand Surana, aged 76 years, is a non-executive, Independent Director of the Company. He is a qualified chartered accountant and is a member of the Institute of Chartered Accountants of India. He has over 48 years of experience in the field of taxation and corporate laws. He has been on the Board since September 22, 1997.

Dr. Shailendra Raj Mehta
Dr. Shailendra Raj Mehta, aged 64 years is a non-executive, Independent Director of the Company. He holds a bachelor's degree and a master's degree in arts from Delhi University, an M.Phil. from Balliol College Oxford and a doctorate of philosophy in economics from Harvard University. He has 33 years of experience in the field of management and economics. His research on simulation resulted in the creation of Hi-tech Company that was granted a patent in the United States. He was responsible for setting up a collaboration between Indian Institute of Management, Ahmedabad and Duke Corporate Education and was a professor of economics and strategy at Purdue University. He was the vice chancellor of Ahmedabad University. He is currently the President, Director and Distinguished Professor for Innovation and Entrepreneurship at MICA (institute), The School of Ideas., Gujarat. He has been on the Board of the Company since May 28, 2012.

Dr. Sandeep Bhargava
Dr. Sandeep Bhargava, aged 55 years, is a Director of our company. He holds a bachelor degree as MBBS and Post Graduation Degree as MD. He was a Senior Consultant in Gastroenterology, Hepatology and Interventional Endoscopy Indraprastha Apollo Hospitals, New Delhi. He was also Staff Gastroenterologist and Hepatologist, Lourdes Medical Associates, Cherry Hill, USA. He has around 32 years of experience in medical field in India and abroad. He has worked as Clinical Instructor in Medicine and Gastroenterology, at Rhode Island Hospital, USA. He has also worked as Clinical Instructor in Gastroenterology/Hepatology/Liver Transplantation at Columbia University, New York. He has worked as Assistant Professor of Medicine, at Saint Peters University Hospital, USA. Apart from this he is also guest faculty at various medical institutions in India and abroad and writer of various books on medical Sciences. He has been associated with our Company since February 25, 2017.

Shri Amit Khosla
Mr. Amit Khosla, aged 48 years, is a non-executive, Independent Director of the Company. He holds a Bachelor's degree in Economics (with honours) from Delhi University and a Master's degree in Business Administration (MBA) from Kellogg Graduate School of Management, Northwestern University, Illinois, USA. He has around 22 years of experience in financial advisory in India and abroad. With specialisation in financial institutions, Mr. Amit Khosla has worked in global investment banks JP Morgan Chase & Co and Fox-Pitt, Kelton in New York and Hong Kong. His experience in India includes working with CDC/Actis and advising offshore funds for their India investments. He has been associated with our Company since June 5, 2020.

Ms. Sonal Mattoo
Ms. Sonal Mattoo aged 48 years, is a non-executive, Independent Director. She holds a B.A.L.L.B. (Hons) degree from the National Law School of India University, Bangalore. She has 27 years of experience in compliance relating to workplace harassment and diversity issues. She supports various clients as an independent ombudsperson, handling employee complaints via the internal dispute redressal mechanism and as an independent IC member for the Prevention of sexual harassment at the workplace issues. She has been associated with our Company since August 29, 2020.

Dr. Ambrish Mithal
Dr. Ambrish Mithal (Padma Bhushan & B.C. Roy Awardee) – is the Chairman and Head of Endocrinology and Diabetes Department at Max Healthcare (Pan Max), a group of 16 hospitals. He is the domain expert on the Governing Board of National Health Authority (2019) of India and President of AIIMS Gorakhpur. Recently, he was presented the Laureate Award from Endocrine Society of US for International Excellence.

Dr. Mithal has been the recipient of the Fogarty Fellowship (Harvard Medical School), Japan International Cooperation Agency Fellowship, Boy Frame Award of the ASBMR, IOF Amgen Health Professional Award and the Springer citation prize for his paper on "Global Vitamin D Status", 2013. He has received the IOF President's Award (2016). His current research interests include Vitamin D nutrition, primary hyperparathyroidism, osteoporosis, cardiovascular outcome trials in diabetes and NAFLD.

Shri Himanshu Baid
Shri Himanshu Baid, aged 55 years, is the Managing Director of the Company. He holds a bachelor's degree in engineering (electronics and communication) from Karnatak University, Dharwad, India. He has over 26 years of experience in manufacturing, sales and marketing of medical devices. He has been associated with the Company since its incorporation.

Shri Rishi Baid
Shri Rishi Baid, aged 51 years, is an Executive Director of the Company. He holds a Bachelor of Science degree in mechanical engineering and a master's degree of science in mechanical engineering from West Virginia University, USA. He has over 26 years of experience in manufacturing, operations and R&D of medical devices. He has been associated with the Company since its incorporation.

Shri Alessandro Balboni
Shri Alessandro Balboni, aged 61 Years, is a Non-Executive, Non-Independent Director of the Company, He is accomplished market driven executive, self-motivated and responsible individual with 22 years of experience in leading healthcare and sales. In his past career Mr. Balboni was Chairman & Chief Executive Officer at Delta Med SPA, Italy. He has a Master's degree from the University of Bologna, Italy.

Number of Board Meetings
The Board has the responsibility to monitor the Company's progress towards its goals and to revise and alter its direction in light of changing circumstances. Board Meetings are scheduled as required under the Listing Regulations and the Companies Act, 2013 and the Rules made thereunder. At every regularly scheduled meeting, the Board reviews recent developments, if any, the regulatory compliance position and the proposals for business growth that impact the Company's strategy.

During the financial year ending 31st March 2023, the Board of Directors met Four times on 24th May, 2022, 04th August, 2022, 04th November, 2022 and 28th January, 2023. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The names, designation & categories of the Directors on the Board, their attendance at respective Board Meetings held during the year and last Annual General Meeting and total number of Shares held by them in the Company are as under:

Details of the Board of Directors

Name of the Directors	Category of Directorship	No. of Board Meetings attended / held	Last AGM Attended	No. of Directorship in other Companies	Name of the Listed Company in which Directorship held alongwith category	Committee Positions*		No. of Shares as on 31st March, 2023
						Member	Chairman	
Shri D.R. Mehta (DIN: 01067895)	Non-Executive Independent Director	4/4	Yes	7	1.GLENMARK PHARMACEUTICALS LIMITED (Independent Director) 2. JAIN IRRIGATION SYSTEMS LIMITED (Independent Director) 3. JMC PROJECTS (INDIA) LIMITED (Chairman, Independent Director)	6	2	NIL
Shri J.K. Baid (DIN: 00077347)	Non-Executive Director	4/4	Yes	1		0	0	22,79,376
Shri P.C. Surana (DIN: 00361485)	Non-Executive Independent Director	1/4	Yes	1		2	2	1,098
Dr. S.R. Mehta (DIN: 02132246)	Non-Executive Independent Director	4/4	Yes	6	1. JMC PROJECTS (INDIA) LIMITED (Independent Director) 2. KALPATARU POWER TRANSMISSION (INDIA) LIMITED (Independent Director)	2	0	NIL
Dr. Sandeep Bhargava (DIN:07736003)	Non-Executive Independent Director	4/4	Yes	0		1	0	NIL
Mr. Amit Khosla (DIN: 00203571)	Non-Executive Independent Director	4/4	Yes	3		1	0	NIL
Ms. Sonal Mattoo (DIN: 00106795)	Non-Executive Independent Director	4/4	Yes	3	1. V-MART RETAIL LIMITED (Independent Director) 2.ASHIANA HOUSING LIMITED (Independent Director)	3	1	35
Shri Himanshu Baid (DIN: 00014008)	Managing Director	4/4	Yes	4		1	0	79,07,624
Dr. Ambrish Mithal	Non-Executive Independent Director	2*/4	-	0		0	0	NIL
Shri Rishi Baid (DIN: 00048585)	Executive Director	4/4	Yes	1		1	0	98,93,048
Smt. Mukulika Baid (DIN:02900103)	Non-Executive Director	4/4	Yes	0		0	0	30,62,400
Shri Alessandro Balboni (08119143)	Non-Executive Non Independent Director	4/4	Yes	0		0	0	NIL

Date of Appointment-04.08.2022

***Chairmanship/Membership of Audit Committee and Stakeholder's Relationship Committee in Public Companies including Poly Medicure Limited has been considered.**

Video/Tele-conferencing facilities are used to facilitate Directors travelling abroad, or present at other locations, to participate in the meetings.

Relationship Inter-se

Mr. Himanshu Baid, Managing Director, Mr. Rishi Baid, Joint Managing Director, Mr. Jugal Kishore Baid, Director and Mrs. Mukulika Baid, Director forms part of Promoter group and are related to each other. None of the other Directors are related to each other.

Institutionalized Decision-making Process

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that the Stakeholders' long-term interests are being served.

Board Independence

The definition of "Independence of Directors" is derived from Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received from the Directors and on the evaluation of the relationships disclosed, all the independent Directors are qualified as Independent Directors under Section 149(6) of the Companies Act, 2013.

Scheduling and Selection of Agenda Items for Board Meetings

The Board is given presentations covering Finance, Sales, Marketing, the Company's major operations, overview of business operations of subsidiary companies, global business environment, the Company's business areas, including business opportunities and strategy and risk management practices before taking on record the Company's quarterly/annual financial results.

The information regularly furnished to the Board of Directors include amongst others the following:

- Annual Operating plans and budgets and updates.
- Quarterly results and performance of various units/divisions, subsidiaries and joint venture companies.
- Minutes of the meeting of all the committees.
- Minutes of Meetings of the Board of the subsidiaries
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Details of Joint Ventures, acquisition of companies or Collaboration Agreement.
- Developments on Human Resource of the Company.

Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussion at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect. In special and exceptional circumstances, additional or supplementary item(s) are permitted.

Recording minutes of proceedings at Board and committee meetings

The Company Secretary records the minutes of proceedings of each Board and Committee meeting. Draft Minutes are circulated to Board/ Board Committee(s) members for their comments. The minutes are entered in the minute's book within 30 days from the conclusion of the meeting.

Compliance

The Company Secretary, while preparing the agenda, notes on Agenda, minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/2013, read with rules framed issued there under, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

Familiarisation programme for Independent Directors

The Board/Committee members are provided with the necessary documents/brochures, reports and internal policies, codes of conduct to enable them to familiarize with the Company's procedure and practices. Directors are regularly updated on performance of the business of the Company, business strategy going forward and new initiative being taken/proposed to be taken by the Company through presentation. Deep Discussion are conducted by the Senior Executives including the Industry/Market (Domestic & International), competition, Company's performance, future outlook. Factory visits are organised as and when desirable/ expedient, for the Directors.

The details of the familiarization programme of the Independent Directors are available on the Company's website at www. polymedicure.com.

2. Committees of the Board

The Board of Director's have constituted Board Committees to deal with specific areas and activities which concerns the Company and requires a closer view. The Board Committees are formed with approval of the Board. The Committees play an important role in the overall management of day-to-day affairs and governance of the Company.

Procedure at Committee Meetings

The Board Committees play a crucial role in the governance structure of the Company and are constituted to deal with specific areas/ activities which concern the Company and are considered to be performed by members of the Board. The Board supervises the execution of its responsibilities by the committees and is responsible for their action. The minutes of the meetings of all the committees are placed before the Board. The Board committees can request special invitees to join the meeting as appropriate.

The Board of Directors of the Company constituted the following committees in terms of the provisions of Companies Act, 2013 and Listing Regulations:

Committees as mandated under Companies Act, 2013 and Listing Regulations	Other Committees
1. Audit Committee	1. Banking Operations Committee
2. Stakeholders' Relationship Committee	
3. Nomination and Remuneration Committee	
4. Risk Management Committee	
5. Corporate Social Responsibility Committee	

Terms of reference and other details of Board Committees

Audit Committee

i. The audit committee of the Company is constituted in line with the provisions of regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Section 177 of the Act.

ii. The terms of reference of the audit committee are broadly as under:

ii. The terms of reference of the audit committee are broadly as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered;
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

  - ➢ Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act
  - ➢ Changes if any, in accounting policies and practices and reasons for the same
  - ➢ Major accounting entries involving estimates based on the exercise of judgment by management
  - ➢ Significant adjustments made in the financial statements arising out of audit findings
  - ➢ Compliance with listing and other legal requirements relating to financial statements
  - ➢ Disclosure of any related party transactions
  - ➢ Qualifications/modified opinion(s) in the draft audit report

- Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism.
- Approval of appointment of CFO;
- The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- Oversee financial reporting controls and process for material subsidiaries;
- Oversee compliance with legal and regulatory requirements including the Polymed Code of Conduct ("PCoC") for the Company and its material subsidiaries;
- To mandatorily review the following information:

  - ➢ Management discussion and analysis of financial condition and results of operations;
  - ➢ Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - ➢ Management letters / letters of internal control weaknesses, if any, issued by the statutory auditors;
  - ➢ Internal audit reports relating to internal control weaknesses, if any; and
  - ➢ The appointment, removal and terms of remuneration of the chief internal auditor.

iii. The Audit Committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the secretary to the Audit Committee.

iv. The previous annual general meeting (AGM) of the Company was held on September 26, 2022.

v. The composition of the audit committee and the details of meetings attended by its members are given below:

Name of the Member	Category/Position	No. of Meetings attended / held	Sitting Fees (₹)
Shri P.C. Surana	Independent Director/ Chairman	1/4	25,000
Dr. S. R. Mehta	Independent Director/ Member	4/4	1,00,000
Shri D. R. Mehta	Independent Director/ Member	4/4	1,00,000
Shri Amit Khosla	Independent Director/ Member	4/4	1,00,000

Four audit committee meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

24th May, 2022; 04th August, 2022; 04th November, 2022 and 28th January, 2023.

The necessary quorum was present for all the meetings.

Nomination & Remuneration Committee

Composition of the Committee

The Company had a Nomination and Remuneration Committee of directors. The Committee's constitution and terms of reference is in compliance with the provisions of the Act and Regulation 19 and 20 of SEBI (LODR) Regulations, 2015. The Committee comprises of 4 (four) members of the Board, the details of the member are as follows:

Name of the Member	Category/Position	No. of Meetings attended / held	Sitting Fees (₹)
Shri. D. R. Mehta	Independent Director / Member	3/3	75,000
Shri P.C. Surana	Independent Director / Chairperson	1/3	25,000
Dr. Sonal Mattoo	Independent Director / Member	2*/3	50,000
Shri Amit Khosla	Independent Director/ Member	2*/3	50,000
Shri Sandeep Bhargava (Ceased)	Independent Director/ Member	1*/3	25,000

***Date of Appointment:**
1. Dr. Sonal Mattoo- 24-05-2022
2. Shri Amit Khosla- 24-05-2022

Date of Cessation
Shri Sandeep Bhargava- 24-05-2022

During the year, under review, three meetings of Nomination and Remuneration Committee was held on the 24th May, 2022, 4th August, 2022 and 27th January, 2023.

Term of reference of the Committee, inter-alia, includes the following:

- To identify people who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's Performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a Policy on Board Diversity.
- To recommend/review remuneration of the Managing Director(s) and Whole Time Director(s) based on their performance and defined assessment criteria.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Remuneration Policy

(i) Managing Director and Executive Director

The Managing Director and Executive Director are paid remuneration within the range recommended by the Remuneration Committee which is further approved by the Board of Directors and the Shareholders of the Company in General Meeting. The remuneration is decided considering various factors such as qualification(s), experience(s), expertise, and capability of the appointee, its contribution to the Company's growth, remuneration prevailing in the Industry, Financial Position of the Company etc.

(ii) Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of sitting fees for attending each meeting of Board of Directors and Committee Meeting thereof and Commission. Each Non-Executive Directors was paid a sum of ₹ 50,000/- by way of sitting fee for attending each meeting of the Board of Directors and a sum of ₹ 25,000/- sitting fee for attending Committees meeting thereof.

Details of the sitting fees, commission and salary paid to all the Directors for the year ended on 31st March,2023 are given hereunder:

(In ₹ lacs)

Name of the Member	Salary Perqui-sites	Com-mission	Sitting Fees	Total
Shri D.R. Mehta	-	12.00	4.00	16
Shri J.K. Baid	-	12.00	2.25	14.25
Smt. Mukulika Baid	-	12.00	2.25	14.25
Shri P.C. Surana	-	12.00	2.00	14
Dr. S.R. Mehta	-	12.00	3.50	15.5
Dr. Sandeep Bhargava	-	12.00	2.50	14.50
Shri Amit Khosla	-	12.00	3.75	15.75
Ms. Sonal Mattoo	-	12.00	2.75	14.75
Dr. Ambrish Mithal	-	8.00	1.00	9
Shri Himanshu Baid	550.63*	750.00	-	1,300.63
Shri Rishi Baid	497.28*	750.00	-	1,247.28

*Includes allowances, perquisites, retirement benefits and contribution to Provident Fund.

INDEPENDENT DIRECTOR MEETING

During the year under review, the independent Directors met on 24th May, 2022, inter-alia to discuss:

- Evaluation of performance of Non-Independent Directors
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors
- Evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Stakeholders Relationship Committee

Composition of Committee

The Company had a Shareholders / Investors Grievance Committee of directors to look into the redressal of Complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc. The nomenclature of the said committee was changed to Stakeholders' Relationship Committee in the light of provisions of the Act and Regulation 19 and 20 of SEBI (LODR) Regulations, 2015.

Name of the Member	Category/Position	No. of Meetings attended / held	Sitting Fees (₹)
Shri P. C. Surana	Independent Director / Chairman	0/1	Nil
Shri Himanshu Baid	Managing Director / Member	1/1	Nil
Shri Rishi Baid	Executive Director / Member	0/1	Nil
Shri Sandeep Bhargava	Independent Director/Member	1/1	25,000

Mr. Avinash Chandra, Company Secretary, acting as a compliance officer of the Company. During the year, under review, a meeting of Stakeholders Relationship Committee was held on the 3rd November, 2022.

Terms of reference of the Committee, inter-alia, includes the following:

- Overseeing and review all matters connected with the transfer of the Company's Securities.
- Approve issue of the Company's duplicate share certificates.
- Monitor redressal of investor's / Shareholder's / Security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of service to investors.
- Monitor implementation of the Company's code of conduct for prohibition of Insider Trading.

Carry out any other functions as is referred by the Board from time to time or enforced by any statutory modification as may be applicable.

Details of Investor Complaints received and redressed during the year 2022-23 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing Balance
NIL	**NIL**	**NIL**	**NIL**

No complaint was outstanding as on 31st March, 2023.

Corporate Social Responsibility Committee

Composition of Committee

The Company has a Corporate Social Responsibility Committee of directors to look into its CSR Activities, which strives to create value in the society and in the community in which it operates, through its services, conduct & initiatives so as to promote sustained growth for the society and community. Develop meaningful and effective strategies for engaging with all the stakeholders. The committee was formed under the provisions of Section 135 the Companies Act, 2013.

Name of Members	Position	Attendance and Meetings held	Sitting Fees (₹)
Shri D.R. Mehta	Chairman	1/1	25,000
Shri Jugal Kishore Baid	Member	1/1	25,000
Smt. Mukulika Baid	Member	1/1	25,000
Smt. Sonal Mattoo	Member	0*/1	NA

**Date of Appointment- 24-05-2022*

During the year, under review, a meeting of Corporate Social Responsibility Committee was held on the 24th May, 2022.

Terms of reference of the Committee, inter alia, include:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) policy indicating initiatives to be undertaken by the Company in compliance with provisions of Companies Act, 2013 and rules there made under.
- To recommend the amount of expenditure to be incurred on the CSR initiatives.
- To monitor the implementation of the framework of the CSR policy.
- To approve the Corporate Social Responsibility Report and oversee the implementation of sustainability activities.
- To observe Corporate Governance Practices at all levels and to suggest remedial measures wherever necessary.

Risk Management Committee

In compliance with the requirement of Regulation 21 of the SEBI (LODR) Regulations, the Board has constituted Risk Management Committee at its Meeting held on 5th June, 2020. During the year under review, the Committee met twice on 3rd November, 2022 and 20th February, 2023. Composition of Risk Management Committee and details of attendance of each Member at the Committee Meetings are as follows:

Name of the Member	Category/ Position	No. of Meetings attended/held	Sitting Fees (₹)
Dr. S.R. Mehta	Independent Director/ Chairperson	1/2	25,000
Mr. Himanshu Baid	Managing Director/Member	2/2	Nil
Mr. Rishi Baid	Joint Managing Director/Member	1/2	Nil
Smt. Sonal Mattooo	Independent Director/ Member	1/2	25,000

Banking Operations Committee

During the year under review, the Committee met once on 20th February, 2023. Composition of Banking Operations Committee and details of attendance of each Member at the Committee Meetings are as follows:

Name of the Member	Category/ Position	No. of Meetings attended/held	Sitting Fees (₹)
Mr. Himanshu Baid	Managing Director/ Chairperson	1/1	Nil
Mr. Rishi Baid	Joint Managing Director/Member	1/1	Nil

3. General Body Meetings

Annual General Meetings conducted during the last three years viz. FY 2019-20, FY 2020-21 and FY 21-22 are as follows:

Meeting	Date and Time	Venue
25th AGM	Tuesday, 29th September, 2020 at 10:00 a.m.	Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")
26th AGM	Friday, 24th September, 2021 at 10:00 a.m.	
27th AGM	Monday, 26th September, 2022 at 10:00 a.m.	

Special resolution passed in last three AGM:

25th AGM held on 29th September, 2020

- Approval for Poly Medicure Employee Stock Option Scheme-2020 for the employees of the Company.

26th AGM held on 24th September, 2021

- To enter into job work contract with M/s. Vitromed Healthcare, Jaipur.

27th AGM held on 26th September, 2022

- To appoint Dr. Ambrish Mithal (DIN: 0009618459) as an Independent Director of the Company.
- To appoint Mr. Jugal Kishore Baid (DIN:00077347), who has attained the age of 75 years to continue as non- executive director of the Company.
- To approve payment of remuneration to Non-Executive Directors.

There was no Extra-Ordinary General Meeting held during the year 2022-23 through Postal Ballot

4. Disclosures

a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and was complied with provision of section 188 of the Companies Act, 2013. Thus, disclosure in form AOC-2 is also provided. Further there are no material related party transactions during the year under review with the promoters, Directors or Key Managerial personnel. The details of the Related Party transactions during the year are given in the notes forming part of the financial statements.

b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

No penalty or stricture was imposed by the Stock Exchanges or SEBI or any other regulatory or statutory authorities.

c) Whistle Bowler Policy/Vigil Mechanism

Pursuant to Section 177(9) and (10), of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of directors and employee to report to the management about the unethical behavior, fraud or violation of Company's code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit committee in exceptional cases. The whistle blower Policy is displayed on the Company's Website viz,https://www.polymedicure.com/wp-content/uploads/2023/02/vigil-mechanism-and-whistle-blower-policy.pdf.

d) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards referred in Section 133 of the Companies Act, 2013.

e) Risk Management

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operations and the Board was informed of the same.

f) Management Discussion & Analysis Report

As required by the Listing Agreement and regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis is provided separately in the Annual report.

g) Code of Conduct and Corporate ethics

As a responsible corporate citizen, the Company consciously follows corporate ethics in both business and corporate interactions. The Company has framed various codes and policies, which act as guiding principles for carrying business in ethical way.

Some of our policies are:

- Code of Conduct for Board of Directors and Senior Management Personnel;
- Code of Conduct for Prevention of Insider Trading;
- Whistle Blower Policy

h) CEO/CFO Certification

The Compliance Certificate by CEO and CFO as required under Listing Agreement and Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is the same is annexed to the Corporate Governance Report.

i) Disclosure of Compliance

Your Company has compiled with the requirements of the regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

j) Details of Compliance with Mandatory Requirements and adoption of the Non-Mandatory Requirements

The Company has complied with all the mandatory requirements under the Listing Agreement and SEBI (LODR) Regulations, 2015.

K) A certificate from Practicing Company Secretary (PCS) regarding declaration for Directors not debarred or disqualified from being appointed

A certificate has been received from M/s. P.K. Mishra &

Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

l) The detail of the policy for determining "material" subsidiaries is available on the Company's website at www.Polymedicure.com.

m) The detail of the policy on dealing with related party transaction is available on the Company's website at www.Polymedicure.com.

6. Means of Communication

In accordance with Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has maintained a functional website at www.polymedicure.com basic corporate information about the Company viz. details of its Business, Financial Information, Shareholding Pattern, compliance with code of conduct etc. The contents of the said website are updated from time to time. The quarterly, half yearly and Annual Results are published in "Financial Express" (English) and "Jansatta" (Hindi), newspapers and also displayed on the Company's website for the benefit of the public at large.

Further, the Company disseminates to the Stock Exchange, where its securities are listed, all material information, which in its opinion are material and/or have a bearing on its performance/ operations, for the information of public at large.

Audit Fees

The same has been mentioned in note no. 32 of Standalone Financial Statement.

Commodity Price Risk or Foreign Exchange Risk and hedging Activities

Commodity Price Risk and Commodity Hedging Activities

The Company does not have any exposure hedged through commodity derivatives. In compliance with Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

A: - Total exposure of the listed entity to commodities in ₹ - **NIL**
B: - Exposure of the listed entity to various

Commodity Name	**Exposure in ₹ towards the particular commodity**	**Exposure in Quantity terms towards the particular commodity**	**% of such exposure hedged through commodity derivatives**				
			Domestic market		**International market**		**Total**
			OTC	**Exchange**	**OTC**	**Exchange**	
NIL							

7. General Shareholders Information:

Annual General Meeting Day, Date and Time & Venue	Thursday, 28th Day of September, 2023 at 10 a.m. (IST) through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")
CIN No.	L40300DL1995PLC066923
Financial Year	1st April, 2022 to 31st March, 2023
Date of Book Closure	**22nd September, 2023 to 28th September, 2023 (both days inclusive)**
Listing of Equity Shares on Stock Exchange(s)	BSE Limited (BSE):- P. J. Towers, Dalal Street, Mumbai 400 001. National Stock Exchange of India Limited: - Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East) Mumbai-400051
Stock Code	BSE Code: POLYMED, Scrip Code: 531768 NSE Code: POLYMED
Registrar and Transfer Agents	MAS Services Ltd. T-34, IInd Floor, Okhla Industrial Area, Phase II, New Delhi -110020.
Dematerialization of Shares and Liquidity	The Shares of the Company are under compulsory D-MAT mode. Under the depository system the International Security Identification Number (ISIN) allotted to the Company. Respective ISIN is INE205C01021.

Plants Locations	**Unit-I** Plot No. 104-105, Sector -59, HSIIDC Industrial Area, Ballabhgarh, Faridabad-121004 (Haryana) India. **Unit-II (100% EOU)** Plot No. 115-116, Sector-59, HSIIDC Industrial Area, Ballabhgarh, Faridabad-121004 (Haryana) India.
	Unit III Plot No. 17, Sector-3, I.I.E SIDCUL Haridwar-249403, (Uttarakhand), India
	Unit IV (SEZ) Plot No. PA-010, P.O., Mahindra World City (Jaipur) Ltd., SEZ, Tehsil, Sanganer, Jaipur-302037 (Rajasthan), India.
	Unit V Plot No. 34, Sector-68, IMT, Faridabad-121004, (Haryana), India.
Address for Shareholders' correspondence	**Registrar and Transfer Agent** **Shri Sharwan Mangla** M/s. Mas Services Ltd. T-34, Okhla Industrial Area, Phase-II, New Delhi-110020 Phone No. 011-26387281, 26387282 Fax No. 011- 26387384 E-mail: mas_serv@yahoo.com, Website: www.masserve.com
	Registered Office of the Company **The Company Secretary** M/s Poly Medicure Limited 232-B, IIIrd Floor, Okhla Industrial Estate Phase-III, New Delhi-110020 Phone No. 011-26321838 Fax No. 011-26321894 Email: investorcare@polymedicure.com Website: www.polymedicure.com

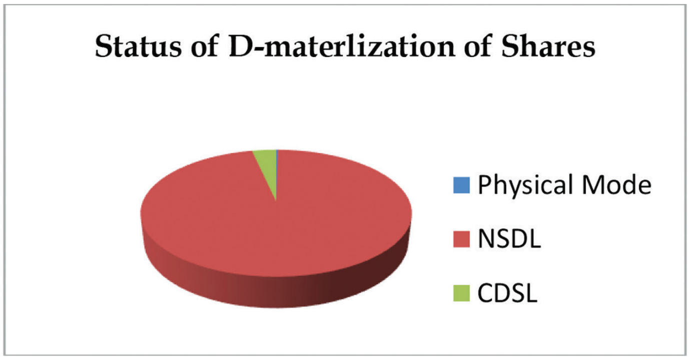
Physical Share Transfer System

The Registrar and Transfer Agents (RTA) on receipt of transfer deed with respective Share Certificates, scrutinizes the same and verify signatures of transferors on the transfer deed with specimen signatures registered with the Company. A list of such transfers is prepared and checked thoroughly and then a transfer register is prepared. The transfer register is placed before the Share Transfer Committee meeting for approval. Share transfers are registered and share certificates are returned within 30 days from the date of lodgment if the documents are complete in all respects.

Dematerialization of Shares

The Company has set up requisite facilities for dematerialization of its Equity Shares in accordance with provisions of Depositories Act, 1996 with National Securities Depository Services (India) Limited and Central Depository Services (India) Limited. The Company has entered into agreements with both the Depositories for the benefit of the Shareholders. The status of Dematerialization of the Company's Shares as on 31st March, 2023 is as under:

Mode	No. of Shares	%age (Percentage)
Physical Mode	2,21,652	0.23
NSDL	9,24,15,754	96.32
CDSL	33,06,936	3.45
Total	9,59,44,342	100.00



For guidance of Depository Services, Shareholders may write to the Company or to the respective Depositories.

National Securities Depositories Limited	Central Depository Services Limited
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013. Telephone: 91-22-24994200, E-mail- info@nsdl.co.in, Website: www.nsdl.co.in	P. J. Towers, 17th Floor, Dalal Street, Fort, Mumbai- 400001, Telephone 91-22-22723333, E-mail: investor@cdslindia.com, Website: www.cdslindia.com.

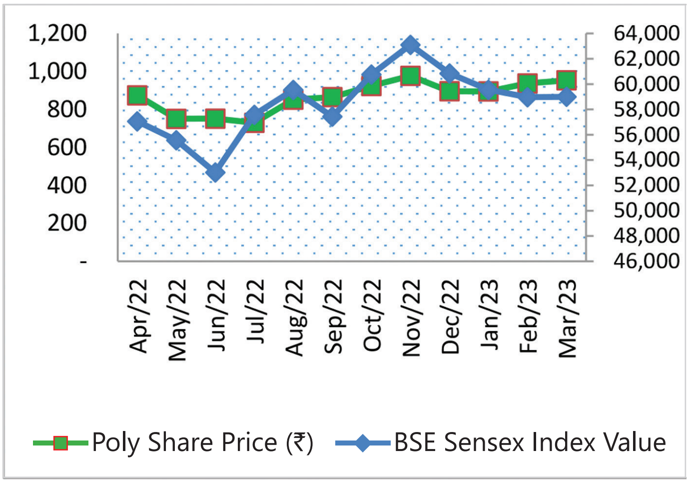
Listed on Stock Exchange(s)

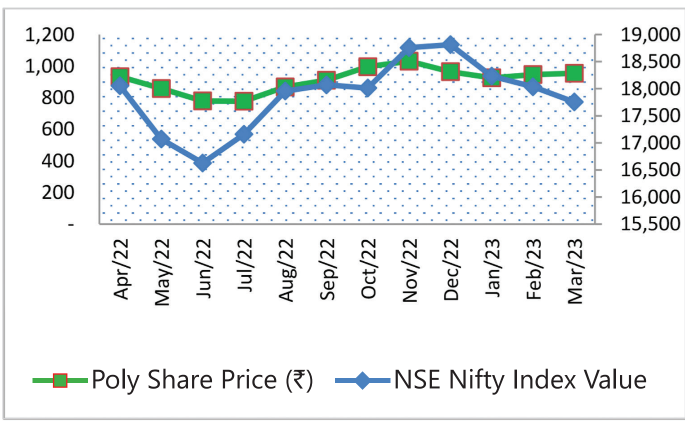
Name of the Stock Exchange(s)	Stock Code
BSE Limited	531768
National Stock Exchange of India Limited	POLYMED

Market Price Data: Monthly High and Low prices of the Equity Shares of the Company traded on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India (NSE) during the Financial Year are as follows:

	BSE (In ₹)		NSE (In ₹)	
Month	**High Price**	**Low Price**	**High Prices**	**Low Prices**
Apr-22	946.10	860.40	947.95	862.50
May-22	913.55	652.30	914.00	651.10
Jun-22	789.25	663.00	790.00	662.40
Jul-22	790.00	718.00	790.00	719.00
Aug-22	907.00	717.25	904.00	710.00
Sep-22	960.00	845.00	960.00	845.00
Oct-22	1,029.75	869.60	1,030.00	866.80
Nov-22	1,044.40	901.05	1,045.00	899.00
Dec-22	978.85	869.15	983.00	870.00
Jan-23	934.80	840.75	935.50	846.00
Feb-23	977.90	820.90	980.00	820.30
Mar-23	1,034.85	921.05	1,045.00	922.00

Source: This information is compiled from the data available from the websites of BSE and NSE)





Distribution of Shareholding of Poly Medicure Limited as on 31st March, 2023

Nominal value of each Share ₹ 5 each.

No of share hold-ers	% to Total	Shareholding of nominal value of (in ₹)	No of Shares	% to Total
34603	97.768	1 to 5000	1773262	1.848
292	0.825	5001 to 10000	429951	0.448
161	0.455	10001 to 20000	472122	0.492
90	0.254	20001 to 30000	442209	0.461
53	0.150	30001 to 40000	390296	0.407
27	0.076	40001 to 50000	251318	0.262
60	0.170	50001 to 100000	884370	0.922
107	0.302	100001 AND ABOVE	91300814	95.160
35393	**100.00**	**Total**	**9,59,44,342**	**100.00**

Particulars	No.	No. of shares	% age
(A) Shareholding of Promoter and Promoter group			
1. Indian	18	5,09,23,512	53.08
2. Foreign	2	2,27,200	0.23
Total Shareholdings of Promoter and Promoter Group	20	5,11,50,712	53.31
(B) Public Shareholding			
1. Institution	106	1,90,78,824	19.89
2. Non Institution	35,267	2,57,14,806	26.80
Total Public Shareholding	35,373	4,47,93,630	46.69
(C) Shares held by custodian and against which Depository Receipts have been issued			
1. Promoter and Promoter Group	0	0	0
2. Public	0	0	0
Total (A)+(B)+(C)	**35,393**	9,59,44,342	100

Unclaimed Dividend on Equity Shares

Investors are requested to claim their preceding years' unclaimed dividends from the Company. They may correspond at Company's address or send e-mail at investorcare@polymedicure.com for clarifying any doubts. Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to Investor Education and Protection Fund (IEPF) as per the requirements of Section 205C of the Companies Act, 1956, and rule(s) made there under. No claim shall be entertained after unclaimed dividend is transferred to this fund.

Review of Legal / Statutory Compliances Report

The Board periodically reviews Statutory/Legal Compliance Reports with respect to the various laws applicable to the Company.

Code for Prevention of Insider Trading Practices
The Company has instituted a comprehensive code for prevention of Insider Trading, for its Directors and Designated Employees, in compliance with Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The objective of this code is to prevent purchase and/or sale of Shares of the Company by an insider on the basis of unpublished Price Sensitive information. Under this code, Directors and Designated Employees are completely prohibited from the dealing in the Company's share during the closure of Trading Window. Further the code specifies the procedure to be followed and disclosures to be made by Directors and Designated Employees, while dealing with the share(s) of the Company and enlists the consequences of any violations.

Risk Management Policy
The Company has established a well-documented and robust Risk Management framework. Under this framework, risks are identified across all business processes of the Company on continuous basis. These risks are systematically categorized as Strategic Risks, Business Risks or Reporting Risks.

To address these Risks in a comprehensive manner, each risk is mapped to the concerned department for further action. Based on this framework, the Company has set in place various procedure for Risk Management.

Subsidiary Companies
The subsidiary Companies are unlisted foreign Companies. These subsidiaries have their own Board of Directors having the rights and obligations to manage such companies in its best interest. The Company has its own representatives on the Board of subsidiary companies and monitors the performance of such companies regularly.

Non Mandatory Clauses
The Company has not adopted any of the non-mandatory requirements as in SEBI (LODR) Regulations, 2015.

Code of Conduct by CEO
The Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel consisting of members of the Board and heads of all departments.

As provided under regulation 26(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 all the Board members and Senior Management Personnel have affirmed compliance to the Code of Conduct of the Company for the period from 1st April, 2022 to 31st March, 2023. The declaration received from Shri Himanshu Baid, Managing Director, in this regard is also given in this report.

New Delhi	D. R. Mehta	Himanshu Baid
7th August, 2023	Chairman	Managing Director

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To
The Board of Directors
Poly Medicure Limited

1. We have reviewed the financial statements and the cash flow statement of Poly Medicure Limited for the year ended 31st March, 2023 and to the best of our knowledge and belief:-

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading:

   (ii) These statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulation.

2. There are to the best of our knowledge and belief, no transaction entered into by the Company during the year ended 31st March, 2023, which are fraudulent, illegal or violate the Company's code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting.

   We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:-

   (i) that there are no significant changes in internal controls over financial reporting during the year.

   (ii) that there are no significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   (iii) that there are no instances of significant fraud of which we have become aware involving management or any employee having a significant role in the Company's internal control system.

New Delhi	Himanshu Baid	Naresh Vijayvergiye
7th August, 2023	Managing Director	CFO

DECLARATION BY CHIEF EXECUTIVE OFFICER

I hereby confirm and declare that all the Directors of the Company and all Senior Management Personnel as defined in the Code of Conduct of the Company have submitted Annual declaration confirming their compliance with the same.

New Delhi	Himanshu Baid
4th August, 2023	CEO/Managing Director

Certificate on Corporate Governance

To
The Members of Poly Medicure Limited

I have examined the compliance of the conditions of Corporate Governance by Poly Medicure Limited ('the Company') having CIN: L40300DL1995PLC066923 for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

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

In my opinion and to the best of my information and according to the explanations given to us, and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

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

For P.K. Mishra & Associates
Company Secretaries

Pawan Kumar Mishra
Proprietor
Membership No. FCS-4305/C.P. No. 16222
Peer review certificate No. 2656/2022

Place: New Delhi
Date: 10th August, 2023
UDIN: F004305E000778155

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POLY MEDICURE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of POLY MEDICURE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 that there are no key audit matters to be communicated in our report.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this Auditor report.

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, as for the year ended March 31, 2023 the other information has not yet been prepared and not yet approved by Board of Directors.

Management's Responsibility & those charged with governance for the Standalone Financial Statements

The Company's Management and Board of Directors are 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticis m 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonable ness 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 event s in a manner that achieves fair presentation.

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

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

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 Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations 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. The Company did not have any long-term 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in Note 46 to the standalone financial statements

(a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for financial year ended March 31, 2023.

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

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 97466
UDIN: 23097466BGWKXI7443

Place: New Delhi
Date: 9th May 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Polymedicure Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that :

i) In respect of the Company Property, Plant and Equipment and Intangible Assets:

(a) (i) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right -of- use assets.

(ii) The company has maintained proper records showing full particulars of intangible assets.

(b) The company has a program of physical verification of Property, Plant and Equipment and right-of-use of assets so as to cover all the assets once every 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 program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the company as at the balance sheet date other than one investment properties (WDV Rs. 31.44 lacs) for which conveyance deed is pending for execution.

(d) The company has not revalued any of its Property, Plant and Equipment (including right-of-use of assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016)" and Rules made thereunder.

ii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, physical verification of the inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. There are no discrepancies of 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of accounts

(b) The Company has been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and the quarterly return or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the company.

iii) The Company has made investments in companies/ Mutual funds and granted unsecured loan to its subsidiaries during the year, in respect of which:

a) The Company has provided unsecured loans to its subsidiary and details of which are as under:

Particulars	Amount (Rupees in lacs)
Aggregate amount granted during the year to subsidiary company	174.05
Balance outstanding as at balance sheet date in respect of above (including interest accrued due Rs. 1.93 lacs)	180.04

b) In our opinion, the investments made and the terms and conditions of the grant of loan during the year are, prima facie, not prejudicial to the Company interest.

c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and has not fallen due for payment as at balance sheet date.

d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e) No loans granted by the Company which has fallen during the year has been renewed or extended or fresh loan granted to settle the overdue of existing loan given to the same parties.

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

The Company has not made investments in firm and limited liability partnership during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loan, secured or unsecured, to Companies, firm, limited liability partnership or any other parties.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities granted during the year.

v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (i) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained, however, we have not made a detailed examination of such cost records.

vii) In respect of Statutory Dues:

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and services tax, provident fund, Employees State insurance, Income tax, Sales Tax, duty of Custom, duty of Excise, value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services Tax, provident Fund, Employees State Insurance, Income Tax, sales Tax, Service Tax, duty of custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount Rs. In Lacs
Income Tax Act 1961	Penalty demand	CIT (Appeal)	AY 2017-18	93.80
Income Tax Act 1961	Routine assessment/ Rectification demand	CIT (Appeal)	AY 2018-19	58.70

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 0f 1961) .

ix) a) The Company has not been defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any other authority.

c) The term loans were applied for the purpose for which the loan was obtained.

d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long- term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.

f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate company.

x) a) The Company has not raised money by initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

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

xi) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year (and upto the date of this report).

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

xiii) In our opinion, the Company is in compliance with the Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

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

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

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

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

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

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) a) In respect of other than ongoing project, the Company is not required to transfer unspent amount to fund specified in schedule VII to the Companies Act, 2013, hence reporting under clause 3(xx)(a) of the order is not applicable.

b) According to the information and explanation given to us, the amount remaining unspent under section 135(5) of the Companies Act, 2013 pursuant to ongoing project has been transferred to special account in compliance with provision of section 135(6) of the Companies Act, 2013.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN : 23097466BGWKXI7443

Place: New Delhi
Date: 9th May 2023

Annexure - A to the Auditors' Report, Report on the Internal

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

We have audited the internal financial controls over financial reporting of Poly Medicure Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies

Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal financial Controls over financial Reporting

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

Opinion

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

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: 097466
UDIN : 23097466BGWKXI7443

Place: New Delhi
Date: 9th May 2023

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Standalone Balance Sheet as at 31st March 2023

(₹ in lacs)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	58,011.79	43,163.34
(b) Capital work-in-progress	2	7,252.93	3,710.94
(c) Right of Use Asset	2	247.38	115.20
(d) Investment Properties	3	90.89	386.88
(e) Intangible assets	2	1,483.71	1,466.99
(f) Intangible assets under development		520.71	586.22
(g) Financial Assets			
(i) Investment in subsidiaries/associates	4	5,695.69	4,693.91
(ii) Other financial assets	7	1,133.04	2,347.40
(h) Other non-current assets	8	3,781.41	2,825.99
Total non-current assets		**78,217.55**	**59,296.87**
2 Current assets			
(a) Inventories	9	18,279.59	15,023.81
(b) Financial assets			
(i) Investments	5	11,859.22	33,659.72
(ii) Trade receivables	10	22,102.02	19,146.00
(iii) Cash and cash equivalents	11	38.28	63.33
(iv) Bank balances other than (iii) above	12	17,600.21	767.85
(v) Loans	6	207.88	34.16
(vi) Other financial assets	7	696.00	341.41
(c) Other current assets	8	4,775.25	5,063.08
Total current assets		**75,558.45**	**74,099.36**
TOTAL ASSETS		**1,53,776.00**	**1,33,396.23**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	4,797.23	4,795.02
(b) Other equity	14	1,18,615.22	1,02,902.42
Total equity		**1,23,412.45**	**1,07,697.44**

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	1,155.77	3,056.34
(ii) Lease Liabilities		134.93	37.96
(iii) Other financial liabilities	16	65.66	52.35
(b) Provisions	17	309.05	286.05
(c) Government Grants		259.88	325.57
(d) Deferred tax liabilities (Net)	18	1,543.47	1,613.34
Total non-current liabilities		**3,468.76**	**5,371.61**
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	12,295.57	7,877.20
(ii) Lease Liabilities		123.36	105.43
(iii) Trade payables	20		
a) total outstanding dues of micro enterprises and small enterprises		1,606.19	1,568.68
b) total outstanding dues of creditors other than micro enterprises and small enterprises		6,202.64	6,218.88
(iv)Other financial liabilities	21	3,487.67	2,492.52
(b) Other current liabilities	22	3,040.40	2,029.68
(c) Provisions	17	55.20	34.79
(d) Current tax liabilities (net)	23	83.76	-
Total current liabilities		26,894.79	20,327.18
TOTAL EQUITY AND LIABILITIES		**1,53,776.00**	**1,33,396.23**
Significant accounting policies	a-ab		
The accompanying notes are integral part of the Standalone financial statements.	1 - 52		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

For and on behalf of the Board of Directors

Ravindra Bhandari
Partner
Membership No. 097466

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Place : New Delhi
Date: 9th May 2023

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary
(A32270)

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Standalone Statement of Profit and Loss for the year ended 31st March, 2023 (₹ in lacs)

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
INCOME			
Revenue from operations	24	1,06,804.50	87,935.76
Other income	25	3,628.74	3,872.87
Total Income		**1,10,433.24**	**91,808.63**
EXPENSES			
Cost of materials consumed	26	39,484.49	33,128.06
Purchases of Stock-in-Trade		521.31	1,065.61
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(1,552.13)	(1,410.02)
Employee benefits expense	28	18,834.91	14,989.39
Research and development expenses	29	1,776.04	1,874.66
Finance cost	30	830.07	360.70
Depreciation and amortization expense	31	5,563.68	5,254.01
Other expenses	32	21,292.16	17,074.71
Total Expenses		**86,750.53**	**72,337.12**
Profit before tax		**23,682.71**	**19,471.51**
Tax expenses:			
(1) Current tax		5,870.26	4,628.18
(2) Deferred tax		(109.76)	265.99
(3) Tax adjustment for earlier years (net)		17.74	(24.37)
Total tax expenses	**33**	**5,778.24**	**4,869.80**
Profit after tax		**17,904.47**	**14,601.71**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement gains/(losses) of defined benefit plan		19.80	31.69
Tax impacts on above		(4.98)	(7.98)
Other comprehensive income for the year (net of tax)		**14.82**	**23.71**
Total comprehensive income (Comprising profit after tax and other comprehensive income for the year)		**17,919.29**	**14,625.42**
Earnings per equity share: (Face value 5 each) in rupees	**40**		
Basic		**18.67**	**15.23**
Diluted		**18.65**	**15.22**
Weighted average number of equity shares used in computing earnings per equity share			
Basic		**9,59,16,495**	**9,58,88,694**
Diluted		**9,60,20,945**	**9,59,64,194**
Significant accounting policies	a-ab		
The accompanying notes are integral part of the Standalone financial statements.	1 - 52		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary
(A32270)

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Standalone Statement of Cash Flow for the year ended 31 March 2023 (₹ in Lacs)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax and exceptional items	**23,682.71**	**19,471.51**
	Adjusted for:		
	Depreciation and amortisation	5,563.68	5,254.01
	Interest expense	830.07	360.70
	Dividend/ Governing Council Share	(55.35)	(85.17)
	Interest income	(588.00)	(196.81)
	Loss/(profit) on sale of fixed assets, net	(10.03)	(53.05)
	Debts/advances written off	14.22	66.06
	Provision for doubtful debts and advances	59.39	-
	Credit balances no longer required, written back	(21.23)	(36.89)
	Deferred employee compensation expenses (net)	192.74	93.10
	Unrealised foreign exchange (gain) /loss	(104.26)	(287.94)
	Other Comprehensive Income	19.80	31.69
	Ind AS Adjustment for Unrealised Gain on Mutual Fund	400.69	(960.03)
	Ind AS Adjustment on Govt. Grant & Subsidy	(325.19)	(196.53)
	Ind AS Adjustment for Interest Income on Financial Assets	(10.96)	(30.53)
	Ind AS Adjustment on Forward Contracts (Net)	62.17	(52.07)
	Ind AS Adjustment for Deferred Processing fees	14.83	23.54
	Non cash misc income	(28.19)	(74.00)
	Ind AS Adjustment for Interest on Security Deposit against Rent	3.88	4.08
	Operating profit before working capital changes	**29,700.98**	**23,331.67**
	Movement in working capital		
	Decrease/(increase) in inventories	(3,255.78)	(4,085.54)
	Decrease/ (increase) in sundry debtors	(2,955.39)	(4,247.84)
	Decrease/(Increase) in financial assets	(6.24)	6.14
	Decrease/(Increase) in other assets	136.24	(1,036.75)
	Increase/ (decrease) in trade payables	70.59	2,195.58
	Increase/ (decrease) in other financial liabilities	525.63	127.60
	Increase/ (decrease) in other liabilities	1,010.71	976.36
	Increase/ (decrease) in provisions	43.41	45.59
	Cash generated from operations	**25,270.15**	**17,312.82**
	Direct taxes paid (net of refunds)	(5,784.20)	(4,686.36)
	Net cash from operating activities	**19,485.95**	**12,626.46**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances)	(23,745.59)	(15,180.20)
	(Purchase)/Sale of Investments (net)	20,398.03	1,087.50
	Proceeds from / (Investment in) Fixed Deposits (net)	(15,623.43)	4,652.76
	Proceeds from sale of fixed assets	14.77	151.40
	Dividend/Governing share received	76.44	31.89
	Interest income	157.94	385.21
	Net cash used for investing activities	**(18,721.85)**	**(8,871.43)**

(₹ in Lacs)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from (Repayment) of borrowings / deferred payment liabilities (net)	2,500.85	(1,125.36)
	Proceeds from Share Allotments	35.13	9.89
	Repayment of Lease Liabilities and Interest thereon	(141.60)	(114.00)
	Dividend Paid(including unclaimed dividend transferred)	(2,397.30)	(2,391.56)
	Interest / Finance charges paid	(786.20)	(350.14)
	Net cash generated/ (used for) financing activities	**(789.12)**	**(3,971.17)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(25.06)	(216.14)
	Cash and cash equivalents at the beginning of the year	63.33	279.47
	Cash and cash equivalents at the end of the year	**38.27**	**63.33**
	COMPONENTS OF CASH AND CASH EQUIVALENTS		
	Balances with Banks in current account	11.03	37.73
	Cash on hand (including foreign currency notes)	27.25	25.60
	Fixed deposits with banks, having original maturity of three months or less		- -
	Cash and cash equivalents at the end of the year	**38.27**	**63.33**

(₹ in lacs)

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES	**As at 31 March 2023**	**As at 31 March 2022**
Cash and cash equivalents at the end of the year as per above	**38.27**	**63.33**
Add: Balance with banks in dividend / unclaimed dividend accounts	36.92	36.27
Add: Fixed deposits with banks, having maturity period for less than twelve months	17,563.29	731.58
Add: Fixed deposits with banks (lien marked)	540.97	818.16
Add: Fixed deposits with banks, having maturity period for more than twelve months	132.89	1,064.63
Cash and bank balances as per balance sheet (refer note 7, 11 and 12)	**18,312.34**	**2,713.97**

DISCLOSURE AS REQUIRED BY IND AS 7 **(in lacs)**

Reconciliation of liabilities arising from financing activities

31-Mar-23	**Opening Balance**	**Cash Flow**	**Non Cash Flow Changes**	**Closing Balance**
Short term secured borrowing	**7,877.20**	4,420.48	(2.11)	**12,295.57**
Long term secured borrowing	**3,056.34**	(1,919.62)	19.05	**1,155.77**
Total liabilities from financing activities	**10,933.54**	2,500.85	16.95	**13,451.34**

31-Mar-22	**Opening Balance**	**Cash Flow**	**Non Cash Flow Changes**	**Closing Balance**
Short term secured borrowing	**6,295.80**	1,684.38	(102.98)	**7,877.20**
Long term secured borrowing	**5,973.95**	(2,809.74)	(107.87)	**3,056.34**
Total liabilities from financing activities	**12,269.75**	**(1,125.36)**	**(210.85)**	**10,933.54**

Notes

This is the Cash Flow Statement referred to in our report of even date.

The above Standalone cash Flow statement should be read in conjunction with the accompanying notes

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

For and on behalf of the Board of Directors

Ravindra Bhandari
Partner
Membership No. 097466

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Place : New Delhi
Date: 9th May 2023

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary
(A32270)

Standalone Statement of Changes in Equity for the year ended 31st March 2023

A. Equity share capital

(₹ in Lacs)

Balance at the 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
4,795.02	-	4,795.02	2.20	4,797.23

Balance at the 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
4,794.03	-	4,794.03	0.99	4,795.02

B. Other equity

(₹ in Lacs)

Particulars	Reserves and surplus					Other comprehensive income	Total
	Capital Reserve	Securities Premium	Share Based Payment Reserve Account	General Reserve	Retained Earnings	Re-measurement of defined benefit plan	
Balance as at 1 April 2021	**46.98**	**39,133.80**	**78.63**	**21,134.83**	**30,158.41**	**54.27**	**90,606.90**
Profit for the year	-	-	-	-	14,601.71	-	14,601.71
Securities Premium received during the year	-	28.12	-	-	-	-	28.12
Adjustment of deferred tax amount on share issue expenses adjusted out of securities premium account	-	(34.91)	-	-	-	-	(34.91)
Other comprehensive income (net of taxes)	-	-	-	-	-	23.71	23.71
Transfer from retained earnings to General reserve	-	-	-	2,500.00	(2,500.00)	-	-
Addition/(deduction) during the year (Net of Lapses)	-	-	73.88	-	-	-	73.88
Final Dividend adjusted	-	-	-	-	(2,397.01)	-	(2,397.01)
Balance as at 31 March 2022	**46.98**	**39,127.01**	**152.51**	**23,634.83**	**39,863.11**	**77.98**	**1,02,902.42**
Balance as at 1 April 2022	**46.98**	**39,127.01**	**152.51**	**23,634.83**	**39,863.11**	**77.98**	**1,02,902.42**
Profit for the year	-	-	-	-	17,904.47	-	17,904.47
Securities Premium received during the year	-	148.35	-	-	-	-	148.35
Adjustment of deferred tax amount on share issue expenses adjusted out of securities premium account	-	(34.91)	-	-	-	-	(34.91)
Other comprehensive income (net of taxes)	-	-	-	-	-	14.82	14.82
Transfer from retained earnings to General reserve	-	-	-	2,500.00	(2,500.00)	-	-
Addition/(deduction) during the year (Net of Lapses)	-	-	78.02	-	-	-	78.02
Final Dividend adjusted	-	-	-	-	(2,397.95)	-	(2,397.95)
Balance as at 31 March 2023	**46.98**	**39,240.45**	**230.53**	**26,134.83**	**52,869.63**	**92.80**	**1,18,615.22**

Note:

Nature and purposes of reserves forming part of other equity are fully described in Note No. 14.

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Particulars	Freehold Land	Lease-hold Land	Building	Plant & Equip-ment	Furniture & Fixtures	Office Equip-ment	Vehicles	Total Tangible	Software	Patent & Trade Marks	Total In-tangible	Net Assets
Gross Carrying Value as at 01.04.2021	4,107.61	862.18	8,234.96	46,929.30	540.99	821.99	966.97	62,464.01	774.37	1,980.09	2,754.46	65,218.47
Additions during the year	2,663.36	-	1,346.39	6,874.22	93.67	163.88	268.68	11,410.20	20.24	120.06	140.30	11,550.50
Deductions/Adjustments	-	-	-	497.33	-	7.89	18.29	523.51	-	-	-	523.51
Gross Carrying Value as at 31.03.2022	6,770.97	862.18	9,581.35	53,306.19	634.66	977.98	1,217.36	73,350.70	794.61	2,100.15	2,894.76	76,245.46
Accumulated Depreciation as at 01.04.2021	-	78.33	1,500.95	22,720.54	337.42	590.46	512.55	25,740.25	443.54	754.74	1,198.28	26,938.53
Depreciation for the year	-	9.28	290.78	4,354.18	40.10	119.28	116.62	4,930.24	71.11	158.37	229.48	5,159.72
Deductions/Adjustments				461.27		7.89	13.96	483.12	-		-	483.12
Accumulated Depreciation as at 31.03.2022	-	87.61	1,791.73	26,613.45	377.52	701.85	615.21	30,187.37	514.65	913.11	1,427.76	31,615.13
Carrying Value as on 31.03.2022	**6,770.97**	**774.57**	**7,789.62**	**26,692.74**	**257.14**	**276.13**	**602.15**	**43,163.33**	**279.96**	**1,187.04**	**1,467.00**	**44,630.34**
Gross Carrying Value as at 01.04.2022	6,770.97	862.18	9,581.35	53,306.19	634.66	977.98	1,217.36	73,350.70	794.61	2,100.15	2,894.76	76,245.46
Additions during the year	2,310.35	-	6,871.11	10,297.93	124.41	142.60	318.27	20,064.67	105.96	160.24	266.20	20,330.87
Deductions/Adjustments	-	-	-	336.94	23.86	68.98	115.61	545.39	-	-	-	545.39
Gross Carrying Value as at 31.03.2023	9,081.32	862.18	16,452.46	63,267.18	735.21	1,051.60	1,420.02	92,869.98	900.57	2,260.39	3,160.96	96,030.94
Accumulated Depreciation as at 01.04.2022	-	87.61	1,791.73	26,613.45	377.52	701.85	615.21	30,187.37	514.65	913.11	1,427.76	31,615.13
Depreciation for the year	-	9.28	333.24	4,518.27	47.86	124.30	153.25	5,186.20	73.65	175.84	249.49	5,435.69
Deductions/Adjustments				308.86	23.74	68.29	114.46	515.35	-		-	515.35
Accumulated Depreciation as at 31.03.2023	-	96.89	2,124.97	30,822.86	401.64	757.86	654.00	34,858.22	588.30	1,088.95	1,677.25	36,535.47
Carrying Value as at 31.03.2023	**9,081.32**	**765.29**	**14,327.49**	**32,444.32**	**333.58**	**293.74**	**766.02**	**58,011.79**	**312.27**	**1,171.44**	**1,483.71**	**59,495.50**

Notes:

2.1 The title deeds of immovable properties are held in the name of the Company.
2.2 Borrowing cost of ₹ Nil lacs (previous year ₹ NIL lacs) have been included in additions to Fixed Assets.
2.3The estimated amortisation in intangible assets for the period subsequent to 31st March 2023 is as follows:

	(₹ in lacs)
Year Ending March 31	**Amortisation Expense**
2024	263.52
2025	239.51
2026	225.99
Thereafter	754.69

2.4 Right of Use Asset	
	(in lacs)
Balance as at 1st April 2022	115.20
Addition	371.07
Deletion	115.20
Depreciation for the year	123.69
Closingbalanceasat31stMarch2023	247.38

2.5 Capital work-in-progress- Ageing Schedule

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

(₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	6,931.16	226.94	87.51	7.32	7,252.93

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

(₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	3578.8	111.66	12.56	7.92	3,710.94

Intangible assets under development - Ageing schedule

Ageing for intangible asset under development as at March 31, 2023 is as follows:

(₹ in lacs)

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible asset under developnment	85.66	116.36	138.10	180.59	520.71

Ageing for intangible asset under development as at March 31, 2022 is as follows:

(₹ in lacs)

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangible asset under developnment	165.07	144.94	44.11	232.1	586.22

Notes:- 1) Intangible assets under development mainly represent expenditure incurred on Patents and trademarks pending for granting in favour of the company.

2) There are no projects under intangible assets under development where the completion is overdue or has exceeded its cost compared to its original plan.

2.6 The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the current or previous year.

Notes on Standalone Financial Statement for the Year ended 31 March 2023

(₹ in lacs)

3	INVESTMENT PROPERTIES	As at 31 March 2023	As at 31 March 2022
	Gross balance at beginning	413.17	487.69
	Additions during the year	-	-
	Disposals / Deductions	314.26	74.52
	Depreciation for the year	4.31	7.87
	Accumulated Depreciation	(8.02)	(26.29)
	Net balance at the end of reporting period	**90.89**	**386.88**
	Fair Value (Refer note 2 below)	**97.82**	**470.38**

Amount recognised in Statement of Profit & Loss for Investment Properties	Year ended 31 March 2023	Year ended 31 March 2022
Rental Income	**1.80**	**5.27**

The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.

Note 1: The investment properties consist of residential properties in India and have been categorized as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note 2: The Fair value of investment properties as at 31st March 2023 & as at 31st March 2022 are based on the valuation by a Registered valuer as defined in Rule 2 of Companies (Registered valuer and Valuation) Rules, 2017.

Note 3: The conveyance deed of one (PY four) Investment properties valued at Rs 31.44 Lacs (PY Rs.265.88 Lacs) are yet to be executed in favor of the company.

4	INVESTMENT IN SUBSIDIARIES AND ASSOCIATES	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(valued at cost unless stated otherwise)				
	Unquoted equity instruments - fully paid				
	Investment in subsidiaries				
	Poly Medicure (Laiyang) Co. Ltd. China USD 1,100,000 (previous year USD 1,100,000) Membership Interest	472.39	472.39	-	-
	Plan 1 Health India Pvt Ltd.(9999 Equity share of Rs.10 each)	1.00	1.00	-	-
	Poly Medicure B.V. Netherlands 1,896,667 Shares @ Euro 1 each (PY 14,30,000 shares)	5,133.63	4,131.85	-	-
	Investment in associates				
	195,500 (previous Year 172,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	88.67	88.67	-	-
	Total	**5,695.69**	**4,693.91**	**-**	**-**
	Aggregate amount of Unquoted Investment	5,695.69	4,693.91	-	-
	Aggregate provision for diminution in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at cost (net of provision)	5,695.69	4,693.91	-	-

(₹ in lacs)

5	OTHER INVESTMENT	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Investment measured at fair value through profit and loss				
	In Liquid Mutual Funds				
	IDFC Balanced Adv Fund (G)	-	-	-	103.23
	SBI MultiAssetAlloca (G)	-	-	-	263.19
	Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative	-	-	-	298.44
	Parag Parikh LF (G)	-	-	-	529.05
	Axis Strategic Bond Fund-Regular Growth	-	-	-	881.11
	Axis Strategic Bond (G)	-	-	4,257.10	3,191.69
	HDFC Medium Term Debt Fund-Regular Plan-Growth	-	-	205.68	1,351.25
	HDFC Medium Term Debt-RP (G)	-	-	-	6,378.31
	ICICI Prud CrRisk (G)	-	-	-	33.75
	ICICI Prudential-Equity & Commodities Mutual Funds	-	-	39.78	37.53
	IDFC Corporate Bond (G)	-	-	-	283.94
	Kotak Asset AllocRP (G)	-	-	2,164.11	4,049.71
	Kotak Corporate Bond RP (G)	-	-	500.53	-
	MotilalOswalAssetAllocationPassiveFundofFund-Aggressive-RegularPlan	-	-	-	1,484.58
	Motilal oswal asset allocation passive fund of funds	-	-	-	157.88
	Motilal oswal ultra short term fund direct growth	-	-	-	104.99
	NIPPON INDIA Liquid (G)	-	-	-	300.08
	NIPPON INDIA Corporate Bond Fund(G)	-	-	2,475.93	4,768.90
	SBI Magnum Medium Duration Fund Regular Growth	-	-	-	381.16
	Parag Parikh Flexi Cap Fund - Regular Plan - Growth	-	-	2,014.30	1,484.63
	ICICI Prud CrRisk (G)	-	-	-	1,520.83
	SBI MagMediDur (G)	-	-	-	2,945.88
	SBI MultiAssetAlloca (G)	-	-	-	1,146.09
	MotilalOswalAssetAllocationPassiveFundofFund-Conservative-RegularPlan	-	-	-	503.53
	IDFC Balanced Adv Fund (G)	-	-	-	874.98
	True Beacon AIF Scheme 1 (Category III)	-	-	-	484.49
	DSP Savings (G)	-	-	201.80	-
	Invesco India Banking & PSU Debt Fund - Direct Plan Growth GI	-	-	-	100.47
	Total	**-**	**-**	**11,859.22**	**33,659.72**
	Aggregate amount of Unquoted Investment	-	-	11,859.22	33,659.72
	Aggregate provision for diminution in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at amortised cost (net of provision)	-	-	-	-
	Financial assets measured at fair value through profit and loss	-	-	11,859.22	33,659.72

5.1 Investments made by the company other than those with a maturity of less than one year, are intended to be held for long term.

5.2 In absence of the active market and non-availability of quotes on recognised stock exchange, investment in fixed maturity plan and liquid mutual funds are disclosed as unquoted and fair value is assessed based on NAV of respective funds.

(₹ in lacs)

6	LOANS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Considered good- Unsecured:				
	Loans and advances to employees	-	-	29.77	34.16
	Loan and advances to Related parties	-	-	178.11	-
	Total	**-**	**-**	**207.88**	**34.16**
	Loans and advances in the nature of loans given to subsidiaries: Type of borrower	**As at 31 March 2023**	**Percentage to the total loans and advances**	**As at 31 March 2022**	**Percentage to the total loans and advances**
	Loans- Current 1) Related parties (Poly Medicure BV, Netherlands) wholly owned subsidiary company"	178.11	100%	-	-

(₹ in lacs)

7	OTHER FINANCIAL ASSETS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(Unsecured, considered good, unless stated otherwise)				
	Security Deposits				
	Considered good	435.61	426.41	128.32	134.22
	Considered doubtful	-	-	10.12	6.68
	Less: Provision for doubtful deposits	-	-	(10.12)	(6.68)
	Interest accrued on bank deposits / loan and advances	23.57	38.20	463.13	18.44
	Dividend / Governing council share from associates	-	-	97.26	118.35
	Gain on outstanding forward contracts receivable	-	-	-	40.22
	Other receivable #	-	-	7.29	30.18
	Non-current bank balances (refer note 12)	673.86	1,882.79	-	-
	Total	**1,133.04**	**2,347.40**	**696.00**	**341.41**

Includes ₹ 2.33 lacs (P.Y. ₹ 2.33 lacs) paid under protest for enhanced cost of land, contested in Hon'ble Punjab and Haryana High Court.

7.1	Movement in the provision for doubtful deposits	As at 31 March 2023	As at 31 March 2022
	Balance at the beginning of the year	6.68	6.68
	Movement in the amount of provision (Net)	3.44	-
	Balance at the end of the year	**10.12**	**6.68**

(₹ in lacs)

8	OTHER ASSETS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(Unsecured, considered good, unless stated otherwise)				
	Capital Advances				
	Considered Good	3,700.67	2,718.09	-	-
	Considered Doubtful	18.86	116.36	-	-
	Less: Provision for doubtful advances	(18.86)	(116.36)	-	-

Other loans and advances				
Advance for goods / services				
Considered Good	-	-	867.77	976.13
Balance with revenue authorities	-	-	2,546.34	2,214.61
Advance tax/ tax deducted at source (net of provision)	20.55	40.59	-	-
Prepaid Expenses	60.19	67.31	430.49	358.26
GST, Custom & Service tax refundable	-	-	819.88	901.03
Export benefits receivable	-	-	110.77	613.05
Total	**3,781.41**	**2,825.99**	**4,775.25**	**5,063.08**

8.1	Movement in provision for doubtful advances	As at 31 March 2023	As at 31 March 2022
	Balance at the beginning of the year	116.36	116.36
	Movement in amount of provision (Net)	(97.50)	-
	Balance at the end of the year	**18.86**	**116.36**

(₹ in lacs)

9	INVENTORIES	As at 31 March 2023	As at 31 March 2022
	(Valued at lower of cost and net realizable value)		
	Raw Materials including packing materials	10,816.58	9,033.57
	Goods-in transit	631.02	636.42
	Work-in-progress	2,378.97	1,720.76
	Finished Goods	3,667.96	2,482.28
	Stock-in-trade	176.90	468.66
	Stores and spares	608.16	682.12
	Total	**18,279.59**	**15,023.81**

9.1 Inventories are hypothecated with bankers against working capital limits (Refer Note No. 19.2)

(₹ in lacs)

10	TRADE RECEIVABLES	As at 31 March 2023	As at 31 March 2022
	Considered good- Unsecured	22,102.02	19,146.00
	Considered Doubtful	187.85	34.41
	Less: Provision for Doubtful Debts	(187.85)	(34.41)
	Total	**22,102.02**	**19,146.00**

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivable includes:		
Due from Plan 1 Health SRL, Italy, being step-subsidiary	250.83	172.91
Due from Ultra For Medical Products (UMIC), being associate company	647.23	419.48
Movement in the provision for doubtful debts	**As at 31 March 2023**	**As at 31 March 2022**
Balance at the beginning of the year	34.41	38.18
Addition/(Deletion)	153.44	(3.77)
Balance at the end of the year	**187.85**	**34.41**

The concentration of credit risk is limited due to large and unrelated customer base.

Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

Trade Receivables - Ageing Schedule (Billed)

Ageing for trade receivables - billed – current outstanding as at March 31, 2023 is as follows: (₹ in lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	14,080.96	6,822.63	524.70	325.71	269.97	62.19	22,086.16
(ii) Undisputed Trade receivables – considered doubtful				1.09	11.91	174.85	187.85
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							22,289.87
Less: Allowance for doubtful trade receivables							(187.85)
Trade receivables							**22,102.02**

Ageing for trade receivables - billed – current outstanding as at March 31, 2022 is as follows: (₹ in lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	9,141.38	8,341.79	1,534.37	65.67	20.79	26.14	19,130.14
(ii) Undisputed Trade receivables – considered doubtful				0.44	4.16	29.81	34.41
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							19,180.41
Less: Allowance for doubtful trade receivables							(34.41)
Trade receivables							**19,146.00**

(₹ in lacs)

11	CASH AND CASH EQUIVALENTS	As at 31 March 2023	As at 31 March 2022
	Balances with Banks		
	In current accounts	11.03	37.73
	In deposit accounts, with less than 3 months maturity period	-	-
	Cash on hand (including foreign currency notes)	27.25	25.60
	Total	**38.28**	**63.33**

There are no repatriation restrictions with regard to cash & cash equivalents as at the end of reporting year and prior year.

12	OTHER BANK BALANCES	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Unclaimed dividend accounts	-	-	36.92	36.27
	Held as margin money	540.97	818.16	-	-
	Deposits with more than 3 months but less than 12 months maturity period	-	-	17,563.29	731.58
	Deposits with more than 12 months maturity period	132.89	1,064.63	-	-
	Amount disclosed under the head “other Non Current Financial Assets” (Refer note 7)	(673.86)	(1,882.79)	-	-
	Total	**-**	**-**	**17,600.21**	**767.85**

13	EQUITY SHARE CAPITAL	As at 31 March 2023		As at 31 March 2022	
		No. of Shares	in Lacs	No. of Shares	in Lacs
	Authorized share Capital				
	Equity Shares of ₹ 5 each	120,000,000	6,000.00	120,000,000	6,000.00
	Issued, subscribed & paid up shares				
	Equity Shares of ₹ 5 each fully paid up	9,59,44,342	4,797.23	9,59,00,342	4,795.02
	Total	**9,59,44,342**	**4,797.23**	**9,59,00,342**	**4,795.02**

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	Particulars	As at 31 March 2023		As at 31 March 2022	
		No. of Shares	in Lacs	No. of Shares	in Lacs
	At the beginning of the year	9,59,00,342	4,795.02	9,58,80,567	4,794.03
	Add: Issued during the year by way of ESOP	44,000	2.20	19,775	0.99
	Outstanding at the end of year	**9,59,44,342**	**4,797.22**	**9,59,00,342**	**4,795.02**

13.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 (P.Y. ₹ 5). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

13.3 Details of shareholders' holding more than 5% shares in the company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of ₹ 5 each (Previous Year ₹ 5 each)				
M/s Ezekiel Global Business Solutions LLP	1,23,61,320	12.88%	1,23,61,320	12.89%
Mr. Rishi Baid	98,93,048	10.31%	98,93,048	10.32%
M/s Zetta Matrix Consulting LLP	83,22,160	8.67%	83,22,160	8.68%
Mr. Himanshu Baid	79,07,624	8.24%	79,07,624	8.25%

The aforesaid disclosure is based upon percentages computed separately for each class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.4 Detail of Shares held by promoters at the end of the year

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

S. No	Promoter name	As at March 31, 2023		As at March 31, 2022		% change during the year
		No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	98,93,048	10.31%	98,93,048	10.32%	0.00%
2	Himanshu Baid	79,07,624	8.24%	79,07,624	8.25%	0.00%
3	Himanshu Baid HUF	38,39,200	4.00%	38,39,200	4.00%	0.00%
4	Vcb Trading LLP	35,41,144	3.69%	35,41,144	3.69%	0.00%
5	Jai Polypan Pvt. Ltd.	33,52,000	3.49%	33,52,000	3.50%	0.00%
6	Smt.Mukulika Baid	30,62,400	3.19%	30,62,400	3.19%	0.00%
7	Rishi Baid HUF	27,80,000	2.90%	27,80,000	2.90%	0.00%
8	Jugal Kishore Baid	22,79,376	2.38%	22,79,376	2.38%	0.00%
9	Vishal Baid	16,81,360	1.75%	16,81,360	1.75%	0.00%
10	Shaily Baid	11,88,000	1.24%	11,88,000	1.24%	0.00%
11	Shireen Baid	11,21,600	1.17%	11,21,600	1.17%	0.00%
12	Neha Baid	10,24,000	1.07%	10,24,000	1.07%	0.00%
13	Dhruv Baid	3,60,000	0.38%	3,60,000	0.38%	0.00%
14	Arham Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
15	Aaryaman Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
16	Madhu Kothari	1,71,200	0.18%	1,71,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Zetta Matrix Consulting LLP	83,22,160	8.67%	-	0.00%	100.00%
20	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**5,11,50,712**	**53.31%**	**4,28,28,552**	**44.67%**	**19.43%**

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

Shares held by Promoters at the end of year		As at March 31, 2022		As at March 31, 2021		% change during the year
S. No	Promoter name	No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	98,93,048	10.32%	99,93,048	10.42%	-1.00%
2	Himanshu Baid	79,07,624	8.25%	79,07,624	8.25%	0.00%
3	Himanshu Baid HUF	38,39,200	4.00%	38,39,200	4.00%	0.00%
4	Vcb Trading LLP	35,41,144	3.69%	36,41,144	3.80%	-2.75%
5	Jai Polypan Pvt. Ltd.	33,52,000	3.50%	33,52,000	3.50%	0.00%
6	Smt.Mukulika Baid	30,62,400	3.19%	30,62,400	3.19%	0.00%
7	Rishi Baid HUF	27,80,000	2.90%	27,80,000	2.90%	0.00%
8	Jugal Kishore Baid	22,79,376	2.38%	22,79,376	2.38%	0.00%
9	Vishal Baid	16,81,360	1.75%	16,81,360	1.75%	0.00%
10	Shaily Baid	11,88,000	1.24%	11,88,000	1.24%	0.00%
11	Shireen Baid	11,21,600	1.17%	11,21,600	1.17%	0.00%
12	Neha Baid	10,24,000	1.07%	10,24,000	1.07%	0.00%
13	Dhruv Baid	3,60,000	0.38%	3,60,000	0.38%	0.00%
14	Arham Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
15	Aaryaman Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
16	Madhu Kothari	1,71,200	0.18%	1,71,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**4,28,28,552**	**44.67%**	**4,30,28,552**	**44.88%**	**-0.46%**

13.5 Dividend paid during the year ended 31st March, 2023 represents amount of Rs 2,397.95 lakhs towards final dividend for the year ended 31st March, 2022. Dividend declared by the company are based on profit available for distribution. On 09th May 2023 The Board Of Directors of the company have proposed final dividend of Rs 3.00 per share in respect of the year ended 31st March, 2023 subject to approval at the Annual General Meeting and if approved would result in cash outflow of Rs 2,878.33 lakhs

13.6 **Shares reserved for issue under Employees Stock option Plan:-**

Information relating to employees stock option plan, including details of options issued, exercised and lapsed during the financial year and options outstanding as at the end of the reporting period are set out in note no. 44.

(₹ in lacs)

14 OTHER EQUITY	As at 31 March 2023	As at 31 March 2022
Capital Reserve		
Surplus on re-issue of forfeited shares	13.19	13.19
Application money received on Preferential Warrants issued to promoters forfeited	33.79	33.79
Closing Balance	**46.98**	**46.98**
Securities Premium		
Balance at the beginning of the year	39,127.01	39,133.80
Addition during the year	148.35	28.12
Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	(34.91)	(34.91)
Closing Balance	**39,240.45**	**39,127.01**
Share Based Payment Reserve Account		
Balance at the beginning of the year	152.51	78.63
Addition/(deletion)during the year (Net of Lapses)	78.02	73.88

Closing Balance	**230.53**	**152.51**
General Reserve		
Balance at the beginning of the year	23,634.83	21,134.83
Add: Transferred from Surplus in Statement of Profit and Loss	2,500.00	2,500.00
Closing Balance	**26,134.83**	**23,634.83**
Surplus in statement of Profit and Loss		
Balance at the beginning of the year	39,863.11	30,158.41
Add: Additions during the year	17,904.47	14,601.71
Less: Dividend paid	(2,397.95)	(2,397.01)
Less: Transferred to General Reserve	(2,500.00)	(2,500.00)
Closing Balance	**52,869.63**	**39,863.11**
Other Comprehensive Income (OCI) Re-measurement gain/(loss) of defined benefit plan (net of tax)		
Balance at the beginning of the year	77.98	54.27
Add: Addition during the year	14.82	23.71
Closing Balance	**92.80**	**77.98**
Grand Total	**1,18,615.22**	**1,02,902.42**

Nature and Purpose of Reserves:
a) Capital Reserve: Capital Reserve represents surplus on re-issue of forfeited shares and also forfeiture of application money on preferential warrants issued and is not available for distribution as dividend.
b) Securities Premium: Securities Premium is used to record premium on issue of shares. The reserve can be utilised only for limited purpose in accordance with the provisions of Companies Act, 2013.
c) Share Based Payment Reserve Account: Share Based Payment reserve account is used to recognise grant date fair value of options issued to employees under employee stock option plan.
d) General Reserve: The General Reserve is a free reserve which is used from time to time to transfer profits from/ to retained earning for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items including in General Reserve will not be reclassified subsequently to statement of profit or loss.
e) Surplus Statement of Profit and loss: This represents undistributed earnings accumulated by the Company as at Balance sheet date.

(₹ in lacs)

15	BORROWINGS	Non-current		Current	
		As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
	Secured - At Amortized Cost				
	(i) Term loans from banks	1,155.77	3,056.34	2,205.09	2,733.71
	(ii) Others - Vehicle Loan	-	-	-	108.95
	Amount disclosed under the head "Borrowings - Current " (note 19)	-	-	(2,205.09)	(2,842.66)
	Total	**1,155.77**	**3,056.34**	**-**	**-**

15.1	Term loan comprises the following:	Non-current		Current	
		As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
	From Bank				
	Foreign Currency Loan ##	1,155.77	3,056.34	2,205.09	2,733.71

includes Rs. 7.21 Lacs (PY 22.05 Lacs) as prepaid finance charge.

15.2 Terms of repayment:

Particular	Weighted average Rate of interest (P.A.)	Install-ment	Outstanding as at 31.03.2023	Annual repayment schedule	
				2023-24	2024-25
Foreign Currency Loan ##	3.83%	Quarterly	3,368.07	2,211.59	1,156.48

includes Rs. 7.21 Lacs (PY 22.05 Lacs) as prepaid finance charge.

15.3 Details of Security:

a Term Loans from State Bank of India are secured by first charge on entire fixed assets of the (including Plant & Machinery, Office Equipment Furniture & Fixtures and other Fixed Assets) of the Company (Present & future), including equitable mortgage of factory land & buildings, located at Plot no. 104 & 105, Plot no. 115 & 116, Sector 59, HSIIDC Industrial Estate, Faridabad (Haryana), Plot no. 113, HUDA Industrial Area, Sector 59, Faridabad (Haryana) and Second Pari passu charge on Stock & Receivables of the Company.

b Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge on entire fixed assets of the Company including land, building and other fixed assets (including Plant & Machinery, Office Equipment and Furniture & Fixtures and all other Fixed Assets) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC, Sector-59, Faridabad, Plot No. 113, Huda, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar and Plot No. PA-010-019, Light Engineering, SEZ, Jaipur and second pari passu charge on stock and receivables of the Company.

Foreign Currency Loan (ECB) of from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge with State Bank of India on entire fixed assets of the Company, including land, building and other fixed assets (including Plant & Machinery) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC Industrial Estate, Sector-59, Faridabad, Plot no. 113, HUDA Industrial Area, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar, Plot no. PA-010-019, Light Engineering, SEZ, Jaipur & also first pari-passu charge with HSBC, India on entire fixed assets of the Company Including land, building and other fixed assets (including Plant & Machinery) of the Company Present & Future), situated at Plot no. 34, Sector 68, IMT, Faridabad and second pari passu charge with other term lenders i.e. State Bank of India, Citi Bank, HSBC, Mauritius and HSBC, India on stock and receivables of the Company.

c Deferred payment liabilities represents assets acquired on deferred credit terms.

15 a) As on the balance sheet date, there are no defaults in repayment of loans and interest thereon.
b) The borrowings obtained by the company from banks have been applied for the purpose for which loans were taken.
c) There are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond statutory period.
d) The company is required to maintain debt covenants and the company has complied with all the debt covenants in both year ended 31st March 2023 and 31st March 2022.
e) The company has not been declared as a wilful defaulter by any bank or financial institution or goverment or any goverment authority.

(₹ in lacs)

16 OTHER NON-CURRENT FINANCIAL LIABILITIES	As at 31 March 2023	As at 31 March 2022
Security Deposit from Agent/ Others	65.66	52.35
Total	**65.66**	**52.35**

(₹ in lacs)

17 PROVISIONS	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits				
Gratuity	172.39	119.00	17.24	16.05
Leave Encashment	136.66	167.05	20.97	18.74
CSR Expense (Refer note no 43)	-	-	16.99	-
Total	**309.05**	**286.05**	**55.20**	**34.79**

18 DEFERRED TAX LIABILITIES

In accordance with IND AS - 12, the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in lacs)

Particulars	As at 31 March 2023						
	Balance as at April 1 2022	Recognised in profit & loss	Recognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,528.07	206.40	-	-	1,734.47	1,734.47	-
Provision for defined benefit plan - P&L	(75.72)	5.93	-	-	(69.79)	-	(69.79)
Provision for defined benefit plan - OCI	29.19	-	4.98	-	34.17	34.17	-
Provision for Bonus	(1.35)	(32.68)	-	-	(34.03)	-	(34.03)
Provision for doubtful debts and advances	(39.63)	(14.95)	-	-	(54.58)	-	(54.58)
Exchange difference impact under Sec 43A of Income Tax Act.	(45.64)	(2.63)	-	-	(48.27)	-	(48.27)
IND AS 116	(6.93)	4.18	-	-	(2.75)	-	(2.75)
Share issue expense adjusted against other equity	(104.73)	-	-	34.91	(69.82)	-	(69.82)
Unrealised Gains	330.08	(276.01)	-	-	54.06	54.06	-
Deferred Tax (Assets) / Liabilities	**1,613.34**	**(109.76)**	**4.98**	**34.91**	**1,543.47**	**1,822.70**	**(279.23)**

(₹ in lacs)

Particulars	As at 31 March 2022						
	Balance as at April 1 2021	Recognised in profit & loss	Recognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,562.55	(34.48)	-	-	1,528.07	1,528.07	-
Provision for defined benefit plan - P&L	(46.26)	(29.46)	-	-	(75.72)	-	(75.72)
Provision for defined benefit plan - OCI	21.21	-	7.98	-	29.19	29.19	-
Provision for Bonus	(11.61)	10.26	-	-	(1.35)	-	(1.35)
Provision for doubtful debts and advances	(40.58)	0.95	-	-	(39.63)	-	(39.63)
Exchange difference impact under Sec 43A of Income Tax Act.	(101.53)	55.89	-	-	(45.64)	-	(45.64)
IND AS 116	(28.13)	21.20	-	-	(6.93)	-	(6.93)
Share issue expense adjusted against other equity	(139.64)	-	-	34.91	(104.73)	-	(104.73)
Unrealised Gains	88.44	241.64	-	-	330.08	330.08	-
Deferred Tax (Assets) / Liabilities	**1,304.45**	**265.99**	**7.98**	**34.91**	**1,613.34**	**1,887.33**	**(274.00)**

18.1 Movement on the deferred tax account is as follows:

(₹ in lacs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,613.34	1,304.45
(Credit)/ Charge to the statement of profit and loss	(109.76)	265.99
(Credit)/ Charge to other comprehensive income	4.98	7.98
Adjusted in Other Equity	34.91	34.91
Balance at the end of the year	**1,543.47**	**1,613.34**

(₹ in Lacs)

19	BORROWINGS - CURRENT	As at 31 March 2023	As at 31 March 2022
	Secured - from banks		
	Cash / Export Credit Loan	10,090.48	5,034.54
	Current maturities of long-term borrowings (Refer note no. 15)	2,205.09	2,842.66
	Total	**12,295.57**	**7,877.20**

19.1 Working Capital limits from State Bank of India, Citi Bank N.A., The Hongkong & Shanghai Banking Corporation Limited and HDFC Bank Limited are secured by way of first pari-passu charge on entire current assets of the Company (present & future), including stocks of raw materials, stock in process, finished goods, stores & spares lying at factories, godowns or elsewhere (including goods in transit) and book debts / receivables and further secured by second pari-passu charge on entire residual fixed assets of the company.

19.2 The company has borrowings from banks on the basis of security of current assets. The company has complied with the requirement of filing of monthly/quarterly returns/ statements of current assets with the bank and these returns are in agreement with the books of accounts for the year ended 31st March 2023 and 31st March 2022.

(₹ in Lacs)

20	TRADE PAYABLES	As at 31 March 2023	As at 31 March 2022
	Total outstanding dues of micro enterprises and small enterprises	1,606.19	1,568.68
	Total outstanding dues of trade payables and acceptances other than above	6,202.64	6,218.88
	Total	**7,808.83**	**7,787.56**

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

(₹ in Lacs)

	Particulars	As at 31 March 2023	As at 31 March 2022
a	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	- Principal Amount	1,606.19	1,568.68
	- Interest due		
b	the amount of interest paid by the buyer 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 during each accounting year;	-	-
c	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2023 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,606.19	-	-	-	-	1,606.19
(ii) Others	3,355.04	2,454.29	71.92	13.50	9.69	5,904.44
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**4,961.23**	**2,454.29**	**71.92**	**13.50**	**9.69**	**7,510.63**
Accrued Expenses						298.20
						7,808.83

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2022 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,568.68	-	-	-	-	1,568.68
(ii) Others	4,116.22	1,668.60	80.86	2.57	32.79	5,901.04
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	**5,684.91**	**1,668.60**	**80.86**	**2.57**	**32.79**	**7,469.72**
Accrued Expenses						317.84
						7,787.56

Notes:- 1) The amount of trade payables are unsecured and non interest bearing and are usually on varying trade term.
2) The amounts falling in the category of more than one year are related to pending obligations on the part of suppliers/vendors as per agreed terms and conditions mentioned in respective purchase order/contract.

(₹ in Lacs)

21	OTHER CURRENT FINANCIAL LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Interest accrued but not due on borrowings	24.02	10.34
	Interest accrued and due on borrowings / Security deposits	3.15	1.78
	Unclaimed dividends	36.92	36.27
	Other payables		
	Employees related liabilities	2,346.50	1,886.59
	Liability on account of outstanding forward contracts	21.95	-
	Payables for capital goods	953.81	486.68
	Others	101.29	70.86
	Total	**3,487.67**	**2,492.52**

Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from due date. The company have transferred Rs. 3.87 lacs (31st March 2022 Rs. 0.82 lacs) out of unclaimed dividend to Investor Education and Protection Fund of Central Goverement in accordance with the provisions of section 124 of Companies Act. 2013. There are no outstanding dues to be paid to Investor Education and Protection Fund.

(₹ in Lacs)

22	OTHER CURRENT LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Advance from customers	1,955.59	1,167.95
	Other payables		
	Statutory dues	1,084.80	861.72
	Total	**3,040.40**	**2,029.67**

(₹ in Lacs)

23	CURRENT TAX LIABILITIES (NET)	As at 31 March 2023	As at 31 March 2022
	Provision for Tax (Net of prepaid taxes of Rs. 5,786.50 lacs)	83.76	-
	Total	**83.76**	**-**

(₹ in Lacs)

24	REVENUE FROM OPERATIONS	Year ended 31 March 2023	Year ended 31 March 2022
	Sale of products		
	Manufactured goods	1,05,313.89	86,486.53
	Traded Goods	833.39	883.36
	Other operating revenues		
	Export Incentives	496.31	420.26
	Sale of scrap	160.91	145.61
	Total	**1,06,804.50**	**87,935.76**

The Disclosures as required by Ind-AS 115 are as under :

Particulars

The Company disaggregates revenue based on nature of products/geography as under :	Year ended 31 March 2023	Year ended 31 March 2022
Revenue based on Geography		
Sales		
Domestic	34,400.52	30,356.95
Export	71,746.76	57,012.94
Other operating revenue		
Domestic-Export incentives and Scrap	657.22	565.87
Total	**1,06,804.50**	**87,935.76**

Revenue based on Nature of Products	Year ended 31 March 2023	Year ended 31 March 2022
Medical Devices	1,06,147.28	87,369.89
Export incentives	496.31	420.26
Scrap & Others	160.91	145.61
Total	**1,06,804.50**	**87,935.76**

Reconciliation of Revenue	Year ended 31 March 2023	Year ended 31 March 2022
Gross value of contract price	1,06,601.59	87,797.77
Less : Variable components i.e., Rebate & discount	454.31	427.88
Other operating revenue	657.22	565.87
Revenue from operations as recognized in financial statement	**1,06,804.50**	**87,935.76**

Reconciliation of Advance received from Customers	Year ended 31 March 2023	As at 31 March 2022
Balance at the beginning of the period	1,167.95	343.51
Less:Revenue recognized out of balance of advance received from customer at beginning of year	1,069.19	322.52
"Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognized as revenue in next year"	1,856.83	1,146.96
Balance as at the end of the year	**1,955.59**	**1,167.95**

The Company have orders in hand as at 31st March 2023 for Rs 17,201.14 lacs, for which performance obligation amounting to Rs.17,201.14 lacs will be recognized as revenue during the next reporting year.

(₹ in Lacs)

25	OTHER INCOME	Year ended 31 March 2023	Year ended 31 March 2022
	Lease Rental	32.40	10.58
	Interest Income/ Dividend Income		
	Interest Income on Fixed and other Deposits	588.00	196.81
	Interest Income from Financial Assets Measured at Amortised Cost	10.96	30.53
	Dividend/ Governing Council Share	55.35	85.17
	Other non-operating income		
	Rental Income from Investment Property	1.80	5.27
	Government Grants and Subsidies	325.19	196.53
	Income from Mutual Funds	935.50	718.34
	Miscellaneous Income	252.43	343.52
	Other Gain		
	Provisions / Liabilities no longer required written back (net)	21.23	36.89
	Gain on fixed assets sold/discarded	10.03	53.05
	Gain on Foreign Exchange Fluctuation (net)	1,395.85	1,236.15
	Unrealised gain on valuation of mutual funds measured at fair value through profit or loss	-	960.03
	Total	**3,628.74**	**3,872.87**

(₹ in Lacs)

26	COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED	Year ended 31 March 2023	Year ended 31 March 2022
	Raw Material Consumed		
	Inventory at the beginning of the year	8,180.11	5,769.11
	Add: Purchases during the year	32,418.28	28,891.37
	Less: Inventory at the end of the period	9,529.32	8,180.11
	Cost of raw material consumed (A)	**31,069.07**	**26,480.37**
	Packing Material Consumed		
	Inventory at the beginning of the year	853.46	840.77
	Add: Purchases during the year	8,849.22	6,660.38
	Less: Inventory at the end of the period	1,287.26	853.46
	Cost of packing material consumed (B)	**8,415.42**	**6,647.69**
	Total (A+B)	**39,484.49**	**33,128.06**

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc.

(₹ in Lacs)

27	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended 31 March 2023	Year ended 31 March 2022	(Increase)/ Decrease
	Inventories at the end of period			
	Finished Goods and Stock in Trade	3,844.87	2,950.95	(893.92)
	Work in progress	2,378.97	1,720.76	(658.21)
	Total	**6,223.84**	**4,671.71**	**(1,552.13)**
		Year ended 31 March 2022	**Year ended 31 March 2021**	**(Increase)/ Decrease**
	Inventories at the beginning of year			
	Finished Goods and Stock in Trade	2,950.95	1,685.18	(1,265.77)
	Work in progress	1,720.76	1,576.50	(144.26)
	Total	**4,671.71**	**3,261.68**	**(1,410.03)**

(₹ in Lacs)

28	EMPLOYEE BENEFITS EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Salaries, wages and bonus	17,457.04	13,934.48
	Contributions to Provident Fund and others	1,033.09	885.84
	Share based payment to employees	192.74	93.10
	Staff Welfare Expenses	152.04	75.97
	Total	**18,834.91**	**14,989.39**

(₹ in Lacs)

29	RESEARCH AND DEVELOPMENT EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Revenue Expenditure charged to statement of profit and loss		
	Cost of components and Material Consumed (Net)	1,102.85	1,232.04
	Employee benefits expenses	517.79	462.73
	Power and Fuel	38.78	37.00
	Travelling & Conveyance	23.32	23.43
	Other Misc Expenses	48.02	32.51
	Legal & Professional Charges	45.28	86.95
	Total amount spent on Research and Development	**1,776.04**	**1,874.66**

(₹ in Lacs)

30	FINANCE COST	Year ended 31 March 2023	Year ended 31 March 2022
	Interest expense		
	Interest on loans	505.17	247.31
	Interest on Income Tax	5.34	-
	Exchange difference to the extent considered as an adjustment to interest costs	261.19	42.68
	Interest on Lease Liabilities	28.82	17.61
	Others		
	Other amortised borrowing costs	29.55	53.10
	Total	**830.07**	**360.70**

(₹ in Lacs)

31	DEPRECIATION AND AMORTISATION EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Depreciation of tangible assets	5,186.19	4,930.25
	Amortisation of intangible assets	249.49	229.49
	Depreciation of investment properties	4.31	7.87
	Amortisation of Right to Use	123.69	86.40
	Total	**5,563.68**	**5,254.01**

(₹ in Lacs)

32	OTHER EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Consumption of stores and spare parts	2,147.70	1,749.55
	Power and Fuel	3,732.78	2,898.41
	Job Work Charges	7,717.28	6,484.44
	Other Manufacturing Expenses	223.25	147.76
	Repairs to Building	88.91	76.66
	Repairs to Machinery	160.97	109.90
	Repairs to Others	33.47	43.79
	Insurance (Net)	226.59	205.39
	Short term lease	68.04	102.74
	Rates, Taxes & Fee	77.57	189.21
	Travelling & Conveyance	1,646.41	973.65
	Legal & Professional Fees	1,387.81	1,267.11
	Auditors' Remuneration	17.77	18.41
	Commission and Sitting Fees to Non-Executive Directors	140.50	93.75
	Donations	187.32	164.21
	Bank Charges	189.32	175.69
	Advertisement	11.34	2.68
	Commission on sales	644.91	544.64
	Freight & Forwarding (Net)	641.57	567.58
	Business Promotion	266.92	118.54
	Exhibition Expenses	306.37	156.19
	Rebate, Discounts & Claims	47.52	60.31
	Provision for Doubtful debts / Advances (net)	59.39	-
	Bad debts / Misc. Balances written off (net)	14.22	66.06
	CSR Expenditure	315.34	264.94
	Communication expense	76.68	60.45
	Unrealised loss on valuation of mutual funds measured at fair value through profit or loss	400.69	-
	Listing fees	12.37	11.72
	Other Miscellaneous Expenses	449.15	520.93
	Total	**21,292.16**	**17,074.71**

(₹ in Lacs)

Payment to Auditors	Year ended 31 March 2023	Year ended 31 March 2022
Audit Fee	13.00	13.00
Limited Review of Results	3.00	3.00
In other capacity		
(a) For certification work	0.52	0.96
(b) For Others	0.49	0.75
Reimbursement of expenses	0.76	0.71
Total	**17.77**	**18.41**

(₹ in Lacs)

33 TAX EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
Tax expenses comprises of:		
Current tax	5,870.26	4,628.18
Earlier year tax adjustment (net)	17.74	(24.37)
Deferred tax	(109.76)	265.99
Total	**5,778.24**	**4,869.80**

(₹ in Lacs)

Reconciliation of tax expenses and accounting profit multiplied by Indian tax rate	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	23,682.71	19,471.51
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	5,960.94	4,900.98
Adjustment of expenses disallowed under income tax	(6.02)	78.24
Adjustment of expenses allowable under income tax	(103.94)	(35.48)
Other allowable deduction (including Ind AS adjustments)	17.54	(315.57)
Current Tax (Normal Rate)	5,868.51	4,628.18
Additional Current Tax due to Special Rate	1.74	-
Current Tax (A)	5,870.26	4,628.18
Incremental Deferred tax Liability on timing Differences (Net)	(109.76)	265.99
Deferred Tax (B)	(109.76)	265.99
Tax expenses for earlier year (net) (C)	17.74	(24.37)
Tax expenses recognised in the statement of profit and loss (A+B+C)	5,778.24	4,869.80
Effective tax rate	24.40%	25.01%

POLY MEDICURE LIMITED

Notes to Standalone Financial Statements for the year ended 31 March, 2023

CORPORATE AND GENERAL INFORMATION

Poly Medicure Limited ("the Company") is domiciled and incorporated in India and its equity shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the company is situated at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, India.

The Company is a manufacturer/producer of Medical Devices.

The standalone financial statements of the company for the year ended 31st March 2023 were approved and authorized for issue by the Board of directors in their meeting held on 09th May 2023

STATEMENT OF COMPLIANCE

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act 2013, Indian Accounting Standards and complies with other requirements of the law.

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended. The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA").

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

Classification of Assets and Liabilities into Current and Non- Current

The Company presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;
b) held primarily for the purpose of trading;
c) expected to be realized within twelve months after the reporting period; or
d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when :

a) it is expected to be settled in normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

SIGNIFICANT ACCOUNTING POLICIES

a Basis of Measurement

The Financial Statements of the company are consistently prepared and presented under historical cost convention on an accrued basis in accordance with IND AS except for certain Financial Assets and Financial Liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (`INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b Property, plant and equipment

(i) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

(ii) <u>Depreciation</u>
Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013.

(iii) <u>Component Accounting</u>
When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(iv) Stores and Spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalized as Property, plant and equipment and until that in capital work in progress.

(v) Lease Hold Assets are amortized over the period of lease.

(vi) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective property plant and equipment on completion of construction/ erection.

(vii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

(viii) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ix) Capital work in progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

c Intangible assets:

(i) 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 asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP softwares as 10 year and other software as 3 years.

(ii) Software: Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

d Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss in the period of derecognized.

Though the company measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value of investment properties is based on the valuation by a registered valuer as defined in Rule 2 of Companies (registered valuer and Valuation) Rules, 2017.

e Research and development cost:

<u>Research Cost:</u>

Revenue expenditure on research is expensed under the respective heads of account in the period in which it is incurred and is grouped as "Research and development expenses".

<u>Development Cost:</u>

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per Ind AS 38 is demonstrated, else charged to statement of profit and loss.

f Inventories:

Raw materials, Packing materials, Stores and Spares are valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Stock in process is valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity and depreciation.

Stock in Trade is valued at lower of cost and net realizable value Scrap is valued at estimated realizable value.

Scrap is valued at estimated realizable value.

g Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the company becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

h Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

(i) <u>Investment in equity shares:</u>
Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Statement of profit and loss.

(ii) <u>Investment in associates, joint venture and subsidiaries:</u>
The Company's investment in subsidiaries and associates, joint venture are at carried at cost except where impairment loss recognized.

(iii) <u>Trade receivables:</u>
Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less credit loss/ impairment allowances/ provision for doubtful debts.

(iv) Cash and cash equivalents:

- Cash and cash equivalents are financial assets. Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase and are carried at cost.

- Other Bank Balances:
Unclaimed / Unpaid dividend amount balance, deposit with bank as margin money for guarantees issued by bank, deposit kept as security deposit with statutory authorities are accounted as bank balance other than cash and cash equivalents.

- Cash Flow Statement:
Cash Flows are reported using indirect method whereby profit for the year is adjusted for the effects of transaction of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of company are segregated.

(v) Loans & other financial assets:
Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

i Impairment of Financial assets:
In accordance with Ind AS 109, the company uses expected credit loss (ECL) model for evaluating, measurement and recognition of impairment loss.

j Financial liabilities:

(i) **Classification:**
The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement:**
All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement:**
All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) **Loans and borrowings:**
Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) **De-recognition of financial liabilities:**
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(vi) **Derivative financial instruments:**
The Company uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

k Impairment of non-financial assets:
At each reporting date, the company assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

- In the case of an individual asset, at the higher of the Fair Value less cost to sell and the value in use,
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost of disposal and the value in use.

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the company estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

l Foreign exchange transactions:

(i) Functional and presentation Currency:
The functional and reporting currency of company is INR.

(ii) Transaction and Balances:
Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

m Revenue recognition:
The company derives revenue from sale of manufactured goods

and traded goods. In accordance with Ind AS 115, the company recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the company expects to receive in exchange for their products or services. The company disaggregates the revenue based on nature of products/Geography.

- **Export incentive:**

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

- **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

- **Interest income:**

For all Financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

- **Rental income:**

Rental income on investment properties and on operating lease are accounted for on accrual basis.

n Government Grant

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company has complied with all attached conditions.

- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

- In respect of Property, Plant and Equipment purchased under Export Promotion Capital Goods (EPCG) scheme of Government of India, exemption of custom duty under the scheme is treated as, Government Grant and is recognized in Statement of Profit and Loss on fulfilment of associated export obligations.

o Employees Benefits:

i) Short term employee Benefit:

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

ii) Defined Contribution Plan:

Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

iii) Defined Benefit Plan:

The Leave Encashment (Unfunded) and Gratuity (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognized in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

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

iv) Long term Employees Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

v) Termination benefits:

Termination benefits are recognized as an expense in the period in which they are incurred.

The Company shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and
(b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

p Share based payments:

Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to Share based Payments Reserve. The dilutive effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

q Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognized as expense in the period in which they are incurred.

r Leases:

<u>Company as a Lessee:</u>

In accordance with IND AS 116, the Company recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of lease liability. The right of use assets is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are tested for impairment whenever there is any indication that there carrying amounts may not be recoverable. Impairment loss, if any, is recognized in statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised- in-substance fixed lease payments, the company recognizes amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the Company recognizes any remaining amount of the remeasurement in statement of profit and loss.

The Company has elected not to apply the requirements of IND AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on straight line basis over lease term.

<u>Company as a Lessor:</u>

At an inception date, leases are classified as financial lease or operating lease. Leases where the company does not transfer substantially all risk and reward incidental to the ownership of the asset are classified as operating lease. Lease rental under operating lease are recognised as income in profit and loss account on straight line basis.

s Taxes on income:

(i) Current Tax:

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax:

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

t Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General:

The Company recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the Company will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.

Contingent liability is disclosed in the case of:

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

estimate is possible:

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

Contingent assets are not recognized but disclosed in financial statement when an inflow of economic benefits is probable.

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

(ii) Other Litigation claims:
Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

(iii) Onerous contracts:
Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

u Exceptional Items:
On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

v Earnings per share:
Basic Earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

w Segment reporting:
The operating segment of the company is medical devices and the same have been evaluated on management approach as defined in Ind AS-108 "Operating Segment". The company accordingly reports its financials under one segment namely "Medical Devices".

x Financial statement classification:
Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the company classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

y Fair value measurement:
The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

z Significant Accounting Judgments, Estimates and Assumptions:
The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

i <u>Income taxes:</u>
Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the stand alone financial statements.

ii Defined benefit plans:
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii Fair value measurement of financial instruments:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iv Lease:
The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The company determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the company is reasonably certain not to exercise that option. In excising whether the company is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the company to exercise the option to extend the lease or to exercise the option to terminate the lease. The company revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

v Depreciation/Amortization and useful life of Property, Plant and Equipment:
The Company has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act. 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

vi Impairment of Financial & Non-Financial Assets:
The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Company uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

vii Provisions:
The company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.

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

aa Capital:
Debt and equity instruments:
Ordinary equity shares are classified as equity. Debt instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

ab Other Miscellaneous Expenses
Public Issue Expenditure/Share issue expenses on private placement basis/FCCB's issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

34 Fair value measurement

i Financial instruments: Accounting classification and fair value measurements
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Accounting Standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Particulars	31-Mar-23						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	5,695.69	-	-	5,695.69	-	-	-
In Liquid Mutual Funds	11,859.22	11,859.22	-	-	-	11,859.22	-
Trade receivables	22,102.02	-	-	22,102.02	-	-	-
Cash & cash equivalents	38.28	-	-	38.28	-	-	-
Other bank balances	17,600.21	-	-	17,600.21	-	-	-
Loans	207.88	-	-	207.88	-	-	-
Other financial assets	1,829.04	-	-	1,829.04	-	-	
Total financial assets	**59,332.34**	**11,859.22**	**-**	**47,473.12**	**-**	**11,859.22**	**-**
Financial liabilities							
Borrowings	13,451.34	-	-	13,451.34	-	-	-
Trade payables	7,808.83	-	-	7,808.83	-	-	-
Lease Liabilities	258.29	-	-	258.29	-	-	-
Other financial liabilities	3,531.38	21.95	-	3,553.33	-	21.95	-
Total financial liabilities	**25,049.84**	**21.95**	**-**	**25,071.79**	**-**	**21.95**	**-**

Particulars	31-Mar-22						(₹ in Lacs)
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	4,693.91	-	-	4,693.91	-	-	-
In Liquid Mutual Funds	33,659.72	33,659.72				33,659.72	
Trade receivables	19,146.00	-	-	19,146.00	-	-	-
Cash & cash equivalents	63.33	-	-	63.33	-	-	-
Other bank balances	767.85	-	-	767.85	-	-	-
Loans	34.16	-	-	34.16	-	-	-
Other financial assets	2,688.81	40.22	-	2,648.59	-	40.22	-
Total financial assets	**61,053.78**	**33,699.94**	**-**	**27,353.84**	**-**	**33,699.94**	**-**
Financial liabilities							
Borrowings	10,933.54	-	-	10,933.54	-	-	-
Trade payables	7,787.56	-	-	7,787.56	-	-	-
Lease Liabilities	143.39			143.39			
Other financial liabilities	2,544.87	-	-	2,544.87	-	-	-
Total financial liabilities	**21,409.36**	**-**	**-**	**21,409.36**	**-**	**-**	**-**

The carrying amount of bank balances, Trade Receivable, Trade Payable, other financial assets / liabilities, loans, cash and cash equivalents, borrowings are considered to be the same as their fair value due to their short term nature.

The levels have been classified based on the followings:

Level 1: It hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) 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 Techniques used to determine fair value

Valuation Techniques used to determine fair value include
- Open ended mutual funds and certain bonds and debentures at NAV's/rates declared and/or quoted.
- Close ended mutual funds at NAV's declared by AMFI.
- For other bonds and debentures values with references to prevailing yields to maturity matching tenures, quoted on sites of credible organization such as FIMMDA (Fixed Income Money Market and Derivative Association of India).
- Derivative Instruments at values determined by counter parties/Banks using market observable data.
- Certificate of deposits, being short term maturity papers, amortized cost is assumed to be the fair value.

35. CONTINGENT LIABILITIES AND COMMITMENTS

a. Contingent liabilities not provided for: (₹ in Lacs)

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Compensation for enhanced cost of Land pending with District & Session Court Faridabad (Amount paid ₹ 2.33 lacs, Previous year ₹ 2.33 lacs)	9.34	9.34
Show cause notice issued by Principal Commissioner of Customs for which suitable response filed.	849.03	424.52
Show cause notice issued by Assistant Commissioner of CGST for which suitable response filed.	82.20	
Income tax demand for AY 2017-18 under section 270A of Income Tax Act 1961 and also for A.Y. 2018-19 u/s 143(3) and 154 of Income Tax Act 1961 for which the company have filed appeal before CIT(Appeal).	152.50	93.80
Demand from National Pharmaceutical Pricing Authority (Net)	66.88	66.88

The Company has suitably replied to show cause notices and is also representing before Appellate Authority in respect of income tax demand. The management of the Company believes that its position will likely to be upheld in the appellate process. The Company does not expect any liability against these matters in accordance with the principles of Ind AS 12 "Income Tax" read with Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets" and hence no provision is required to be made in respect of above in the books of account of the Company.

b. Obligations and commitments outstanding:

(₹ in Lacs)

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Unexpired letters of credit ₹ 2,173.08 lacs (Previous year ₹ 2,362.54 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers ₹ 1,612.05 lacs (Previous year ₹ 1,871.80 lacs), (Net of margins)	3,785.13	4,234.34
Bills discounted but not matured	134.14	789.80
Custom duty against import under EPCG Scheme	1,828.18	1,305.45
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	11,319.48	11,339.78

36 Financial Risk Management

The Company's activities expose it to price risk, credit risk, liquidity risk and market risk.

This note explains the source of risk which the company is exposed to and how it manages the risk and its impact on the financial statement. These risks are managed by the senior management of the company supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the company.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash & cash equivalent, Financial instruments, Financial assets & Trade Receivable	Credit Rating and ageing analysis	Diversification of counter Parties, setting of trade receivable, review of outstanding / overdues
Liquidity Risk	Other Liabilities	Maturity Analysis	Maintenance of Sufficient cash and cash Equivalent, Fixed Deposit & other marketable securities
Market Risk - Foreign exchange	Highly probable forecast transactions	Sensitivity analysis	Forward Foreign Exchange Contracts

The Board of Directors of the company provides guiding principles for overall risk management, as well as policies covering specific areas i.e. foreign exchange risk, credit risk & Investment of Surplus liquidity.

The company's risk management is carried out by finance department, accordingly, this department identifies, evaluates and hedges financial risk.

A) Price Risk

The main Raw materials for manufacturing of Medical devices are various types of Plastic Granules i.e. PP, LDPE, HDPE, PC, PA, SAN, ABS and K. Resin etc. The prices of Raw materials are mainly dependent on the price of Crude Oil. The majority of Raw materials are being imported by the Company and the few are procured indigenously. In case of imported Raw materials, the adverse forex movements are covered by the natural hedge. In case of the drastic price rise of Raw materials during the year, the Company makes appropriate changes in the prices of Finished Products, after due discussions with the customers. The prices of Finished Goods are generally reviewed every year and appropriate changes in prices are made to offset the increase in cost.

B) Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortized cost and fair value through profit or loss and trade receivables

Credit Risk Management

The company has invested in fixed deposits and in liquid mutual funds and have invested only with those funds plan having good credit rating / track record. The company reviews the creditworthiness of these counterparties on an ongoing basis. Another credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customer to whom credit is extended in normal course of business. The company estimates the expected credit loss on the basis of past data and experience. The company also takes proper ECGC cover based on risk based classification of trade receivables.

The Geographical concentration of trade receivable (net of allowance) is as under:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
India	6,111.72	4,655.85
Europe	5,622.64	4,376.83
USA	287.78	275.18
Others	10,079.87	9,838.14
Total	**22,102.02**	**19,146.00**

Review of outstanding trade receivables and financial assets is carried out by the management each quarter. The Company has a practice to provide for provision for doubtful debts on the basis of duly board approved policy on provision for bad & doubtful debts.

Reconciliation of loss allowance provisions:

(₹ in Lacs)

Particulars	Deposits	Trade receivable	Advances
Loss Allowance as at 1 April 2021	6.68	38.18	116.36
Change In loss allowance(Net)	-	(3.77)	-
Loss Allowance as at 31 March 2022	6.68	34.41	116.36
Change In loss allowance (Net)	3.44	153.44	(97.50)
Loss Allowance as at 31 March 2023	**10.12**	**187.85**	**18.86**

C) 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 interest rate. The company's main interest rate risk arises from long term borrowings with variable rates (LIBOR plus) which exposes the company to cash flow interest rate risk.

i) Interest rate risk exposure - The exposure of the company's borrowing to interest rate changes at the end of reporting period is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	**31-Mar-22**
Variable rate borrowing	13,451.34	10,824.59
Fixed rate borrowing	-	108.95
Total	**13,451.34**	**10,933.54**

The analysis by maturities is provided in note D "Maturities of Financial liabilities" below.

ii) Sensitivity analysis: For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting year was outstanding for whole year:-

(₹ in Lacs)

Particulars	Impact on profit before tax for the year ended	
	31-Mar-23	**31-Mar-22**
Interest rate- increase by 50 basis point	67.26	54.12
Interest rate- decrease by 50 basis point	(67.26)	(54.12)

D) Liquidity Risk

The company's principle source of liquidity are cash & cash equivalent and cash flows that are generated from operations. The company believes that its working capital is sufficient to meet its current requirement. Additionally, the company has sizeable surplus funds in liquid mutual fund and also in fixed deposit ensuring safety of capital and availability of liquidity as and when required hence, the company do not perceive any liquidity risk.

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	**31-Mar-22**
The company has working capital funds which Includes		
Cash and cash equivalent	38.28	63.33
Current investments in liquid mutual funds	11,859.22	33,659.72
Bank balances	17,600.21	767.85
Trade receivable	22,102.02	19,146.00
Total	**51,599.73**	**53,636.90**

Besides above, the company had access to the following undrawn facilities at the end of reporting period:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	**31-Mar-22**
Fixed		
Cash credit and other facilities	10,436.76	3,810.26
Variable		
Other facilities	-	-

Contractual maturities of significant financial liabilities are as under :
Maturities of financial liabilities

(₹ in Lacs)

Particulars	Less than and equal to one year	More than one year	Total
As at 31 March 2023			
Trade payable	7,808.83	-	7,808.83
Other Financial liabilities	15,906.60	1,356.36	17,262.96

Total	**23,715.43**	**1,356.36**	**25,071.79**
As at 31 March 2022			
Trade payable	7,787.56	-	7,787.56
Other Financial liabilities	10,475.15	3,146.65	13,621.80
Total	**18,262.71**	3,146.65	**21,409.36**

E) Market Risk

Foreign Currency Risk

The company operates significantly in international markets through imports and exports and therefore exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD/Euro/GBP/JPY. The risk is measured through sensitivity analysis by natural hedging due to imports and exports. In order to minimize any adverse effect on the financial performance of the company, financial instrument such as foreign exchange forward contracts are also used exclusively to mitigate currency risk.

(i) The company uses foreign exchange forward contracts to mitigate exposure in foreign currency risk. The foreign exchange forward contract outstanding at reporting date are as under: -

Particulars	Type	Currency	As at			
			31-Mar-23		31-Mar-22	
			FC	INR	FC	INR
Forward Contracts		USD:INR	25.00	2,054.00	91.00	6,890.79
	Sell	EURO:INR	-	-	0.90	75.69
		GBP:INR	-	-	-	-
	Buy	EURO:INR	-	-	-	-
		JPY:USD	-	-	159.00	99.00

(ii) Particulars of Unhedged Foreign Currency Exposure as at reporting date (Net exposure to Foreign Currency Risk)

Particulars	Currency	As at			
		31-Mar-23		31-Mar-22	
		FC	INR	FC	INR
Receivable / (Payable)	USD:INR	75.18	6,176.72	37.22	2,818.24
	EURO:INR	5.40	481.20	(19.74)	(1,658.36)
	USD:INR	-	-	-	-
	EURO:INR	-	-	-	-
	GBP:INR	6.41	649.67	0.82	81.11
	CAD:INR	-	-	-	-
	LE.:INR	36.37	97.26	28.50	118.35
	SEK:INR	-	-	-	-
	JPY:INR	(513.80)	(318.09)	(148.17)	(92.21)
	AUD:INR	-	-	-	-
	CHF:INR	0.20	17.93	-	-

(iii) Maturity of outstanding foreign exchange forward contracts

The details in respect of maturity of outstanding forward exchange forward contract are as given: -

(₹ in Lacs)

Particulars	Type	Currency	As at	
			31-Mar-23	31-Mar-22
Not later than 3 months		USD:INR	1,027.00	1,211.57
	Sell	EURO:INR	-	75.69
		GBP:INR	-	-
	Buy	EURO:INR	-	-
		JPY:USD	-	49.16
Later than 3 months and not later than 6 months		USD:INR	616.20	1,817.35
	Sell	EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD		24.89
Later than 6 month & not later than one year		USD:INR	410.80	3,861.87
	Sell	EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	24.89

(iv) The mark to market gain or loss on foreign currency are as under: -

(₹ in Lacs)

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Mark to market loss / (Gain) accounted for (Net)	62.17	(52.07)

37 CAPITAL MANAGEMENT

a) **Risk Management-** The company is cash surplus and has no capital other than equity. The Cash surplus are currently invested in Liquid mutual funds and also in fixed deposit with banks. Safety of capital is of prime importance to ensure availability of capital for company's business requirement. Investment objective is to provide safety and adequate return on surplus funds. The company's adjusted net debt to equity ratio at the end of reporting year is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Gross borrowings	13,451.34	10,933.54
Less: cash and cash equivalents	38.28	63.33
Adjusted net debt	13,413.06	10,870.21
Total Equity	1,23,412.45	1,07,697.44
Adjusted net debt to equity	10.87%	10.09%

The company's total owned funds of ₹ 1,23,412.45 lacs with ₹ 13,413.06 Lacs as net debts is considered adequate by the management to meet its business interest and any capital risk it may face in the future.

b) **Loan Covenants**
Under the terms of borrowing facilities, the company is required to comply with certain financing covenants and the company has complied with those covenants through out the reporting period.

c) Dividend

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Dividend recognized in the financial statements		
Final dividend paid in financial year 31st March 23 pertaining to financial year ended 31st March 22	(2,397.95)	(2,397.01)
Dividend not recognized in the financial statements		
In addition to the above dividend, since year end, the Board of directors have recommended the payment of final dividend of ₹ 3 per equity share (PY ₹ 2.5 per equity share)	-	-

This dividend is subject to the approval of shareholders of the company in ensuing Annual General Meeting and upon approval would result in cash outgo of approx. ₹ 2,878.33 Lacs

38 The Company has adopted Ind AS 116 effective annual reporting period beginning April 1, 2019 and applied the Standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to opening balance of retained earnings as on April 1, 2019.

The lease payments including interest have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognized in balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the company is as follows:

Particulars	As at 31-Mar-23	As at 31-Mar-22
Balance at the beginning of the year	115.20	216.58
Addition during the year	371.07	-
Depreciation for the year	123.69	86.40
Deletion	115.20	14.98
Closing balance at the end of the year	**247.38**	**115.20**

The Following is break up of current and non-current lease liabilities as at 31st March 2023

Particulars	As at 31-Mar-23 (Rs.in Lakhs)	As at 31-Mar-22 (Rs.in Lakhs)
Current lease liabilities	123.36	105.43
Non-Current lease liabilities	134.93	37.96
Total	**258.29**	**143.39**

The following is movement in lease liabilities during the year ended 31st March 2023

Particulars	Year ended 31-Mar-23	Year ended 31-Mar-22
Balance at the beginning of the year	143.39	328.98
Addition during the year	371.1	-
Finance cost accrued during the year	28.82	17.61
Modification in lease term	-	89.20
Deletions	143.39	-
Payment of lease liabilities (including interest)	141.60	114.00
Balance at the end of the year	**258.29**	**143.39**

Depreciation on right of use asset is Rs 123.69 lacs and Interest on lease liability for year ended 31st March 2023 is Rs 28.82 lacs
Lease Contracts entered by the company majorly pertains to building taken on lease to conduct the business activities in ordinary course.

The Table below provides details regarding the contractual maturities of lease charges as at 31st March 2023 on an undiscounted basis:

Particulars:	Short term lease charges payable	Long term lease Charges payable	As at 31st March 2023 (Rs in Lacs)	As at 31st March 2022 (Rs in Lacs)
Less than one year	-	141.6	141.6	114
Up to five year	-	141.6	141.6	38
More than five year	-		-	-

The company do not foresee liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

Rental expense recorded for short term lease amounted to Rs 68.04 lacs and grouped as short term lease expense in Note No. 32 other expense

39 RELATED PARTY DISCLOSURES:

Related party disclosures as required by Ind AS - 24 "Related Party Disclosures" are as under:

A List of related parties and relationships

a Subsidiaries, Step-subsidiary and Associate

Subsidiaries

1 Poly Medicure (Laiyang) Co. Ltd., China
2 Poly Medicure BV, Netherlands
3 Plan 1 Health India Pvt.Ltd.

Step-Subsidiary

1 Plan 1 Health SRL, Italy (Wholly owned subsidiary company of Poly Medicure BV, Netherlands)
2 Poly Health Inc, USA (Wholly owned subsidiary company of Poly Medicure BV, Netherlands)

Associate

1 Ultra For Medical Products (UMIC), Egypt

b Key Management Personnel & Relative

1 Mr. Himanshu Baid (Managing Director)
2 Mr. Rishi Baid (Joint Managing Director)
3 Mr. Naresh Vijayvergiya (CFO)
4 Mr. Ravi Prakash (Dy. Company Secretary) w.e.f 24th May 2022
5 Mr. Avinash Chandra (Company Secretary)
6 Mr. Devendra Raj Mehta (Independent Director)
7 Mr. Prakash Chand Surana (Independent Director)
8 Mr. Shailendra Raj Mehta (Independent Director)
9 Dr. Sandeep Bhargava (Independent Director)
10 Mr. Alessandro Balboni (Director)
11 Mr. Amit Khosla (Independent Director)
12 Mrs. Sonal Mattoo (Independent Director)
13 Mr. Ambrish Mithal (Independent Director) w.e.f 04th August 2022
14 Mr. J. K. Baid (Director- relative of Managing Director & Joint Managing Director)
15 Mr. Vishal Baid (President- relative of Managing Director & Joint Managing Director)
16 Mrs. Mukulika Baid (Director- relative of Managing Director & Joint Managing Director)
17 Mr. Dhruv Baid (Manager- relative of Managing Director & Joint Managing Director)
18 Mr. Arham Baid (Manager- relative of Managing Director & Joint Managing Director)
19 Mr. Aaryaman Baid (Manager- relative of Managing Director & Joint Managing Director)

c Enterprises over which key management personnel and their relatives exercise significant influence

1 Vitromed Healthcare
2 Jai Polypan Pvt. Ltd.
3 Stilocraft
4 Polycure Martech Ltd.
5 Jai Chand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

(₹ in lacs)

Particulars	Subsidiaries, Step Subsidiary and Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Sales of Goods	**1,161.74**	**1,017.16**			**1,587.80**	**2,783.62**
Ultra for Medical Products Egypt	859.05	756.04				
Plan 1 Health SRL, Italy	302.69	261.12				
Vitromed Healthcare					1,587.80	2,783.62
Purchases of Goods/Business support & marketing services	**583.87**	**297.34**			**30.36**	**43.66**
Plan 1 Health SRL, Italy	558.10	297.34				
Poly Medicure (Laiyang) Co. Ltd	25.77	-				
Vitromed Healthcare					30.36	43.66
Job work					**6,693.36**	**5,776.34**
Vitromed Health Care					6,693.36	5,776.34
Rent received					**0.20**	**0.20**
Vitromed Healthcare					0.20	0.20
Rent paid					**1.70**	**1.70**
Jai Polypan Pvt. Ltd.					1.70	1.70
CSR Expenses	**123.00**	**125.86**				
Jai Chand Lal Hulasi Devi Baid Charitable Trust	123.00	125.86				
Dividend/ Governing Council Share	**55.34**	**85.17**				
Ultra for Medical Products, Egypt	55.34	85.17				
Advance From Subsidiaries / Associates	**-**	**28.35**				
Ultra for Medical Products Egypt	-	28.35				
Directors / Key Managerial Personnels'			**2,672.02**	**2,237.64**		
Remuneration including commission						
Mr. Himanshu Baid			1,300.63	1,072.08		
Mr. Rishi Baid			1,247.28	1,042.59		
Mr. J. K. Oswal			-	26.77		
Mr. Naresh Vijayvargiya			98.98	82.38		
Mr. Avinash Chandra			16.74	13.82		
Mr. Ravi Prakash			8.39	-		
Defined benefit obligations			**(0.73)**	**40.92**		
Mr. Himanshu Baid			(1.74)	13.11		
Mr. Rishi Baid			(0.84)	11.58		
Mr. J. K. Oswal			-	13.13		
Mr. Naresh Vijayvergiya			1.58	3.03		
Mr. Avinash Chandra			(0.01)	0.07		
Mr. Ravi Prakash			0.28	-		
Salary and perquisites			**171.48**	**123.11**		
Mr. Vishal Baid			171.48	123.11		
Salary and perquisites			**258.83**	**194.81**		
Mr. Dhruv Baid			87.99	79.46		
Mr. Arham Baid			85.42	59.60		
Mr. Aaryaman Baid			85.42	55.75		
Commission and Sitting fees			**128.00**	**93.75**		
Mr. J. K. Baid			14.25	11.25		
Mrs. Mukulika Baid			14.25	11.25		

Mr. Devendra Raj Mehta			16.00	12.50		
Mr. Prakash Chand Surana			14.00	12.00		
Mr. Shailendra Raj Mehta			15.50	12.25		
Dr. Sandeep Bhargava			14.50	11.50		
Mr. Amit Khosla			15.75	12.00		
Mrs. Sonal Mattoo			14.75	11.00		
Mr. Ambrish Mithal			9.00	-		
Investment in Subsidiary Companies	**1,001.78**	**714.06**				
Poly Medicure BV, Netherlands	1,001.78	714.06				
Loan to Subsidiary Companies	**174.05**	**-**				
Poly Medicure BV, Netherlands	174.05	-				
Mr. Alessandro Balboni			**239.25**	**150.83**		
Management Fees			225.75	150.83		
Director Sitting Fees			1.50			
Commission			12.00			

* The reduction/reversal in Defined benefit obligation is due to changes in leave encashment entitlements.

Outstanding balances at the year end

(₹ in lacs)

Particulars	Subsidiaries and Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Dividend / Share Governing Council outstanding	97.26	118.35				
Ultra for Medical Products, Egypt	97.26	118.35				
Directors' Remuneration / Salary payable			**909.24**	**695.07**		
Mr. Himanshu Baid			439.43	333.86		
Mr. Rishi Baid			439.75	337.98		
Mr. Vishal Baid			11.21	5.01		
Mr. Dhruv Baid			5.46	3.79		
Mr. Arham Baid			4.01	4.51		
Mr. Aaryamann Baid			4.01	4.57		
Mr. Naresh Vijayvargiya			4.67	4.82		
Mr. Avinash Chandra			0.22	0.53		
Mr. Ravi Prakash			0.48	-		
Commission Payable			**93.60**	**64.80**		
Mr. J. K. Baid			10.80	8.10		
Mrs. Mukulika Baid			10.80	8.10		
Mr. Devendra Raj Mehta			10.80	8.10		
Mr. Prakash Chand Surana			10.80	8.10		
Mr. Shailendra Raj Mehta			10.80	8.10		
Dr. Sandeep Bhargava			10.80	8.10		
Mr. Amit Khosla			10.80	8.10		
Mrs. Sonal Mattoo			10.80	8.10		
Mr. Ambrish Mithal			7.20	-		
Management Fee & Others Payable			**25.04**	**23.98**		
Mr. Alessandro Balboni			25.04	23.98	-	-

Trade Receivable	**898.06**	**592.39**			**-**	**-**
Plan 1 Health SRL, Italy	250.83	172.91			-	-
Ultra for Medical Products	647.23	419.48			-	-
Trade Payable / Payable for capital goods/Rent payable	**-**	**76.59**			**-**	**0.28**
Jai Polypan Pvt. Ltd.	-	-			-	0.28
Plan 1 Health SRL, Italy	-	76.59			-	-
Advance from customer					**-**	**-**
Ultra for Medical Products, Egypt	-	28.35			-	-
Outstanding Loans to Subsidiary company						
Poly Medicure BV, Netherlands (Including interest accrued Rs. 1.93 lacs)	180.04	-			-	-

40 EARNINGS PER SHARE (EPS) OF ₹ 5/- EACH:

(₹ in lacs)

Particulars	**Year ended**	
	As at 31-Mar-23	**As at 31-Mar-22**
Net profit after tax available for equity share holders (₹ In lacs)	17,904.47	14,601.71
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	9,59,16,495	9,58,88,694
Basic Earnings per Share (in ₹)	18.67	15.23
Diluted Earnings per Share		
Weighted Average no. shares outstanding during the year	9,59,16,495	9,58,88,694
Effect of dilutive issue of stock options	1,04,450	75,500
Weighted Average no. shares outstanding for diluted EPS	9,60,20,945	9,59,64,194
Diluted Earnings per Share (in ₹)	18.65	15.22

41 EMPLOYEE BENEFIT:
As per Ind AS - 19 "Employee Benefits", the disclosures are as under:

I Defined Contribution Plan - Provident Fund

The company makes contribution towards Provident Fund to Regional fund commissioner. The contribution payable by the company are at the rates specified in the rules of the scheme.

During the year, the company has recognized the following amount in statement of profit and loss

(₹ in lacs)

Particulars	**Year ended**	
	31-Mar-23	**31-Mar-22**
Employers' contribution to provident fund * #	755.38	649.63

* included in "contribution to provident fund and others" under employee benefit expenses (refer note no. 28)
# excluding contribution to provident fund transferred to Research and Development Expenses ₹ 12.64 lacs (PY ₹ 9.19 lacs).

II Defined Benefit Plan

The company has formed a employees gratuity trust which is administrated by Life Insurance Corporation of India (LIC). The company makes contribution towards funding the defined benefit plan pertaining to gratuity to LIC. The Leave Encashment liability is not contributed to any fund and is unfunded. The present value of the defined benefit obligation and related current cost are measured using projected unit credit method with actuarial valuation being carried out at balance sheet date. The amount recognized are as under:

a) **Gratuity (Funded)**

(i) Present Value of Defined benefit Obligation

(₹ in lacs)

Particulars	**Year ended**	
	31-Mar-23	**31-Mar-22**
Obligations at year beginning	397.65	382.28
Service Cost - Current	65.63	58.65
Service Cost - Past		-
Interest expenses	28.71	25.96
Actuarial (gain) / Loss on PBO	(22.43)	(32.60)
Benefit payments	(40.24)	(36.64)
Addition due to transfer of employee	-	-
Obligations at year end	**429.31**	**397.65**

(ii) Change in plan assets

(₹ in lacs)

Particulars	**Year ended**	
	31-Mar-23	**31-Mar-22**
Fair value of plan assets at the beginning of the period	262.59	281.06
Actual return on plan assets	16.54	19.70
Less- FMC Charges	(0.21)	(1.52)
Employer contribution	1.00	-
Benefits paid	(40.24)	(36.64)
Fair value of plan assets at the end of the period	**239.68**	**262.59**

(iii) Assets and Liabilities recognized in the Balance Sheet

(₹ in lacs)

Particulars	**Year ended**	
	31-Mar-23	**31-Mar-22**
Present Value of the defined benefit obligations	429.31	397.65
Fair value of the plan assets	239.68	262.59
Amount recognized as Liability	**189.63**	**135.05**

(iv) Defined benefit obligations cost for the year:

(₹ in lacs)

Particulars	**Year ended**	
	31-Mar-23	**31-Mar-22**
Service Cost - Current	65.63	58.65
Service Cost - Past	-	-
Interest Cost	9.75	6.87
Expected return on plan assets	-	-
Actuarial (gain) loss	-	-
Net defined benefit obligations cost	**75.38**	**65.52**

(v) Amount recognized in Other Comprehensive Income (OCI)

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	22.43	32.60
Actuarial gain /(loss) for the year on Asset	(2.63)	(0.91)
Unrecognized actuarial gain/(loss) for the year	**19.80**	**31.69**

(vi) Investment details of Plan Assets

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
The details of investments of plan assets are as follows:	-	-
Funds managed by Insurer	100%	100%
Total	**100%**	**100%**

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vii) Actuarial assumptions:

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Discount Rate per annum	7.36%	7.22%
Future salary increases	4.00%	4.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(viii) Demographic Assumptions:

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard.

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
i) Retirement Age (Years)	60.00	60.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii) Attrition at Ages	Withdrawal Rate (%)	
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

(ix) Amount recognized in current year and previous four years:

(₹ in lacs)

	Year ended				
	31-Mar-23	**31-Mar-22**	**31-Mar-21**	**31-Mar-20**	**31-Mar-19**
Defined benefit obligations	429.31	397.65	382.28	333.23	321.58
Plan assets	(239.68)	(262.59)	(281.06)	(161.91)	(157.55)
Deficit /(Surplus)	**189.63**	**135.05**	**101.22**	**171.32**	**164.03**

(x) Expected Contribution to the Fund in the next year

(₹ in lacs)

Particulars	Year ended	
	As at 31-Mar-23	As at 31-Mar-22
Service Cost	85.01	77.16
Net Interest Cost	13.96	9.75
Expected contribution for next annual reporting period	**98.97**	**86.91**

(xi) Sensitivity Analysis

The sensitivity of defined benefit obligations to changes in the weighted principal assumptions is :

(₹ in lacs)

	"Change in Assumption"		"Increase in Assumption"			"Decrease in Assumption"		
	31-Mar-23	31-Mar-22	Impact	31-Mar-23	31-Mar-22	Impact	31-Mar-23	31-Mar-22
Discount Rate per annum	0.50%	0.50%	Decrease by	(24.54)	(23.65)	Increase by	26.87	25.94
Future salary increases	0.50%	0.50%	Increase by	26.27	25.32	Decrease by	(24.20)	(23.19)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in balance sheet.

(xii) Maturity Profile of Defined Benefit Obligation

(₹ in lacs)

Sr. No.	Year	Year
a	0 to 1 Year	17.24
b	1 to 2 Year	6.90
c	2 to 3 Year	13.44
d	3 to 4 Year	8.87
e	4 to 5 Year	18.87
f	5 to 6 Year	23.21
g	6 Year onwards	340.77

(xiii) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

A) **Salary Increases:** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) **Investment Risk:** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) **Mortality & disability:** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) **Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

b) **Leave Encashment (Unfunded)**

The Leave Encashment liability of ₹ 157.63 lacs form part of long term provision ₹ 136.66 Lacs (PY ₹ 167.05 Lacs) and short term provision ₹ 20.97 Lacs (PY ₹ 18.74 Lacs) and is unfunded and does not require disclosures as mentioned in para 158 of Ind AS 19.

42 SEGMENT INFORMATION:

Description of segment and principal activity.

The company is primarily in the business of manufacture and sale of medical devices. Operating segments are reported in the manner consistent with internal reporting to Managing director of the company. The company has regular review procedures in place and Managing director reviews the operations of the company as a whole, Hence there are no reportable segments as per Ind AS 108 Operating segment.

Information about Geographical areas
The following information discloses revenue from customers based on geographical areas.

i) Revenue on product group wise (Ind AS 108, Para 32)

(₹ in lacs)

Particulars	Year ended	
	As at 31-Mar-23	**As at 31-Mar-22**
Medical Devices	1,06,147.28	87,369.89
Total	**1,06,147.28**	**87,369.89**

ii) Revenue as per geographical area (Ind AS 108, Para 33 (a))

(₹ in lacs)

Particulars	Year ended	
	As at 31-Mar-23	**As at 31-Mar-22**
With in India	34,400.52	30,356.95
Outside India	71,746.76	57,012.94
Total	**1,06,147.28**	**87,369.89**

iii) None of the non-current assets (other than financial instruments, investment in subsidiaries/ associates) are located outside India.
iv) None of the customers of the company individually account for 10% or more sale.
v) The Company is manufacture of medical devices and has concluded that owing to nature of products the company manufactures, impact of COVID-19 is not material based on revenue estimates.

43 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details of expenditure incurred on CSR are as under:

(₹ in lacs)

Sr. No.	Particulars	Year ended	
		31-Mar-23	**31-Mar-22**
1	The Gross amount required to be spent by the company during the year as per Section 135 of Companies Act 2013 read with Schedule VII	315.34	263.16
2	Amount of expenditure incurred on:		
	i. Construction / acquisition of any assets	-	-
	ii. On purposes other than (i) above	298.35	264.94
3	Unspent amount in CSR related to on-going project transferred to separate bank account.	16.99	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	-	-
	Promoting education, Promotion of Healthcare, Food relief activity, Social welfare.		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	Contribution to JAI CHAND LAL HULASI DEVI BAID CHARITABLE TRUST in relation to CSR expenditure	123.00	125.86

The company is contributing in ongoing school project and have created provision of Rs. 16.99 lacs for unspent amount on-ongoing project and is being shown as provision for CSR expense in note no 17 and the company has transferred a sum of Rs. 16.99 lacs in separate bank account as required by section 135(6) of Companies Act 2013.

44 SHARE BASED PAYMENTS:
The company has formulated "Poly Medicure Employee Stock Option Scheme, 2016 (ESOP 2016)" duly approved by the shareholders in the annual general meeting held on 04th June 2019 in accordance of which the ESOP Committee of Board of Directors of the company held on 27th Sept 2016 has granted 42950 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the share holders in the annual general meeting held on 29th Sept 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 6th November 2020 has granted 63100 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employment, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the share holders in the annual general meeting held on 29th September 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 4th August 2022 has granted 79900 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employment, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

a Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2016

Financial Year (Year of Grant)	Number	Financial year of vesting	Exercise price	Fair value
2019-20	42950	2021-22 2022-23	50	147

b Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year (Year of Grant)	Number	Financial year of vesting	Exercise price	Fair value
2020-21	63100	2022-23 2023-24	100	374

c Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year (Year of Grant)	Number	Financial year of vesting	Exercise price	Fair value
2022-23	79900	2024-25 2025-26	100	666

d Movement of share options during the yea

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of share options	Exercise Price	Number of share options	Exercise Price
Balance at the beginning of the year	75,500	50 & 100	1,02,800	50 & 100
Granted during the year (ESOP-2020)	79,900	100	-	-
Forfeited during the year	-	-	7,525	-
Exercised during the year (ESOP-2016, 2020)	44,000	50 & 100	19,775	50
Expired / Lapsed during the year	6,950	-	-	-
Balance Options to be exercised at the end of the year	1,04,450	100	75,500	50 & 100

e Compensation expenses arising on account of share based payments

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Share based payment expenses to employees	192.74	93.10
Total	**192.74**	**93.10**

f Fair value on grant date

The fair value on grant date is determined using Black Scholes Model which takes into account exercise price, terms of option, share price at grant date and expected price volatility of the underline shares, expected dividend yield and risk free interest rate for the term of option.

The model inputs for options granted	ESOS 2016	ESOS 2020	ESOS 2020
a Exercise price	50	100	100
b Grant date	3rd June 2019	29th Sep 2020	04th Aug 2022
c Vesting year	2021-22	2022-23	2024-25
	2022-23	2023-24	2025-26
d Share price at grant date	195	463	755
e Expected price volatility of the company shanre	20% to 25%	20% to 25%	20% to 25%
f Expected dividend yield	0.86%	0.43%	0.33%
g Risk free interest rate	6.92%	6.00%	7.00%

The expected price volatility is based on the historic volatility.

45 During the year ended 31st March, 2021, the company had issued 76,33,587 equity shares of Rs 5/- each at premium of Rs. 519/- each (Issue Price per share Rs. 524/- each) amounting to Rs. 40,000 lacs to Qualified Institutional Investors on QIP basis. The proceeds of QIP have been utilized as per details given below: -

S.No	Particulars	Amount (Rs.in Lacs)
1	QIP share issue expenses(including GST of Rs.105.59 lacs)	799.09
2	Repayment/Prepayment of debts and working capital	6,182.80
3	Investment in subsidiary	1,715.84
4	Capital expenditure	31,302.27
	Total	**40,000.00**

The entire proceeds from QIP have been utilised for the purpose for which it was raised and there are no unspent amount as at the end of financial year.

46 Events after the reporting date

Dividends declared by the company are based on the profits available for distribution. On 09th May 2023, the Board of directors have proposed a final dividend of ₹ 3/- per share in respect of the year ended March 31, 2023 subject to approval of shareholders at the Annual General Meeting. The proposal is subject to approval of shareholders at the Annual General Meting, and if approved, would result in a cash outflow of approximately ₹ 2,878.33 Lacs.

47 Disclosure as required under section 186(4) of the Companies Act 2013 are as under:-

Sl. No.	Name of Company	Relation-ship with the com-pany	Nature	Amount granted during the year/amount of investment made during the year		Amount received back during the year		Balance outstanding as at	
				31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
1	Poly Medicure BV, Netherlands	Subsidiary Company	Loan granted	174.05	-	-	-	178.11	-
2	Poly Medicure BV, Netherlands	Subsidiary Company	Investment made	1001.78	714.06	-	-	5133.63	4131.85

48 Standards issued and amended but not effective

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by isssuing the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from April 1, 2023, as below:

IND AS 1 - Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statement.

IND AS 12 - Income Taxes - TThe amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 od Ind AS 12 (recognition exemption) so that it no longer applies to transaction that, on initial recognition, give raise to equal taxable and deductible temporary differences. The company is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - The amendments will help entities to distinguish between accounting policies and accounting estimates, the definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statement that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require item in financial statement to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its financial statements.

49 No funds have been advanced/loaned/invested (from borrowed fund or from share premium or from any other sources/kind of fund) by the company to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other peron or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the company from any person(s) or entity(ies), including foreign entities (funding Parties), with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50 The Indian parliament has approved the Code of Social Security, 2020 which would impact the contribution by the company toward provident fund and gratuity. The Ministry of Labour and Employment has relesed draft rules for the Code on Social Security, 2020 on November 13, 2020. The company will asses the impact and its evaluation once the subject rules are notified. The company will give appropriate impact in its financial statement in the period in which, the code become effective and the related rules to determine the financial impact are published.

51 Additional Regulatory Information

Ratios

RATIOS	Numerator	Denominator	March 2023	March 2022	% Change as compared to previous year	Reasons for change in ratio by more than 25% as compared to previous year
Current Ratio	Current Assets	Current Liabilities	2.81	3.65	-22.93%	NA
Inventory Turnover Ratio (extrapolated)	Sales	Average Inventory (Opening + Closing Inventory /2)	6.41	6.77	-5.26%	NA
Trade Receivables Turnover Ratio	Sales	Average Trade Receivables (Opening + Closing Trade Receivables/2)	5.18	5.17	0.17%	NA
Creditors Turnover Ratio	Purchase	Average Trade Payables (Opening + Closing Trade Payables/2)	7.45	7.85	-5.15%	NA
Net Profit Ratio	Profit After Tax	Sales	16.76%	16.60%	0.96%	NA
Return On Equity	Profit after Tax	Average Shareholder’s Equity (Equity Share Capital + Other Equity)	15.49%	14.38%	7.75%	NA
Capital Turnover Ratio	Net Sales	Average Working Capital (Current Assets-Current Liabilities)	2.19	1.64	34.21%	The increase in capital turnover ratio is primarily due to increase in net sales.
Debt To Equity Ratio	Total Debt	Shareholder’s Equity (Equity Share Capital + Other Equity)	0.11	0.10	7.36%	NA
Debt Service Coverage Ratio	Earnings available for debt service (Profit before tax+Depreciation)	Debt Service(Interest including lease payment interest + Current Principal Repayments)	7.87	5.52	42.51%	The increase in debt service ratio denotes reduction in current period principal repayments and increase in profit before tax.

Return on Capital employed	Earning before interest and taxes	Capital Employed (Shareholder's Equity + Total Debt + Deferred Tax Liability	17.48%	16.40%	6.56%	NA
Return on investment	Return on Various investments (e.g. Mutual Fund, FD)	Average Invested funds (e.g. Mutual Fund, FD)	3.38%	4.81%	-29.59%	The decrease in return on investment is primarily due to maket volatility.

Additional regulatory information required by Schedule-III of Companies Act 2013

1) **Relationship with struck off Companies:** The Company do not have any relationship with Companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

2) **Details of Benami Property:** No proceedings have been initiated or are pending against the Company for holding any Benami property under Benami Transaction (Prohibition) Act 1988 and the Rules made thereunder.

3) **Compliance with numbers of layer of Companies:** The Company has complied with the number of layers prescribed under Companies Act 2013.

4) **Compliance with approved Scheme of Arrangement:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

5) **Undisclosed Income:** There is no income surrendered or disclosed as income during current or previous year in the tax assessment under the Income Tax Act 1961 that has not been recorded in books of accounts.

6) **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.

52 Previous year figures have been regrouped or reclassified to confirm current year classification.

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary
(A32270)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF POLY MEDICURE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Poly Medicure Limited ("the Holding Company") its foreign subsidiaries and subsidiary company incorporated in India (the Company and its subsidiaries together referred to as "the Group") its associate as per list annexed, which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows including its associate for the year ended on that date.

Basis for Opinion

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

KeyAuditMatters

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

Key Audit Matters	How the Key Audit Matter was addressed
Goodwill The Group has recognised goodwill on consolidation amounting to ₹ 2,858.11 lacs. The group conducts annual impairment testing of goodwill using discounted cash flow method. Significant judgements are used to estimate the recoverable amount of goodwill. The determination of recoverable amount involves use of several key assumptions including estimate of future sales volume, price, operating margin and discount rate and is, hence, considered as a key audit matter. The Group has assessed that no impairment in the value of goodwill is necessitated. (Refer Note 46)	We have assessed business plan and future cash flows of Step subsidiary company to evaluate management position on non-impairment in value of goodwill on consolidation. Our audit procedures included following: Evaluated the design and tested operating effectiveness of management control in assessing carrying amount of goodwill. Obtained computation of recoverable amount and tested reasonableness of key assumptions Obtained & Evaluated management sensitivity analysis to ascertain impact of changes in key assumptions for determining downside impact on recoverable amount.

Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of the audit report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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, as for the year ended March 31, 2023 the other information has not yet been prepared and not yet approved by Board of Directors.

Management's Responsibility & those charged with governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the directors of Holding company.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

Identify and assess the risks of material misstatement of the consolidated 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 holding Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls. There is only one subsidiary company incorporated in India and two subsidiary companies are incorporated out of India.

- 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 ability of the Group and its associate 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 consolidated 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 Group and its associate to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statement which have been audited by other auditors situated outside India, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of holding company and subsidiary company incorporated in India included in financial statement of which we are the independent auditors 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 consolidated 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.

Other Matters

We did not audit the financial statements of one foreign subsidiary, whose financial statements reflect total assets of ₹ 1,788.39 lacs as at 31st March 2023 and total revenue of ₹ 1,387.84 lacs for the year then ended on that date and financial statements of one foreign associate in which the share of profit of the Group is

₹ 192.67 lacs. The financial statements of one foreign subsidiary namely Poly Medicure (Laiyang) Co. Ltd., China have been audited by other auditors outside India whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors and the procedures performed by us as stated in para above "Other Matters".

The financial statements of one associate namely Ultra for Medical Products (UMIC), Egypt, have been furnished to us by management of that company and is unaudited and management certified and our opinion is based solely on the basis of unaudited/ management certified financial statements for the year ended 31st December 2022 and the procedures performed by us as stated in para above " Other Matters"

The Financial Statement of one foreign subsidiary (as Consolidated) namely Poly Medicure BV Netherlands in which financial statement of Step Subsidiary Plan 1 Health and Poly Health Medical INC. US are consolidated and whose consolidated financial statement/information reflect total assets of ₹ 7,518.63 Lacs as at 31st March' 2023, and total consolidated revenue of ₹ 4,272.43 Lacs for the year ended on that date as considered in the Consolidated financial statements. These consolidated financial statement/financial information have not been audited as based on article 2.396 Section 6 of Dutch Civil Code, the said foreign subsidiary company is exempt from the obligation to have the annual accounts (including consolidated accounts) audited by the auditor, and are, therefore, management certified and have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosure included in respect of the Subsidiary so far as it relates to the aforesaid subsidiary is based solely on the basis of management certified consolidated financial statements as adjusted suitably to give effect to adopt uniform accounting policies.

In respect of subsidiaries/ associate located outside India whose financial result and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditor/ management certified. The holding company's management has converted the financial results of such subsidiaries/associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the holding company's management. Our opinion in so far as it relates to the balances and affair of such subsidiaries/ associate located outside India is based on the report of other auditor/ management certified and the conversion adjustment prepared by the management of the holding company and audited by us.

Our Opinion on Consolidated financial statements and our report on other legal and regulatory requirements is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statement/financial information as certified.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the holding Company as on March 31, 2023 taken on record by the Board of Directors of the holding Company, and of subsidiary company incorporated in India, none of the directors of the holding Company and its subsidiary company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy and the operating effectiveness of the internal financial control over financial reporting with reference to these consolidated financial statements of the Holding company and its subsidiary company incorporated in India, refer to our separate report in annexure 1 to this report.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the holding 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements as also other financial information of subsidiaries, associates as noted in "other Matter" paragraph.

      i. The consolidated financial statements discloses impact of pending litigations on the consolidated financial position of the Group.

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses. The Company did not have any long-term derivative contract.

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

iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their 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 or any of such subsidiaries 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) As stated in Note 2.12.3 to the consolidated financial statements

(a). The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

(b). The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for financial year ending March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary company incorporated in India included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: **097466**
UDIN: 23097466BGWKXK5449

Place: New Delhi
Date: 9th May 2023

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting of Poly Medicure Limited ("the Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial Controls over financial Reporting

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

Opinion

In our opinion, the Holding Company and subsidiary company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, 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 **M C Bhandari & Co.**
Chartered Accountants
Firm's registration number: 303002E

Ravindra Bhandari
Partner
Membership number: **097466**
UDIN: 23097466BGWKXK5449
Place: New Delhi
Date: 9th May 2023

Annexure I: List of entities consolidated as at 31 March 2023

1. Poly Medicure (Laiyang) Co. Ltd.- China - Wholly owned Subsidiary
2. Poly Medicure BV - Netherlands (Consolidated) – Wholly owned Subsidiary
3. Ultra for Medical Products Co. (UMIC) – Egypt – Associate
4. Plan 1 Health India Pvt. Ltd. Subsidiary

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Consolidated Balance Sheet as at 31 March 2023 (₹ in lacs)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	2	58,732.09	43,868.21
(b) Capital work-in-progress		7,258.35	3,713.56
(c) Right of Use	2	247.38	115.20
(d) Investment Properties	3	90.89	386.88
(e) Goodwill on consolidation		2,858.11	2,858.11
(f) Intangible assets	2	1,597.34	1,581.42
(g) Intangible assets under development		557.50	626.00
(h) Financial Assets			
(i) Investment in associates	4	764.20	976.88
(iii) Other financial assets	7	1,133.04	2,347.40
(i) Other non-current assets	8	3,781.41	2,866.15
Total non-current assets		**77,020.31**	**59,339.81**
2 Current assets			
(a) Inventories	9	20,865.48	16,836.43
(b) Financial assets			
(i) Investments	5	11,859.22	33,659.72
(ii) Trade receivables	10	23,543.20	20,662.89
(iii) Cash and cash equivalents	11	706.24	775.74
(iv) Bank balances other than (iii) above	12	17,600.21	767.85
(v) Loans	6	29.77	34.16
(vi) Other financial assets	7	737.43	377.50
(c) Other current assets	8	5,359.06	5,229.37
Total current assets		**80,700.61**	**78,343.66**
TOTAL ASSETS		**1,57,720.92**	**1,37,683.47**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	4,797.23	4,795.02
(b) Other equity	14	1,19,365.49	1,03,953.12
Equity attributable to shareholders of the company		**1,24,162.72**	**1,08,748.14**
Non-controlling interest		-	-
Total equity		**1,24,162.72**	**1,08,748.14**

LIABILITIES			
1 Non-current liabilities	**Note No.**	**As at 31 March 2023**	**As at 31 March 2022**
(a) Financial liabilities			
(i) Borrowings	15	1,750.12	3,812.72
(ii) Lease Liabilities		134.93	37.96
(iii) Other financial liabilities	16	65.66	52.35
(b) Provisions	17	460.23	398.22
(c) Government Grants		273.52	352.92
(d) Deferred tax liabilities (Net)	18	1,543.47	1,613.34
Total non-current liabilities		**4,227.93**	**6,267.51**
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	12,893.27	8,714.73
(ii) Lease Liabilities		123.36	105.43
(iii) Trade payables	20		
a) total outstanding dues of micro enterprises and small enterprises		1,606.19	1,568.68
b) total outstanding dues of creditors other than micro enterprises and small enterprises		7,625.29	7,335.21
(iv)Other financial liabilities	21	3,658.63	2,601.87
(b) Other current liabilities	22	3,284.56	2,307.12
(c) Provisions	17	55.20	34.79
(d) Current tax liabilities (net)	23	83.76	-
Total current liabilities		**29,330.26**	**22,667.83**
TOTAL EQUITY AND LIABILITIES		**1,57,720.92**	**1,37,683.47**
Significant accounting policies	a-ab		
The accompanying notes are integral part of the Consolidated financial statements.	1 - 53		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh
Vijayvargiya CFO

Avinash Chandra
Company Secretary
(A32270)

Poly Medicure Limited
CIN: L40300DL1995PLC066923

Consolidated Statement of Profit and Loss for the year ended 31 March 2023 (₹ in lacs)

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
INCOME			
Revenue from operations	24	1,11,523.04	92,306.26
Other income	25	3,618.54	3,790.25
Total Income		**1,15,141.58**	**96,096.51**
EXPENSES			
Cost of materials consumed	26	42,431.15	35,237.25
Purchases of Stock-in-Trade		521.31	1,065.61
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	27	(2,364.94)	(1,495.41)
Employee benefits expense	28	20,274.58	16,361.99
Research and development expenses	29	1,780.25	1,877.11
Finance cost	30	883.86	425.48
Depreciation and amortization expense	31	5,716.68	5,395.22
Other expenses	32	22,342.22	17,949.50
Total Expenses		**91,585.11**	**76,816.75**
Profit before tax, and share of net profit from associates		**23,556.47**	**19,279.76**
Share of profit from associates		192.67	244.73
Profit before tax		**23,749.14**	**19,524.49**
Tax expenses:			
(1) Current tax		5,912.91	4,632.27
(2) Deferred tax		(109.76)	265.99
(3) Tax adjustment for earlier years (net)		17.74	(24.37)
Total tax expenses	33	**5,820.89**	**4,873.89**
Profit after tax		**17,928.25**	**14,650.60**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent period:-			
Re-measurement gains/(losses) of defined benefit plan		19.80	31.69
Tax impacts on above		(4.98)	(7.98)
Items that will be reclassified to profit or loss in subsequent period:-			
Exchange differences on translation of financial statements of foreign subsidiaries		25.79	(31.28)
Tax impacts on above		-	-
Other comprehensive income for the year (net of tax)		**40.61**	**(7.57)**
Total comprehensive income for the year		**17,968.86**	**14,643.03**
Profit for the year attributable to:			
Equity holders of the parent		17,928.25	14,650.60
Non-controlling interests		-	-
Total comprehensive income for the year attributable to:			
Equity holders of the parent		17,968.86	14,643.03
Non-controlling interests		-	-

(₹ in lacs)

Particulars	Note No.	Year ended 31 March 2023	Year ended 31 March 2022
Earnings per equity share: (Face value ₹ 5 each) in rupees	40		
Basic		18.69	15.28
Diluted		18.67	15.27
Weighted average number of equity shares used in computing earnings per equity share			
Basic		9,59,16,495	9,58,88,694
Diluted		9,60,20,945	9,59,64,194
Significant accounting policies	a-ab		
The accompanying notes are integral part of the Consolidated financial statements.	1 - 53		

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh Vijayvargiya
CFO

Avinash Chandra
Company Secretary
(A32270)

Poly Medicure Limited
CIN: L40300DL1995PLC066923
Consolidated Statement of Cash Flow for the year ended 31st March 2023 (₹ in Lacs)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax and exceptional items	**23,749.14**	**19,524.49**
	Adjusted for:		
	Depreciation and amortisation	5,716.68	5,395.22
	Share in Income of Associates	(192.67)	(244.73)
	Interest expense	883.86	425.48
	Interest income	(586.44)	(198.60)
	Loss/(profit) on sale of fixed assets, net	(10.03)	(53.05)
	Debts/advances written off	14.22	66.06
	Provision for doubtful debts and advances	59.39	3.08
	Credit balances no longer required, written back	(21.23)	(36.89)
	Deferred employee compensation expenses (net)	192.74	93.10
	Unrealised foreign exchange (gain) /loss	(104.26)	(287.94)
	Other Comprehensive Income	45.59	31.69
	Ind AS and Other adjustments	117.95	(1,285.65)
	Operating profit before working capital changes	**29,864.94**	**23,432.26**
	Movement in working capital		
	Decrease/(increase) in inventories	(4,029.05)	(4,188.23)
	Decrease/ (increase) in sundry debtors	(2,879.68)	(5,073.56)
	Decrease/(Increase) in financial assets	(13.51)	64.31
	Decrease/(Increase) in other assets	(103.17)	(866.81)
	Increase/ (decrease) in trade payables	376.92	2,470.15
	Increase/ (decrease) in other financial liabilities	593.00	118.09
	Increase/ (decrease) in other liabilities	977.44	1,074.60
	Increase/ (decrease) in provisions	82.42	62.01
	Cash generated from operations	**24,869.31**	**17,092.82**
	Direct taxes paid (net of refunds)	(5,786.69)	(4,745.60)
	Net cash from operating activities	**19,082.62**	**12,347.22**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets (including capital advances)	(23,927.48)	(15,557.77)
	(Purchase)/Sale of Investments (net)	21,399.81	1,801.56
	Proceeds from / (Investment in) Fixed Deposits (net)	(15,623.43)	4,652.76
	Proceeds from sale of fixed assets	14.77	151.40
	Dividend Income	76.44	31.89
	Interest income	158.31	387.00
	Net cash used for investing activities	**(17,901.59)**	**(8,533.16)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from (Repayment) of borrowings / deferred payment liabilities (net)	2,098.99	(628.16)
	Proceeds from Share Allotments	35.13	9.89
	Repayment of Lease Liabilities (including interest)	(141.60)	(114.00)
	Dividend Paid(including unclaimed dividend transferred)	(2,397.30)	(2,391.56)
	Interest / Finance charges paid	(845.75)	(409.96)
	Net cash from (used for) financing activities	**(1,250.53)**	**(3,533.79)**
	Net increase in cash and cash equivalents (A+B+C)	(69.50)	280.28
	Cash and cash equivalents at the beginning of the year	775.74	495.46
	Cash and cash equivalents at the end of the year	**706.24**	**775.74**

(₹ in Lacs)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Balances with Banks in current account	676.88	741.88
Cheques, drafts on hand	-	-
Cash on hand (including foreign currency notes)	29.36	33.86
Fixed deposits with banks, having original maturity of three months or less	-	-
Cash and cash equivalents at the end of the year	**706.24**	**775.74**

(in Lacs)

RECONCILIATION STATEMENT OF CASH AND BANK BALANCES	As at	
	31 March 2023	31 March 2022
Cash and cash equivalents at the end of the year as per above	**706.24**	**775.74**
Add: Balance with banks in dividend / unclaimed dividend accounts	36.92	36.27
Add: Fixed deposits with banks, having maturity period for less than twelve months	17,563.29	731.58
Add: Fixed deposits with banks (lien marked)	540.97	818.16
Add: Fixed deposits with banks, having maturity period for more than twelve months	132.89	1,064.63
Cash and bank balances as per balance sheet (refer note 7, 11 and 12)	**18,980.31**	**3,426.38**

DISCLOSURE AS REQUIRED BY IND AS 7
Reconciliation of liabilities arising from financing activities

March 31, 2023	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	8,714.73	4,180.65	(2.11)	12,893.27
Long term secured borrowing	3,812.72	(2,081.65)	19.05	1,750.12
Total liabilities from financing activities	**12,527.45**	**2,098.99**	**16.95**	**14,643.39**

March 31, 2022	Opening Balance	Cash Flow	Non Cash Flow Changes	Closing Balance
Short term secured borrowing	7,469.45	1,348.26	(102.98)	8,714.73
Long term secured borrowing	5,944.08	(1,976.42)	(154.94)	3,812.72
Total liabilities from financing activities	**13,413.53**	**(628.16)**	**(257.92)**	**12,527.45**

Notes

This is the Cash Flow Statement referred to in our report of even date.

The above Consolidated cash Flow statement should be read in conjunction with the accompanying notes

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh
Vijayvargiya CFO

Avinash Chandra
Company Secretary
(A32270)

Consolidated Statement of Changes in Equity for the year ended 31st March 2023

A. Equity share capital

(₹ in Lacs)

Balance at the 1 April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
4,795.02	-	4,795.02	2.20	4,797.23

Balance at the 1 April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
4,794.03	-	4,794.03	0.99	4,795.02

B. Other equity

(₹ in Lacs)

Particulars	Reserves and surplus							Item of Other comprehensive income		Total
	Capital Re-serve	Capital reserve on change in interest in equity of associates	Securities Premium	Share Based Payment Reserve Account	General reserve	Retained Earnings	Share in reserve in associ-ates	Foreign Currency translation reserve	Re-measure-ment of defined benefit	
Balance as at 1 April 2021	**46.98**	**534.75**	**39,133.79**	**78.63**	**21,134.83**	**30,416.53**	**50.92**	**312.31**	**54.28**	**91,763.02**
Profit for the year	-	-	-	-	-	14,650.60	-	-	-	14,650.60
Securities Premium received during the year (net of share issue expenses adjusted)	-	-	28.12	-	-	-	-	-	-	28.12
Adjustment of deferred tax amount on share issue expensesadjustedfromsecuritiespremiumaccount	-	-	(34.91)	-	-	-	-	-	-	(34.91)
Addition during the year (net of taxes)	-	-	-	-	-	-	-	-	23.71	23.71
Transfer from retained earnings to General reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-
Addition (deletion) during the year (Net of lapses)	-	-	-	73.88	-	-	-	-	-	73.88
Final Dividend adjusted	-	-	-	-	-	(2,397.01)	-	-	-	(2,397.01)
Share from associate adjusted	-	-	-	-	-	(266.00)	-	-	-	(266.00)
Addition during the year	-	133.85	-	-	-	-	9.13	(31.28)	-	111.70
Balance as at 31 March 2022	**46.98**	**668.60**	**39,127.00**	**152.51**	**23,634.83**	**39,904.12**	**60.05**	**281.03**	**77.99**	**1,03,953.12**
Balance as at 1 April 2022	**46.98**	**668.60**	**39,127.00**	**152.51**	**23,634.83**	**39,904.12**	**60.05**	**281.03**	**77.99**	**1,03,953.12**
Profit for the year	-	-	-	-	-	17,928.25	-	-	-	17,928.25
Securities Premium received during the year (net of share issue expenses adjusted)	-	-	148.35	-	-	-	-	-	-	148.35
Adjustment of deferred tax amount on share issue expensesadjustedfromsecuritiespremiumaccount	-	-	(34.91)	-	-	-	-	-	-	(34.91)
Other comprehensive income (net of taxes)	-	-	-	-	-	-	-	-	14.82	14.82
Transfer from retained earnings to General reserve	-	-	-	-	2,500.00	(2,500.00)	-	-	-	-
Addition (deletion) during the year (Net of lapses)	-	-	-	78.02	-	-	-	-	-	78.02
Final Dividend adjusted	-	-	-	-	-	(2,397.95)	-	-	-	(2,397.95)
Share from associate adjusted	-	-	-	-	-	(159.56)	-	-	-	(159.56)
Addition/(deletion) during the year	-	(176.62)	-	-	-	-	(13.82)	25.79	-	(164.65)
Balance as at 31 March 2023	**46.98**	**491.98**	**39,240.44**	**230.53**	**26,134.83**	**52,774.86**	**46.23**	**306.82**	**92.81**	**1,19,365.49**

Note:
Nature and purposes of reserves forming part of other equity are fully described in Note No. 14.

2 PROPERTY, PLANT AND EQUIPMENT

(₹ in lacs)

Particulars	Freehold Land	Lease-hold Land	Building	Plant & Equipment	Furniture & Fixtures	Office Equip-ment	Vehicles	Total Tangible	Software	Patent & Trade Marks	Total In-tangible	Net Assets
Gross Carrying Value as at 01.04.2021	**4,107.61**	**862.18**	**8,491.66**	**48,545.38**	**625.32**	**1,092.92**	**974.88**	**64,699.95**	**886.96**	**1,994.37**	**2,881.33**	**67,581.28**
Translation Adjustment	-	-	17.65	56.60	(1.99)	0.05	(0.17)	72.15	(1.33)	(0.35)	(1.68)	70.47
Additions during the year	2,663.36	-	1,346.39	6,992.10	93.67	171.24	268.68	11,535.45	20.24	194.04	214.28	11,749.73
Deductions/Adjustments	-	-	-	587.40	-	9.32	18.29	615.01	-	-	-	615.01
Gross Carrying Value as at 31.03.2022	**6,770.97**	**862.18**	**9,855.70**	**55,006.68**	**717.00**	**1,254.90**	**1,225.11**	**75,692.54**	**905.86**	**2,188.07**	**3,093.93**	**78,786.48**
Accumulated Depreciation as at 01.04.2021	**-**	**78.34**	**1,623.16**	**23,835.17**	**416.59**	**822.65**	**513.34**	**27,289.24**	**487.10**	**757.99**	**1,245.09**	**28,534.34**
Translation Adjustment	-	-	8.81	30.16	(1.82)	(0.02)	(0.03)	37.10	(0.22)	(0.18)	(0.41)	36.69
Depreciation for the year	-	9.28	302.92	4,433.33	42.51	126.88	118.19	5,033.11	92.09	175.74	267.84	5,300.95
Deductions/Adjustments	-	-	-	512.01	-	9.13	13.96	535.10	-	-	-	535.10
Accumulated Depreciation as at 31.03.2022	**-**	**87.62**	**1,934.89**	**27,786.65**	**457.28**	**940.37**	**617.54**	**31,824.35**	**578.96**	**933.54**	**1,512.52**	**33,336.86**
Carrying Value as at 31.03.2022	**6,770.97**	**774.56**	**7,920.81**	**27,220.02**	**259.73**	**314.52**	**607.57**	**43,868.21**	**326.90**	**1,254.52**	**1,581.42**	**45,449.63**
Gross Carrying Value as at 01.04.2022	**6,770.97**	**862.18**	**9,855.70**	**55,006.68**	**717.00**	**1,254.90**	**1,225.11**	**75,692.54**	**905.86**	**2,188.07**	**3,093.93**	**78,786.47**
Translation Adjustment	-	-	0.48	45.85	5.59	7.62	0.47	60.01	3.78	4.85	8.62	68.63
Additions during the year	2,310.35	-	6,871.11	10,412.71	124.41	146.18	318.27	20,183.03	105.96	196.25	302.21	20,485.23
Deductions/Adjustments	-	-	-	355.59	23.86	68.98	115.61	564.04	-	-	-	564.04
Gross Carrying Value as at 31.03.2023	**9,081.32**	**862.18**	**16,727.29**	**65,109.65**	**823.15**	**1,339.71**	**1,428.23**	**95,371.53**	**1,015.60**	**2,389.16**	**3,404.76**	**98,776.29**
Accumulated Depreciation as at 01.04.2022	**-**	**87.62**	**1,934.89**	**27,786.65**	**457.28**	**940.37**	**617.54**	**31,824.35**	**578.96**	**933.54**	**1,512.52**	**33,336.86**
Translation Adjustment	-	-	0.26	33.09	5.24	6.93	0.19	45.71	1.87	1.08	2.95	48.66
Depreciation for the year	-	9.28	345.62	4,605.04	50.12	131.83	154.85	5,296.74	95.03	196.91	291.94	5,588.68
Deductions/Adjustments	-	-	-	320.64	23.74	68.51	114.46	527.35	-	-	-	527.35
Accumulated Depreciation as at 31.03.2023	**-**	**96.90**	**2,280.77**	**32,104.15**	**488.90**	**1,010.63**	**658.11**	**36,639.45**	**675.87**	**1,131.53**	**1,807.41**	**38,446.86**
Carrying Value as at 31.03.2023	**9,081.32**	**765.28**	**14,446.52**	**33,005.50**	**334.25**	**329.08**	**770.13**	**58,732.09**	**339.73**	**1,257.63**	**1,597.34**	**60,329.43**

Notes:

2.1 The title deeds of immovable properties are held in the name of the Company.

2.2 Borrowing cost of ₹ Nil lacs (previous year ₹ Nil lacs) have been included in additions to Fixed Assets.

2.3 The estimated amortisation in intangible assets for the period subsequent to 31st March 2023 is as follows:

(₹ in lacs)

Year Ending March 31	Amortisation Expense
2024	263.52
2025	239.51
2026	225.99
Thereafter	868.32

2.4 Right of Use Asset

(in lacs)

Balance as at 1st April 2022	115.20
Addition	371.07
Deletion	115.20
Depreciation for the year	123.69
Closing balance as at 31st March 2023	247.38

2.5 Capital work-in-progress- Ageing Schedule

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

(₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	6,936.58	226.94	87.51	7.32	7,258.35

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

(₹ in lacs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital work in progress	3581.42	111.66	12.56	7.92	3,713.56

Intangible assets under development - Ageing schedule

Ageing for intangible asset under development as at March 31, 2023 is as follows:

(₹ in lacs)

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangibleassetunder developnment	122.45	116.36	138.10	180.59	557.50

Ageing for intangible asset under development as at March 31, 2022 is as follows:

(₹ in lacs)

Intangible assets under development	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Intangibleassetunder developnment	204.85	144.94	44.11	232.1	626.00

Notes:-

1) Intangible assets under development mainly represent expenditure incurred on Patents and trademarks pending for granting in favour of the company.
2) There are no projects under intangible assets under development where the completion is over due or has exceeded its cost compared to its original plan.

2.6 The Company has not revalued its Property, Plant and Equipment (including right of use assets) or intangible assets or both during the current or previous year.

Notes on Consolidated Financial Statement for the Year ended 31 March, 2023

(₹ in Lacs)

3	INVESTMENT PROPERTIES	As at 31 March 2023	As at 31 March 2022
	Gross balance at beginning	413.17	487.69
	Additions during the year	-	-
	Disposals / Deductions	314.26	74.52
	Depreciation for the year	4.31	7.87
	Accumulated Depreciation	(8.02)	(26.29)
	Net balance at the end of reporting year	**90.89**	**386.88**
	Fair Value (Refer note 2 below)	**97.82**	**470.38**
	Amount recognised in Statement of Profit & Loss for Investment Properties	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Rental Income	**1.80**	**5.27**

The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.

Note 1: The investment properties consist of residential properties in India and have been categorized as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note2: The Fair value of investment properties as at 31st March 2023 & as at 31st March 2022 are based on the valuation by a Registered valuer as defined in Rule 2 of Companies (Registered valuer and Valuation) Rules, 2017.

Note3: The conveyance deed of one (PY four) Investment properties valued at Rs 31.44 Lacs (PY Rs. 265.88 Lacs) are yet to be executed in favor of the company.

(₹ in Lacs)

4	INVESTMENT IN ASSOCIATES	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(valued at cost unless stated otherwise)				
	Unquoted equity instruments - fully paid				
	Investment in associates				
	195,500 (previous Year 172,500) shares of 100 L.E (Egyptian Pound) each in Ultra for Medical Products (U.M.I.C) S.A.E., Egypt	764.20	976.88	-	-
	Total	**764.20**	**976.88**		
	Aggregate amount of Unquoted Investment	764.20	976.88	-	-
	Aggregate provision for diminution in the value of Investment	-	-	-	-
	Category wise summary:				
	Financial assets measured at Equity method (net of provision)	764.20	976.88	-	-
	Financial assets measured at fair value through profit and loss	-	-	-	-

(₹ in Lacs)

5 OTHER INVESTMENT	Non-current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Investment measured at fair value through profit and loss				
Unquoted				
In Liquid Mutual Funds				
IDFC Balanced Adv Fund (G)	-	-	-	103.23
SBI MultiAssetAlloca (G)	-	-	-	263.19
Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative	-	-	-	298.44
Parag Parikh LF (G)	-	-	-	529.05
Axis Strategic Bond Fund-Regular Growth	-	-	-	881.11
Axis StrategicBond (G)	-	-	4,257.10	3,191.69
HDFC Medium Term Debt Fund-Regular Plan-Growth	-	-	205.68	1,351.25
HDFC MTerm Debt-RP (G)	-	-	-	6,378.31
ICICI Prud CrRisk (G)	-	-	-	33.75
ICICI Prudential-Equity & Commodities Mutual Funds	-	-	39.78	37.53
IDFC Corporate Bond (G)	-	-	-	283.94
Kotak Asset AllocRP (G)	-	-	2,164.11	4,049.71
Kotak Corporat BndRP (G)	-	-	500.53	-
Motilal Oswal Asset Allocation Passive Fund of Fund - Aggressive - Regular Plan	-	-	-	1,484.58
Motilal oswal asset allocation passive fund of funds	-	-	-	157.88
Motilal oswal ultra short term fund direct growth	-	-	-	104.99
NIPPON INDIA Liquid (G)	-	-	-	300.08
NIPPON INDIA Corporate Bond Fund(G)	-	-	2,475.93	4,768.90
SBI Magnum Medium Duration Fund Regular Growth	-	-	-	381.16
Parag Parikh Flexi Cap Fund - Regular Plan - Growth	-	-	2,014.30	1,484.63
ICICI Prud CrRisk (G)	-	-	-	1,520.83
"SBI MagMediDur (G) "	-	-	-	2,945.88
SBI MultiAssetAlloca (G)	-	-	-	1,146.09
Motilal Oswal Asset Allocation Passive Fund of Fund - Conservative - Regular Plan	-	-	-	503.53
IDFC Balanced Adv Fund (G)	-	-	-	874.98
True Beacon AIF Scheme 1 (Category III)	-	-	-	484.49
Invesco India Banking & PSU Debt Fund - Direct Plan Growth Gl	-	-	-	100.47
DSP Savings (G)	-	-	201.80	-
Total	**-**	**-**	**11,859.22**	**33,659.72**
Aggregate amount of Unquoted Investment	-	-	11,859.22	33,659.72
Aggregate provision for diminution in the value of Investment	-	-	-	-
Category wise summary:				
Financial assets measured at amortised cost (net of provision)	-	-	-	-
Financial assets measured at fair value through profit and loss	-	-	11,859.22	33,659.72

5.1 Investments made by the company other than those with a maturity of less than one year, are intended to be held for long term.

5.2 In absence of the active market and non-availability of quotes on recognised stock exchange, investment in fixed maturity plan and liquid mutual funds are disclosed as unquoted and fair value is assessed based on NAV of respective funds.

(₹ in Lacs)

6	LOANS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Considered good- Unsecured:				
	Loans and advances to employees	-	-	29.77	34.16
	Total	**-**	**-**	**29.77**	**34.16**

(₹ in Lacs)

7	OTHER FINANCIAL ASSETS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(Unsecured, considered good, unless stated otherwise)				
	Security Deposits				
	Considered good	435.61	426.41	141.64	146.79
	Considered doubtful	-	-	10.12	6.68
	Less: Provision for doubtful deposits	-	-	(10.12)	(6.68)
	Interest accrued on bank deposits / Loan and Advances	23.57	38.20	461.20	18.44
	Dividend / Governing council share from associates	-	-	97.26	118.35
	Gain on outstanding forward contracts reveivable	-	-	-	40.22
	Other receivable #	-	-	37.33	53.70
	Non-current bank balances (refer note 12)	673.86	1,882.79	-	-
	Total	**1,133.04**	**2,347.40**	**737.43**	**377.50**

Includes ₹ 2.33 lacs (₹ 2.33 lacs) paid under protest for enhanced cost of land, contested in Hon'ble Punjab and Haryana High Court.

(₹ in Lacs)

7.1	Movement in the provision for doubtful deposits	As at 31 March 2023	As at 31 March 2022
	Balance at the beginning of the year	6.68	6.68
	Movement in the amount of provision (Net)	3.44	-
	Balalnce at the end of the year	**10.12**	**6.68**

(₹ in Lacs)

8	OTHER ASSETS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	(Unsecured, considered good, unless stated otherwise)				
	Capital Advances				
	Considered Good	3,700.67	2,718.09	-	-
	Considered Doubtful	18.86	116.36	-	-
	Less: Provision for doubtful advances	(18.86)	(116.36)	-	-
	Other loans and advances				
	Advance for goods / services				
	Considered Good	-	-	887.62	1,008.74
	Balance with revenue authorities	-	-	2,651.51	2,306.80

Advance tax/ tax deducted at source (net of provision)	20.55	80.75	20.75	-
Prepaid Expenses	60.19	67.31	868.52	399.75
GST, Excise Duty, Service tax and VAT refundable	-	-	819.88	901.03
Export benefits receivable	-	-	110.77	613.05
Total	**3,781.41**	**2,866.15**	**5,359.06**	**5,229.37**

8.1	Movement in provison for doubtful advances	As at 31 March 2023	As at 31 March 2022
	Balance at the beginning of the year	116.36	116.36
	Movement in amount of provision (Net)	(97.50)	-
	Balance at the end of the year	**18.86**	**116.36**

(₹ in lacs)

9	INVENTORIES	As at 31 March 2023	As at 31 March 2022
	(Valued at lower of cost and net realisable value)		
	Raw Materials including packing materials	10,960.88	9,217.93
	Goods-in transit	631.02	636.42
	Work-in-progress	3,356.41	2,561.59
	Finished Goods	5,128.26	3,266.38
	Stock-in-trade	176.90	468.66
	Stores and spares	612.01	685.45
	Total	**20,865.48**	**16,836.43**

9.1 Inventories are hypothecated with bankers against working capital limits (Refer Note No. 19.2)

(₹ in lacs)

10	TRADE RECEIVABLES	As at 31 March 2023	As at 31 March 2022
	Considered good- Unsecured	23,543.20	20,662.89
	Considered Doubtful	187.85	37.90
	Less: Provision for Doubtful Debts	(187.85)	(37.90)
	Total	**23,543.20**	**20,662.89**
	Particulars	**As at 31 March 2023**	**As at 31 March 2022**
	Trade receivable includes:		
	Due from Ultra For Medical Products (UMIC), being associate company	647.23	419.48
	Movement in the provision for doubtful debts	**As at 31 March 2023**	**As at 31 March 2022**
	Balance at the beginning of the year	37.90	43.68
	Addition/(Deletion)	149.95	(5.78)
	Balance at the end of the year	**187.85**	**37.90**

The concentration of credit risk is limited due to large and unrelated customer base.

Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2023 is as follows: (₹ in lacs)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	13,830.13	8,454.19	573.97	325.71	269.97	62.19	23,516.16
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	1.09	11.91	174.85	187.85

(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	4.48	-	-	-	6.69	11.17
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							23,731.05
Less: Allowance for doubtful trade receivables							(187.85)
Trade receivables							**23,543.20**

Trade Receivables - Ageing Schedule

Ageing for trade receivables - billed – current outstanding as at March 31, 2022 is as follows: (₹ in lacs)

Particulars	**Outstanding for following periods from due date of payment**						
	Not Due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	9,045.06	9,949.11	1,534.37	65.67	20.79	26.14	20,641.14
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	3.93	4.16	29.81	37.90
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	5.89	5.89
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	15.86	15.86
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
							20,700.79
Less: Allowance for doubtful trade receivables							(37.90)
Trade receivables							**20,662.89**

(₹ in lacs)

11 CASH AND CASH EQUIVALENTS	**As at 31 March 2023**	**As at 31 March 2022**
Balances with Banks		
In current accounts	676.88	741.88
Cash on hand (including foreign currency notes)	29.36	33.86
Total	**706.24**	**775.74**

There are no repratriation restrictions with regard to cash & cash equivalents as at the end of reporting year and prior year.

(₹ in lacs)

12	OTHER BANK BALANCES	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Unclaimed dividend accounts	-	-	36.92	36.27
	Held as margin money	540.97	818.16	-	-
	Deposits with more than 3 months but less than 12 months maturity period	-	-	17,563.29	731.58
	Deposits with more than 12 months maturity period	132.89	1,064.63	-	-
	Amount disclosed under the head "other Non Current Financial Assets" (Refer note 7)	(673.86)	(1,882.79)	-	-
	Total	**-**	**-**	**17,600.21**	**767.85**

13	EQUITY SHARE CAPITAL	As at 31 March 2023		As at 31 March 2022	
		No. of Shares	in Lacs	No. of Shares	in Lacs
	Authorized share Capital				
	Equity Shares of ₹ 5 each	12,00,00,000	6,000.00	12,00,00,000	6,000.00
	Issued, subscribed & paid up shares				
	Equity Shares of ₹ 5 each fully paid up	9,59,44,342	4,797.22	9,59,00,342	4,795.02
	Total	**9,59,44,342**	**4,797.22**	**9,59,00,342**	**4,795.02**

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	in Lacs	No. of Shares	in Lacs
At the beginning of the year	9,59,00,342	4,795.02	9,58,80,567	4,794.03
Add: Issued during the year by way of ESOP	44,000	2.20	19,775	0.99
Outstanding at the end of year	**9,59,44,342**	**4,797.22**	**9,59,00,342**	**4,795.02**

13.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 (₹ 5). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

13.3 Details of shareholders' holding more than 5% shares in the company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of 5 each (Previous Year 5 each)				
M/s Ezekiel Global Business Solutions LLP	1,23,61,320	12.88%	1,23,61,320	12.89%
Mr. Rishi Baid	98,93,048	10.31%	98,93,048	10.32%
M/s Zetta Matrix Consulting LLP	83,22,160	8.67%	83,22,160	8.68%
Mr. Himanshu Baid	79,07,624	8.24%	79,07,624	8.25%

The aforesaid disclosure is based upon percentages computed separately for each class of shares outstanding, as at the balance sheet date. As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

13.4 Detail of Shares held by promoters at the end of the year

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

S. No	Promoter name	As at March 31, 2023		As at March 31, 2022		% change during the year
		No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	98,93,048	10.31%	98,93,048	10.32%	0.00%
2	Himanshu Baid	79,07,624	8.24%	79,07,624	8.25%	0.00%
3	Himanshu Baid HUF	38,39,200	4.00%	38,39,200	4.00%	0.00%
4	Vcb Trading LLP	35,41,144	3.69%	35,41,144	3.69%	0.00%
5	Jai Polypan Pvt. Ltd.	33,52,000	3.49%	33,52,000	3.50%	0.00%
6	Smt.Mukulika Baid	30,62,400	3.19%	30,62,400	3.19%	0.00%
7	Rishi Baid HUF	27,80,000	2.90%	27,80,000	2.90%	0.00%
8	Jugal Kishore Baid	22,79,376	2.38%	22,79,376	2.38%	0.00%
9	Vishal Baid	16,81,360	1.75%	16,81,360	1.75%	0.00%
10	Shaily Baid	11,88,000	1.24%	11,88,000	1.24%	0.00%
11	Shireen Baid	11,21,600	1.17%	11,21,600	1.17%	0.00%
12	Neha Baid	10,24,000	1.07%	10,24,000	1.07%	0.00%
13	Dhruv Baid	3,60,000	0.38%	3,60,000	0.38%	0.00%
14	Arham Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
15	Aaryaman Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
16	Madhu Kothari	1,71,200	0.18%	1,71,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Zetta Matrix Consulting LLP	83,22,160	8.67%	-	0.00%	100.00%
20	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**5,11,50,712**	**53.31%**	**4,28,28,552**	**44.66%**	**19.43%**

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

S. No	Promoter name	As at March 31, 2022		As at March 31, 2021		% change during the year
		No. Of shares	% of total shares	No. Of shares	% of total shares	
1	Rishi Baid	98,93,048	10.32%	99,93,048	10.42%	-1.00%
2	Himanshu Baid	79,07,624	8.25%	79,07,624	8.25%	0.00%
3	Himanshu Baid HUF	38,39,200	4.00%	38,39,200	4.00%	0.00%
4	Vcb Trading LLP	35,41,144	3.69%	36,41,144	3.80%	-2.75%
5	Jai Polypan Pvt. Ltd.	33,52,000	3.50%	33,52,000	3.50%	0.00%
6	Smt.Mukulika Baid	30,62,400	3.19%	30,62,400	3.19%	0.00%
7	Rishi Baid HUF	27,80,000	2.90%	27,80,000	2.90%	0.00%
8	Jugal Kishore Baid	22,79,376	2.38%	22,79,376	2.38%	0.00%
9	Vishal Baid	16,81,360	1.75%	16,81,360	1.75%	0.00%
10	Shaily Baid	11,88,000	1.24%	11,88,000	1.24%	0.00%
11	Shireen Baid	11,21,600	1.17%	11,21,600	1.17%	0.00%
12	Neha Baid	10,24,000	1.07%	10,24,000	1.07%	0.00%

13	Dhruv Baid	3,60,000	0.38%	3,60,000	0.38%	0.00%
14	Arham Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
15	Aaryaman Baid	2,80,000	0.29%	2,80,000	0.29%	0.00%
16	Madhu Kothari	1,71,200	0.18%	1,71,200	0.18%	0.00%
17	Vinay Kothari	56,000	0.06%	56,000	0.06%	0.00%
18	Bhupendra Raj Mehta	1,600	0.00%	1,600	0.00%	0.00%
19	Polycure Martech Limited	10,000	0.01%	10,000	0.01%	0.00%
Total		**4,28,28,552**	**44.66%**	**4,30,28,552**	**44.88%**	**-0.46%**

13.5 Dividend paid during the year ended 31st March, 2023 represents amount of Rs. 2,397.95 lakhs towards final dividend for the year ended 31st March, 2022. Dividend declared by the company are based on profit available for distribution. On 09th May 2023 The Board Of Directors of the Company have proposed final dividend of Rs 3.00 per share in respect of the year ended 31st March, 2023 subject to approval at the Annual General Meeting and if approved would result in cash outflow of Rs 2,878.33 lakhs.

13.6 **Shares reserved for issue under Employees Stock option Plan:-** Information relating to employees stock options plan, including details of options issued, excercised and lapsed during the financial year and option outstanding as at the end of the reporting period are set out in note no. 44.

14 OTHER EQUITY	**As at 31 March 2023**	**As at 31 March 2022**
Capital Reserves		
Surplus on re-issue of forfeited shares	13.19	13.19
Application money received on Preferential Warrants issued to promoters forfeited	33.79	33.79
Closing Balance	**46.98**	**46.98**
Capital reserve on change in interest in equity of associates	**491.98**	**668.60**
Securities Premium		
Balance at the beginning of the year	39,127.01	39,133.79
Addition during the year	148.35	28.12
Share Issue Expenses(net of deferred tax)		
Adjustment of deferred tax amount on share issue expenses adjusted from securities premium account	(34.91)	(34.91)
Closing Balance	**39,240.45**	**39,127.01**
Share Based Payment Reserve Account		
Balance at the beginning of the year	152.51	78.63
Addition (deletion) during the year (Net of lapses)	78.02	73.88
Closing Balance	230.53	152.51
General Reserve		
Balance at the beginning of the year	23,634.83	21,134.83
Add: Transferred from Surplus in Statement of Profit and Loss	2,500.00	2,500.00
Closing Balance	**26,134.83**	**23,634.83**
Surplus in statement of Profit and Loss		
Balance at the beginning of the year	39,904.12	30,416.53
Add: Additions during the year	17,928.25	14,650.60
Less: Dividend Paid	(2,397.95)	(2,397.01)
Less: Transferred to General Reserve	(2,500.00)	(2,500.00)
Less: Share from associate adjusted	(159.56)	(266.00)
Closing Balance	**52,774.86**	**39,904.12**
Other Comprehensive Income (OCI)		
Re-measurement gains/(loss) of defined benefit plans (net of tax)		
Balance at the beginning of the year	77.99	54.28
Add: Addition during the year	14.82	23.71

Foreign Currency Translation Reserve:-		
Balance at the beginning of the year	281.03	312.31
Add: Addition during the year	25.79	(31.28)
Closing Balance	**399.63**	**359.02**
Shares in reserves in associates	**46.23**	**60.05**
Grand Total	**1,19,365.49**	**1,03,953.12**

Nature and Purpose of Reserves:

a) Capital Reserve: Capital Reserve represents surplus on re-issue of forfeited shares and also forfeiture of application money on preferential warrants issued and is not available for distribution as dividend.

b) Securities Premium: Securities Premium is used to record premium on issue of shares. The reserve can be utilised only for limited purpose in accordance with the provisions of Companies Act, 2013.

c) Share Based Payment Reserve Account: Share Based Payment reserve account is used to recognise grant date fair value of options issued to employees under employee stock option plan.

d) General Reserve: The General Reserve is a free reserve which is used from time to time to transfer profits from/ to retained earning for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General Reserve will not be reclassified subsequently to statement of profit or loss.

e) Surplus in Statement of Profit and loss: This represents undistributed earnings accumulated by the Company as at Balance sheet date.

f) Foreign Currency Translation Reserve: This reserve represents exchange differences arising from translation of financial statments of foreign subsidiaries with functional currencies other than Indian rupee is recognised in other comprehensive income and is presented within equity in foreign currency translation reserve. The cummulative amount is reclassified to statement of profit and loss when net investment is disposed off/ liquidated/ classified as held for sale.

(₹ in lacs)

15	BORROWINGS	Non-current		Current	
		As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
	Secured - At Amortized Cost				
	(i) Term loans				
	from banks	1,155.77	3,056.34	2,205.09	2,733.71
	(ii) Deferred payment liabilities	-	-	-	108.95
	Unsecured - At Amortised Cost				
	(i) Term loans from banks in foreign subsidiaries	594.35	756.38	-	-
	Amount disclosed under the head “Borrowings - Current ” (note 19)	-	-	(2,205.09)	(2,842.66)
	Total	**1,750.12**	**3,812.72**	**-**	**-**

15.1	Term loan comprises the following:	Non-current		Current	
		As at 31 March 2023	**As at 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
	From Bank				
	Foreign Currency Loan##	1,155.77	3,056.34	2,205.09	2,733.71
	Term loans related to foreign Subsidiary	594.35	756.38	-	-

net off of Rs.7.21 Lacs (PY 22.05 Lacs) as finance charge.

15.2 Terms of repayment:

Particular	Weighted average Rate of interest (P.A.)	Install-ment	Outstanding as at 31.03.2022	Annual repayment schedule			
				2022-23	2023-24	2024-25	2025-26
Foreign Currency Loan ##	3.28%	Quarterly	3,368.07	2,211.59	1,156.48	-	-

includes Rs.7.21 Lacs (PY 22.05 Lacs) as prepaid finance charge.

15.3 Details of security:

a Term Loans from State Bank of India are secured by first charge on entire fixed assets of the (including Plant & Machinery, Office Equipment Furniture & Fixtures and other Fixed Assets) of the Company (Present & future), including equitable mortgage of factory land & buildings, located at Plot no. 104 & 105, Plot no. 115 & 116, Sector 59, HSIIDC Industrial Estate, Faridabad (Haryana), Plot no.113, HUDA Industrial Area, Sector 59, Faridabad (Haryana) and Second Pari passu charge on Stock & Receivables of the Company.

b b) Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge on entire fixed assets of the Company including land, building and other fixed assets (including Plant & Machinery, Office Equipment and Furniture & Fixtures and all other Fixed Assets) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC, Sector-59, Faridabad, Plot No. 113, Huda, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar and Plot No. PA-010-019, Light Engineering, SEZ, Jaipur and second pari passu charge on stock and receivables of the Company.

Foreign Currency Loan (ECB) from HSBC Bank (Mauritius) Ltd. is secured by first pari passu charge with State Bank of India on entire fixed assets of the Company, including land, building and other fixed assets (including Plant & Machinery) of the Company (Present & Future), situated at Plot no. 104 & 105, 115 & 116, HSIIDC Industrial Estate, Sector-59, Faridabad, Plot no. 113, HUDA Industrial Area, Sector 59, Faridabad, Plot no. 17, SIDCUL, Haridwar, Plot no. PA-010-019, Light Engineering, SEZ, Jaipur & also first pari-passu charge with HSBC, India on entire fixed assets of the Company Including land, building and other fixed assets (including Plant & Machinery) of the Company Present & Future), situated at Plot no. 34, Sector 68, IMT, Faridabad and second pari passu charge with other term lenders i.e. State Bank of India, Citi Bank, HSBC, Mauritius and HSBC, India on stock and receivables of the Company.

c) Deferred payment liabilities represents assets acquired on deferred credit terms.

15.4 a) As on the balance sheet date, there are no defaults in repayment of loans and interest thereon.
b) The borrowings obtained by the Group from banks have been applied for the purpose for which loans were taken.
c) There are no charges or satisfaction of charges which are yet to be registered with the Registrar of Companies beyond statutory period.
d) The Group is required to maintain debt covenants and the Group has complied with all the debt covenants in both year ended 31st March 2023 and 31st March 2022.
e) The Group has not been declared as a wilful defaulter by any bank or financial institution or goverment or any goverment authority.

(₹ in lacs)

16	OTHER NON-CURRENT FINANCIAL LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Security Deposit from Agent/ Others	65.66	52.35
	Total	**65.66**	**52.35**

(₹ in lacs)

17	PROVISIONS	Non-current		Current	
		As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
	Provision for employee benefits				
	Gratuity	172.39	119.00	17.24	16.05
	Leave Encashment	136.66	167.05	20.97	18.74
	Others(defined benefit obligations of foreign subsidiaries)	151.18	112.17	-	-
	CSR (Refer note no.43)	-	-	16.99	-
	Total	**460.23**	**398.22**	**55.20**	**34.79**

18 DEFERRED TAX LIABILITIES

In accordance with IND AS - 12, the company has accounted for deferred taxes during the year as under:

Following are the major components of Deferred Tax Liabilities and Deferred Tax Assets:

(₹ in lacs)

Particulars	As at 31 March 2023						
	Balance as at April 1 2022	Rec-ognised in profit & loss	Rec-ognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,528.07	206.40	-	-	1,734.47	1,734.47	-
Provision for defined benefit plan - P&L	(75.72)	5.93	-	-	(69.79)	-	(69.79)
Provision for defined benefit plan - OCI	29.19	-	4.98	-	34.17	34.17	-
Provision for Bonus	(1.35)	(32.68)	-	-	(34.03)	-	(34.03)
Provision for doubtful debts and ad-vances	(39.63)	(14.95)	-	-	(54.58)	-	(54.58)
Exchange difference impact under Sec 43A of income tax act.	(45.64)	(2.63)	-	-	(48.27)	-	(48.27)
IND AS 116	(6.93)	4.18	-	-	(2.75)	-	(2.75)
Share issue expense adjusted against other equity	(104.73)	-	-	34.91	(69.82)	-	(69.82)
Unrealised Gains	330.08	(276.01)	-	-	54.06	54.06	-
Deferred Tax (Assets) / Liabilities	**1,613.34**	**(109.76)**	**4.98**	**34.91**	**1,543.47**	**1,822.70**	**(279.23)**

(₹ in lacs)

Particulars	As at 31 March 2022						
	Balance as at April 1 2021	Rec-ognised in profit & loss	Rec-ognised in OCI	Adjusted in Other Equity	Net Deferred Tax	Deferred Tax Liability	Deferred Tax Assets
Property, plant and equipment and intangible assets	1,562.55	(34.48)			1,528.07	1,528.07	
Provision for defined benefit plan - P&L	(46.26)	(29.46)			(75.72)		(75.72)
Provision for defined benefit plan - OCI	21.21	-	7.98		29.19	29.19	
Provision for Bonus	(11.61)	10.26			(1.35)		(1.35)
Provision for doubtful debts and ad-vances	(40.58)	0.95			(39.63)		(39.63)
Exchange difference impact under Sec 43A of Income Tax Act.	(101.53)	55.89			(45.64)		(45.64)
IND AS 116	(28.13)	21.20			(6.93)	-	(6.93)
Share issue expense adjusted against other equity	(139.64)			34.91	(104.73)	-	(104.73)
Unrealised Gains	88.44	241.64			330.08	330.08	-
Deferred Tax (Assets) / Liabilities	**1,304.45**	**266.00**	**7.98**	**34.91**	**1,613.34**	**1,887.33**	**(274.00)**

18.1 Movement on the deferred tax account is as follows:

(₹ in lacs)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,613.34	1,304.45
(Credit)/ Charge to the statement of profit and loss	(109.76)	265.99
(Credit)/ Charge to other comprehensive income	4.98	7.98
Adjusted in Other Equity	34.91	34.91
Balance at the end of the year	**1,543.47**	**1,613.34**

(₹ in Lacs)

19	BORROWINGS - CURRENT	As at 31 March 2023	As at 31 March 2022
	Secured - from banks		
	Cash / Export Credit Loan	10,688.18	5,872.07
	Current maturities of long-term borrowings (Refer note no. 15)	2,205.09	2,842.66
	Total	**12,893.27**	**8,714.73**

19.1 19.1 Working Capital limits from State Bank of India, Citi Bank N.A., The Hongkong & Shanghai Banking Corporation Limited and HDFC Bank Limited are secured by way of first pari-passu charge on entire current assets of the Company (present & future), including stocks of raw materials, stock in process, finished goods, stores & spares lying at factories, godowns or elsewhere (including goods in transit) and book debts / receivables and further secured by second pari-passu charge on entire residual fixed assets of the company.

19.2 19.2 The company has borrowings from banks on the basis of security of current assets. The company has complied with the requirement of filing of monthly/quarterly returns/ statements of current assets with the bank and these returns are in agreement with the books of accounts for the year ended 31st March 2023 and 31st March 2022

(₹ in Lacs)

20	TRADE PAYABLES	As at 31 March 2023	As at 31 March 2022
	Total outstanding dues of micro enterprises and small enterprises	1,606.19	1,568.68
	Total outstanding dues of trade payables and acceptances other than above	7,625.29	7,335.21
	Total	**9,231.48**	**8,903.89**

The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available with them. This information has been relied upon by the auditors.

(₹ in Lacs)

	Particulars	As at 31 March 2023	As at 31 March 2022
a	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
	- Principal Amount	1,606.19	1,568.68
	- Interest due		
b	the amount of interest paid by the buyer 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 during each accounting year;	-	-
c	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
d	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2023 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,606.19	-	-	-	-	1,606.20
(ii) Others	4,756.47	2,454.29	71.92	13.50	26.34	7,322.52
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	4.56	-	-	-	4.56
Total	**6,362.66**	**2,458.85**	**71.92**	**13.50**	**26.34**	**8,933.28**
Accrued Expenses						298.20
						9,231.48

Ageing Schedule

Ageing for trade payables outstanding as at March 31, 2022 is as follows: (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,568.68	-	-	-	-	1,568.68
(ii) Others	5,187.82	1,668.60	84.11	4.66	49.42	6,994.60
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-
Total	6,756.50	1,668.60	84.11	4.66	49.42	8,563.29
Accrued Expenses						340.60
						8,903.89

Notes: 1) The amount of trade payables are unsecured and non interest bearing and are usually on varying trade term.
2) The amounts falling in the category of more than one year are related to pending obligations on the part of suppliers/vendors as per agreed terms and conditions mentioned in purchase order/contract.

(₹ in Lacs)

21	OTHER CURRENT FINANCIAL LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Interest accrued but not due on borrowings	24.02	10.34
	Interest accrued and due on borrowings / Security deposits	3.26	7.65
	Unpaid dividends	36.92	36.27
	Other payables		
	Employees related liabilities	2,513.34	1,990.07
	Liability on account of outstanding forward contracts	21.95	-
	Payables for capital goods	953.81	486.68
	Others	105.33	70.86
	Total	**3,658.63**	**2,601.87**

Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from due date. The company have transferred Rs. 3.87 lacs (31st March 2022 Rs. 0.82 lacs) out of unclaimed dividend to Investor Education and Protection Fund of Central Goverement in accordance with the provisions of section 124 of Companies Act. 2013. There are no outstanding dues to be paid to Investor Education and Protection Fund.

(₹ in Lacs)

22	OTHER CURRENT LIABILITIES	As at 31 March 2023	As at 31 March 2022
	Advance from customers	2,081.21	1,298.69
	Other payables	-	-
	Statutory dues	1,195.55	965.63
	Others	7.77	42.80
	Total	**3,284.56**	**2,307.12**

23	CURRENT TAX LIABILITIES (NET)	As at 31 March 2023	As at 31 March 2022
	Provision for Tax (Net of prepaid taxes of Rs. 5,786.50 lacs)	83.76	-
	Total	**83.76**	**-**

(₹ in Lacs)

24	REVENUE FROM OPERATIONS	Year ended 31 March 2023	Year ended 31 March 2022
	Sale of products		
	Manufactured goods	1,10,032.43	90,805.43
	Traded Goods	833.39	883.36
	Other operating revenues		
	Export Incentives	496.31	420.26
	Sale of scrap	160.91	145.61
	Other operating revenue of foreign subsidiary	**-**	**51.60**
	Total	**1,11,523.04**	**92,306.26**

The Disclosures as required by Ind-AS 115 are as under :

The Company disaggregates revenue based on nature of products/geography as under :	Year ended 31 March 2023	Year ended 31 March 2022
The revenue disaggregates is as under :		
Revenue based on Geography		
Sales		
Domestic	34,400.52	30,346.37
Export	71,746.76	57,012.94
Sales related to foreign Subsidiaries	4,718.54	4,329.48
Other operating revenue		
Domestic-Export incentives and Scrap	**657.22**	**565.87**
Other operating revenue of foreign subsidiary	-	51.60
	1,11,523.04	**92,306.26**
Revenue based on Nature of Products		
Medical Devices	1,10,865.82	91,688.79
Export incentives	496.31	420.26
Scrap	160.91	145.61
other operating revenue	-	51.60
	1,11,523.04	**92,306.26**

Reconciliation of Revenue	Year ended 31 March 2023	Year ended 31 March 2022
Gross value of contract price	1,11,320.13	92,116.67
Less : Variable components i.e.,Rebate & discount	454.31	427.88
Other operating revenue	657.22	617.47
Revenue from operations as recognised in financial statement	**1,11,523.04**	**92,306.26**

Reconciliation of Advance received from Customers	As At 31 March 2023	As At 31 March 2022
Balance at the beginning of the year	1,298.69	449.71
Less : Revenue recognised out of balance of advance received from customer at beginning of year	1,199.93	428.72
Add : Advance received during the year from customers for which performance obligation is not satisfied and shall be recognised as revenue in next year	1,982.45	1,277.70
Balance at the close of the year	**2,081.21**	**1,298.69**

The Company have orders in hand as at 31st March 2023 for Rs. 17,201.14 lacs, for which performance obligation amounting to Rs. 17,201.14 lacs will be recognized as revenue during the next reporting year.

(₹ in Lacs)

25	OTHER INCOME	Year ended 31 March 2023	Year ended 31 March 2022
	Lease Rental	32.40	10.58
	Interest Income		
	Interest Income on Fixed and other Deposits	586.44	198.60
	Interest Income from Financial Assets Measured at Amortised Cost	10.96	30.53
	Other non-operating income		
	Rental Income from Investment Property	1.80	5.27
	Government Grants and Subsidies	325.19	196.53
	Income from Mutual Funds	935.50	718.34
	Miscellaneous Income	295.56	349.33
	Other Gain		
	Provisions / Liabilities no longer required written back (net)	21.23	36.89
	Gain on fixed assets sold/discarded	10.03	53.05
	Gain on Foreign Exchange Fluctuation (net)	1,399.43	1,231.10
	Unrealised gain on valuation of mutual funds measured at fair value through profit or loss	-	960.03
	Total	**3,618.54**	**3,790.25**

(₹ in Lacs)

26	COST OF RAW MATERIALS INCLUDING PACKING MATERIALS CONSUMED	Year ended 31 March 2023	Year ended 31 March 2022
	Raw Material Consumed		
	Inventory at the beginning of the year	8,364.47	5,936.05
	Add: Purchases during the year	35,324.88	31,017.98
	Less: Inventory at the end of the period	9,673.62	8,364.47
	Cost of raw material consumed (A)	**34,015.73**	**28,589.56**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Packing Material Consumed		
Inventory at the beginning of the year	853.46	840.77
Add: Purchases during the year	8,849.22	6,660.38
Less: Inventory at the end of the period	1,287.26	853.46
Cost of packing material consumed (B)	**8,415.42**	**6,647.69**
Total (A+B)	**42,431.15**	**35,237.25**

The above consumption figures are disclosed on the basis of derived figures and are after adjusting excesses and shortages ascertained on physical count, unserviceable items, etc.

(₹ in Lacs)

27	CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended 31 March 2023	Year ended 31 March 2022	(Increase)/ Decrease
	Inventories at the end of period			
	Finished Goods and Stock in Trade	5,305.17	3,735.05	(1,570.12)
	Work in progress	3,356.41	2,561.59	(794.82)
		8,661.58	**6,296.64**	**(2,364.94)**
		Year ended 31 March 2022	**Year ended 31 March 2021**	**(Increase)/ Decrease**
	Inventories at the beginning of year			
	Finished Goods and Stock in Trade	3,735.05	2,459.23	(1,275.82)
	Work in progress	2,561.59	2,342.00	(219.59)
		6,296.64	**4,801.23**	**(1,495.41)**

(₹ in Lacs)

28	EMPLOYEE BENEFITS EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Salaries, wages and bonus	18,676.64	15,132.26
	Contribution to Provident Fund and others	1,230.18	1,049.66
	Share based payment to employees	192.74	93.10
	Staff Welfare Expenses	175.02	86.97
	Total	**20,274.58**	**16,361.99**

(₹ in Lacs)

29	RESEARCH AND DEVELOPMENT EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Revenue Expenditure charged to statement of profit and loss		
	Cost of components and Material Consumed (Net)	1,102.85	1,232.04
	Employee benefits expenses	517.79	462.73
	Power and Fuel	38.78	37.00
	Travelling & Conveyance	23.32	23.43
	Other Misc Expenses	48.02	32.51
	Legal & Professional Charges	45.28	86.95
	R&D expenditure relating to Foreign subsidiary	4.21	2.45

Total amount spent on Research and Development	**1,780.25**	**1,877.11**

(₹ in Lacs)

30	FINANCE COST	Year ended 31 March 2023	Year ended 31 March 2022
	Interest expense		
	Interest on loans	558.96	312.09
	Interest on Income Tax	5.34	-
	Exchange difference to the extent considered as an adjustment to interest costs	261.19	42.68
	Interest on Lease Liabilities	28.82	17.61
	Others		
	Other amortised borrowing costs	29.55	53.10
	Total	**883.86**	**425.48**

(₹ in Lacs)

31	DEPRECIATION AND AMORTISATION EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Depreciation of tangible assets	5,296.74	5,033.11
	Amortisation of intangible assets	291.94	267.84
	Depreciation of investment properties	4.31	7.87
	Amortisation of Right of Use	123.69	86.40
	Total	**5,716.68**	**5,395.22**

(₹ in Lacs)

32	OTHER EXPENSES	Year ended 31 March 2023	Year ended 31 March 2022
	Consumption of stores and spare parts	2,147.70	1,749.55
	Power and Fuel	3,858.53	2,983.67
	Job Work Charges	7,962.86	6,604.43
	Other Manufacturing Expenses	234.07	161.12
	Repairs to Building	88.91	76.66
	Repairs to Machinery	160.97	109.90
	Repairs to Others	66.79	67.44
	Insurance (Net)	322.95	303.78
	Short term lease	192.96	223.57
	Rates, Taxes & Fee	77.57	189.21
	Travelling & Conveyance	1,717.97	1,017.49
	Legal & Professional Fees	1,337.13	1,330.72
	Auditors' Remuneration	19.46	20.08
	Commission and Sitting Fees to Non-Executive Directors	140.50	93.75
	Donations	187.32	164.21
	Bank Charges	201.88	190.87
	Advertisement	11.34	2.68
	Commission on sales	692.09	571.56
	Freight & Forwarding (Net)	741.22	620.52
	Business Promotion	273.80	126.23
	Exhibition Expenses	332.73	186.67
	Rebate, Discounts & Claims	47.52	60.31
	Provision for Doubt ful debts / Advances (net)	59.39	3.08
	Bad debts / Misc. Balances written off	14.22	66.06
	CSR Expenditure	315.34	264.94
	Communication expense	77.79	61.72

Unrealised loss on valuation of mutual funds measured at fair value through profit or loss	400.69	-
Listing fees	12.37	11.72
Other Miscellaneous Expenses	646.15	687.56
Total	**22,342.22**	**17,949.50**

Payment to Auditors	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Audit Fee	14.69	14.67
Limited Review of Results	3.00	3.00
In other capacity		
(a) For certification work	0.52	0.96
(b) For Others	0.49	0.75
Reimbursement of expenses	0.76	0.71
Total	**19.46**	**20.08**

(₹ in Lacs)

33	**TAX EXPENSES**	**Year ended 31 March 2023**	**Year ended 31 March 2022**
	Tax expenses comprises of:		
	Current tax	5,912.91	4,632.27
	Earlier year tax adjustment (net)	17.74	(24.37)
	Deferred tax	(109.76)	265.99
	Total	**5,820.89**	**4,873.89**

Reconciliation of tax expenses and accounting profit multiplied by Indian tax rate	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Profit before tax and share of profit from associates	23,556.47	19,279.76
Applicable tax rate	25.17%	25.17%
Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	5,929.16	4,852.72
Tax adjustment on account of profit of subsidiary company on consolidation	74.42	52.35
Adjustment of expenses disallowed under income tax	(6.02)	78.24
Adjustment of expenses allowable under income tax	(103.94)	(35.48)
Other allowable deduction	17.54	(315.57)
Current Tax (Normal Rate)	5,911.16	4,632.27
Additional Current Tax due to Special Rate	1.74	-
Current Tax (A)	5,912.91	4,632.27
Incremental Deferred tax Liability on timing Differences (Net)	(109.76)	265.99
Deferred Tax (B)	(109.76)	265.99
Tax expenses for earlier year (net)	17.74	(24.37)
Tax expenses recognised in the statement of profit and loss	5,820.89	4,873.89
Effective tax rate	24.71%	25.28%

POLY MEDICURE LIMITED

Notes to Consolidated Financial Statements for the year ended 31 March, 2023

CORPORATE AND GENERAL INFORMATION

Poly Medicure Limited ("the Company") is domiciled and incorporated in India and its equity shares are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the company is situated at 232B, 3rd Floor, Okhla Industrial Estate, Phase III, New Delhi, India.

The Group is a manufacturer/producer of Medical Devices.

The consolidated financial statements of the company for the year ended 31st March 2023 were approved and authorized for issue by the Board of directors in their meeting held on 09th May 2023

STATEMENT OF COMPLIANCE

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act 2013, Indian Accounting Standards and complies with other requirements of the law.

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules as amended. The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA").

Accounting Policies have been consistently applied except where a newly adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements relates to Poly Medicure Limited ('the Company') and its subsidiary companies (the company and subsidiaries referred to as "Group") and associates. The consolidated financial statements have been prepared on the following basis:

i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

ii) Where the cost of the investment is higher/lower than the share of equity in the subsidiary/ associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule. The said Goodwill is not amortized, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for in the consolidated statement of profit and loss.

iii) In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year.

iv) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

v) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

vi) Non Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

vii) Non Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

viii) Investment in Associates has been accounted under the equity method as per Ind AS 28 -Investments in Associates and Joint Ventures.

ix) Companies considered in the consolidated financial statements are:

Name of the Company	Country of incorporation	Holding as on March 31, 2023	Period of consolidation
Subsidiary			
Poly Medicure (Laiyang) Company Limited, China - (Audited)	China	100%	Apr'22 to Mar'23
Polymed BV, Netherlands - Management certified- Unaudited (Consolidated)	Netherlands	100%	Apr'22 to Mar'23
Plan 1 Health India Pvt Ltd. - (Audited)	India	99.99%	Apr'22 to Mar'23
Associates			
Ultra For Medical Products Company (Ultra Med), Egypt - Management Certified	Egypt	23%	Jan'22 to Dec'22

Classification of Assets and Liabilities into Current and Non- Current

The Group presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realized within twelve months after the reporting period; or

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

All other assets are classified as non-current.

A liability is treated as current when :

a) it is expected to be settled in normal operating cycle;
b) it is held primarily for the purpose of trading;
c) it is due to be settled within twelve months after the reporting period; or
d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

SIGNIFICANT ACCOUNTING POLICIES

a Basis of Measurement

The Financial Statements of the group are consistently prepared and presented under historical cost convention on an accrued basis in accordance with IND AS except for certain Financial Assets and Financial Liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (`INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b Property, plant and equipment

(i) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

(ii) Depreciation
Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013.

(iii) Component Accounting
When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

(iv) Stores and Spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalized as Property, plant and equipment and until that in capital work in progress.

(v) Lease Hold Assets are amortized over the period of lease.

(vi) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective property plant and equipment on completion of construction/ erection.

(vii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

(viii) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ix) Capital work in progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

c Intangible assets:

(i) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP software as 10 year and other softwares as 3 years.

(ii) Software: Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

(iii) Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities & Contingent liabilities of the acquiree. When the net fair value of identifiable assets, liabilities & Contingent liabilities acquired exceeds the cost of business acquisition, the bargain purchase excess is recognized after reassessing the fair value of net assets acquired in the capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying, on number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from the other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU.

Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to other assets of the CGU pro-rata on the basis of carrying amount of each asset in the CGU. An impairment loss on goodwill is recognized in net profit in the consolidated Statement of Profit and Loss and is not reversed in the subsequent period.

d Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognized in profit or loss in the period of derecognized.

Though the Group measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value of investment property is based on the valuation by a registered valuer as defined in Rule 2 of Companies (registered valuer and Valuation) Rules, 2017.

e Research and development cost:

Research Cost:

Revenue expenditure on research is expensed under the respective heads of account in the period in which it is incurred and is grouped as "Research and development expenses".

Development Cost:

Development expenditure on new product is capitalized as intangible asset, if technical and commercial feasibility as per Ind AS 38 is demonstrated, else charged to statement of profit and loss.

f Inventories:

Raw materials, Packing materials, Stores and Spares are valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Stock in process is valued at lower of cost (on weighted moving average cost basis) and net realizable value.

Finished goods are valued at lower of cost and net realizable value. Cost for this purpose includes direct material, direct labor, other variable cost and manufacturing overhead based on normal operating capacity and depreciation.

Stock in Trade is valued at lower of cost and net realizable value

Scrap is valued at estimated realizable value.

g Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the Group becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

h Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognized at amortized cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

(i) Investment in equity shares:

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Statement of profit and loss.

(ii) Investment in associates, joint venture and subsidiaries:

The Company's investment in subsidiaries and associates, joint venture are at carried at cost except where impairment loss recognized.

(iii) Trade receivables:

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost less credit loss/ impairment allowances/ provision for doubtful debts.

(iv) Cash and cash equivalents:

- Cash and cash equivalents are financial assets. Cash and cash equivalents consist of cash and short-term highly liquid investments that are readily convertible to cash with original maturities of three months or less at the time of purchase and are carried at cost.

- Other Bank Balances:
  Unclaimed / Unpaid dividend amount balance, deposit with bank as margin money for guarantees issued by bank, deposit kept as security deposit with statutory authorities are accounted as bank balance other than cash and cash equivalents.

- Cash Flow Statement:
  Cash Flows are reported using indirect method whereby profit for the year is adjusted for the effects of transaction of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of Group are segregated.

(v) Loans & other financial assets:
Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

i Impairment of Financial assets:
In accordance with Ind AS 109, the Group uses expected credit loss (ECL) model for evaluating, measurement and recognition of impairment loss.

j Financial liabilities:

(i) **Classification:**
The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement:**
All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement:**
All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) **Loans and borrowings:**
Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) **De-recognition of financial liabilities:**
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(vi) **Derivative financial instruments:**
The Group uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

k Impairment of non-financial assets:
At each reporting date, the Group assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

- In the case of an individual asset, at the higher of the Fair Value less cost to sell and the value in use,
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the Group estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

l Foreign exchange transactions:

(i) Functional and presentation Currency:
The functional and reporting currency of company is INR.

(ii) Transaction and Balances:
Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

m **Revenue recognition:**

The Group derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the group recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the group expects to receive in exchange for their products or services. The group disaggregates the revenue based on nature of products/Geography.

- **Export incentive:**

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

- **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

- **Interest income:**

For all Financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

- **Rental income:**

Rental income on investment properties and on operating lease are accounted for on accrual basis.

n **Government Grant**

- Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group has complied with all attached conditions.

- Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

- Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

- In respect of Property, Plant and Equipment purchased under Export Promotion Capital Goods (EPCG) scheme of Government of India, exemption of custom duty under the scheme is treated as, Government Grant and is recognized in Statement of Profit and Loss on fulfillment of associated export obligations.

o **Employees Benefits:**

i) Short term employee Benefit:

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

ii) Defined Contribution Plan:

Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

iii) Defined Benefit Plan:

The Leave Encashment (Unfunded) and Gratuity (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognized in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The group recognizes the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

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

iv) Long term Employees Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

v) Termination benefits:

Termination benefits are recognized as an expense in the period in which they are incurred.

The group shall recognize a liability and expense for termination benefits at the earlier of the following dates:

(a) when the entity can no longer withdraw the offer of those benefits; and
(b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

p **Share based payments:**

Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognized in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to Share based Payments Reserve. The dilutive effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

q Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognized as expense in the period in which they are incurred.

r Leases:

Group as a Lessee:

In accordance with IND AS 116, the group recognizes right of use assets representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of right of use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payment made at or before commencement date less any lease incentive received plus any initial direct cost incurred and an estimate of cost to be incurred by lessee in dismantling and removing underlying asset or restoring the underlying asset or site on which it is located. The right of use asset is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any, and adjusted for any remeasurement of lease liability. The right of use assets is depreciated using the straight line method from the commencement date over the shorter of lease term or useful life of right of use asset. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are tested for impairment whenever there is any indication that there carrying amounts may not be recoverable. Impairment loss, if any, is recognize in statement of profit and loss.

The group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the group uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modification or to reflect revised-in-substance fixed lease payments, the group recognizes amount of remeasurement of lease liability due to modification as an adjustment to right of use assets and statement of profit and loss depending upon the nature of modification. Where the carrying amount of right of use assets is reduced to zero and there is further reduction in measurement of lease liability, the group recognizes any remaining amount of the remeasurement in statement of profit and loss.

The group has elected not to apply the requirements of IND AS 116 to short term leases of all assets that have a lease term of twelve month or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on straight line basis over lease term.

Group as a Lessor:

At an inception date, leases are classified as financial lease or operating lease. Leases where the group does not transfer substantially all risk and reward incidental to the ownership of the asset are classified as operating lease. Lease rental under operating lease are recognised as income in profit and loss account on straight line basis.

s Taxes on income:

(i) Current Tax:

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax:

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognized directly in equity.

t Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General:

The group recognizes provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the group will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a financing cost.

Contingent liability is disclosed in the case of:

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

  Contingent assets are not recognized but disclosed in financial statement when an inflow of economic benefits is probable.

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

(ii) Other Litigation claims:
Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

(iii) Onerous contracts:
Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

u Exceptional Items:
On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the group is such that its disclosure improves the understanding of the performance of the group, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

v Earnings per share:
Basic Earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

w Segment reporting:
The operating segment of the group is medical devices and the same have been evaluated on management approach as defined in Ind AS-108 "Operating Segment". The group accordingly reports its financials under one segment namely "Medical Devices".

x Financial statement classification:
Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the group classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

y Fair value measurement:
The group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability.

  Or

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

The principal or the most advantageous market must be accessible by the group.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole;

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

z Significant Accounting Judgments, Estimates and Assumptions:
The preparation of the group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

ii Fair value measurement of financial instruments:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

iii Defined benefit plans:
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These Includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iv Lease:
The group evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The group determines the lease term as the non-cancellable period of lease, together with both periods covered by an option to extend the lease if the group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the group is reasonably certain not to exercise that option. In excising whether the group is reasonably certain to exercise an option to extend a lease or to exercise an option to terminate the lease, it considers all relevant facts and circumstances that create an economic incentive for the group to exercise the option to extend the lease or to exercise the option to terminate the lease. The group revises lease term, if there is change in non-cancellable period of lease. The discount rate used is generally based on incremental borrowing rate.

v Depreciation/Amortization and useful life of Property, Plant and Equipment:
The group has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act. 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.

vi Impairment of Financial & Non-Financial Assets:
The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The group uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.

vii Provisions:
The Company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.

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

ix **Impairment of Goodwill**: Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than the carrying amount, the impairment loss is accounted. For impairment loss, goodwill is allocated to CGU which benefit from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purpose. The recoverable amount of CGU is determined based on higher of value in use and fair value less cost to sell and value in use is present value of future cash flows expected to be derived from CGU.

Key assumption in the cash flow projection are prepared based on current economic conditions and comprises estimated long term growth rate, estimated operating margin.

aa Capital:
Debt and equity instruments:
Ordinary equity shares are classified as equity. Debt instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement.

ab Other Miscellaneous Expenses
Public Issue Expenditure/Share issue expenses on private placement basis/FCCB's issue expenditure is being written off against Securities/Share premium, net of taxes, in the year of issue.

34 Fair value measurement

i Financial instruments: Accounting classification and fair value measurements
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the Accounting Standard. An explanation of each level follows underneath the table.

(₹ in Lacs)

Particulars	31-Mar-23						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	764.20	-	-	764.20	-	-	-
In Liquid Mutual Funds	11,859.22	11,859.22	-	-	-	11,859.22	-
Trade receivables	23,543.20	-	-	23,543.20	-	-	-
Cash & cash equivalents	706.24	-	-	706.24	-	-	-
Other bank balances	17,600.21	-	-	17,600.21	-	-	-
Loans	29.77	-	-	29.77	-	-	-
Other financial assets	1,870.47	-	-	1,870.47	-	-	
Total financial assets	**56,373.31**	**11,859.22**	**-**	**44,514.09**	**-**	**11,859.22**	**-**
Financial liabilities							
Borrowings	14,643.39	-	-	14,643.39	-	-	-
Trade payables	9,231.48	-	-	9,231.48	-	-	-
Lease Liabilities	258.29	-	-	258.29			
Other financial liabilities	3,724.29	21.95	-	3,702.34	-	21.95	-
Total financial liabilities	**27,857.45**	**21.95**	**-**	**27,835.50**	**-**	**21.95**	**-**

(₹ in Lacs)

Particulars	31-Mar-22						
	Carrying Value	Classification			Fair Value		
		FVPL	FVOCI	Amortized Cost	Level 1	Level 2	Level 3
Financial assets							
Investments							
In subsidiaries / Associates	976.88	-	-	976.88	-	-	-
In Liquid Mutual Funds	33,659.72	33,659.72	-	-	-	33,659.72	-
Trade receivables	20,662.89	-	-	20,662.89	-	-	-
Cash & cash equivalents	775.74	-	-	775.74	-	-	-
Other bank balances	767.85	-	-	767.85	-	-	-
Loans	34.16	-	-	34.16	-	-	-
Other financial assets	2,724.90	40.22	-	2,684.68	-	40.22	
Total financial assets	**59,602.14**	**33,699.94**	**-**	**25,902.20**	**-**	**33,699.94**	**-**
Financial liabilities							
Borrowings	12,527.45	-	-	12,527.45	-	-	-
Trade payables	8,903.89	-	-	8,903.89	-	-	-
Lease Liabilities	143.39	-	-	143.39			
Other financial liabilities	2,654.22	-	-	2,654.22	-	-	-
Total financial liabilities	**24,228.95**	**-**	**-**	**24,228.95**	**-**	**-**	**-**

The carrying amount of bank balances, Trade Receivable, Trade Payable, other financial assets/liabilities, loans, cash and cash equivalents, borrowings are considered to be the same as their fair value due to their short term nature.

The levels have been classified based on the followings:

Level 1: It hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by BSE, NSE etc. basis which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be, that have quoted price/rate/value.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximize the use of observable market data (either directly as prices or indirectly derived from prices) 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 Techniques used to determine fair value

Valuation Techniques used to determine fair value include
- Open ended mutual funds and certain bonds and debentures at NAV's/rates declared and/or quoted.
- Close ended mutual funds at NAV's declared by AMFI.
- For other bonds and debentures values with references to prevailing yields to maturity matching tenures, quoted on sites of credible organization such as FIMMDA (Fixed Income Money Market and Derivative Association of India).
- Derivative Instruments at values determined by counter parties/Banks using market observable data.
- Derivative Instruments at values determined by counter parties/Banks using market observable data.

35 CONTINGENT LIABILITIES AND COMMITMENTS

a. Contingent liabilities not provided for: (₹ in Lacs)

Particulars	**Year Ended 31-Mar-23**	**Year Ended 31-Mar-22**
Compensation for enhanced cost of Land pending with District & Session Court Faridabad (Amount paid ₹ 2.33 lacs, Previous year ₹ 2.33 lacs)	9.34	9.34
Show cause notice issued by Principal Commissioner of Customs for which suitable response filed.	849.03	424.52
Show cause notice issued by Assistant Commissioner of CGST for which suitable response filed.	82.20	
Income tax demand for AY 2017-18 under section 270 A of Income Tax Act 1961 and also for A.Y. 2018-19 u/s 143(3) and 154 of Income Tax Act 1961 for which the company have filed appeal before CIT(Appeal).	152.5	93.80
Demand from National Pharmaceutical Pricing Authority (Net)	66.88	66.88

The Company has suitably replied to show cause notices and is also representing before Appellate Authority in respect of income tax demand. The management of the Company believes that its position will likely to be upheld in the appellate process. The Company does not expect any liability against these matters in accordance with the principle of Ind AS 12 "Income Tax" read with Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets" and hence no provision is required to be made in respect of above in the books of account of the Company.

b. Obligations and commitments outstanding:

Particulars	**Year Ended 31-Mar-23**	**Year Ended 31-Mar-22**
Unexpired letters of credit ₹ 2,173.08 lacs (Previous year ₹ 2,362.54 lacs) and Guarantees including for issuing stand by letter of credit issued by bankers ₹ 1,612.05 lacs (Previous year ₹ 1,871.80 lacs), (Net of margins)	3,785.13	4234.34
Bills discounted but not matured	134.14	789.8
Custom duty against import under EPCG Scheme	1828.18	1305.45
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances given)	11319.48	11339.78

36 Financial Risk Management

The Group activities expose it to price risk, credit risk, liquidity risk and market risk.

This note explains the source of risk which the group is exposed to and how it manages the risk and its impact on the financial statement. These risks are managed by the senior management of the group supervised by the Board of Directors to minimize potential adverse effects on the financial performance of the group.

Risk	**Exposure arising from**	**Measurement**	**Management**
Credit Risk	Cash & cash equivalent, Financial instruments, Financial assets & Trade Receivable	Credit Rating and ageing analysis	Diversification of counter Parties, setting of trade receivable, review of outstanding / overdues
Liquidity Risk	Other Liabilities	Maturity Analysis	Maintenance of Sufficient cash and cash Equivalent, Fixed Deposit & other marketable securities
Market Risk - Foreign exchange	Highly probable forecast transactions	Sensitivity analysis	Forward Foreign Exchange Contracts

The Board of Directors of the group provides guiding principles for overall risk management, as well as policies covering specific areas i.e. foreign exchange risk, credit risk & Investment of Surplus liquidity.

The group's risk management is carried out by finance department, accordingly, this department identifies, evaluates and hedges financial risk.

A) Price Risk

The main Raw materials for manufacturing of Medical devices are various types of Plastic Granules i.e. PP, LDPE, HDPE, PC, PA, SAN, ABS and K. Resin etc. The prices of Raw materials are mainly dependent on the price of Crude Oil. The majority of Raw materials are being imported by the group and the few are procured indigenously. In case of imported Raw materials, the adverse forex movements are covered by the natural hedge. In case of the drastic price rise of Raw materials during the year, the group makes appropriate changes in the prices of Finished Products, after due discussions with the customers. The prices of Finished Goods are generally reviewed every year and appropriate changes in prices are made to offset the increase in cost.

B) Credit Risk

Credit risk arises from cash and cash equivalents, financial assets measured at amortized cost and fair value through profit or loss and trade receivables

Credit Risk Management

The company has invested in fixed deposits and liquid mutual funds and have invested only with those funds plan having good credit rating / track record. The group reviews the creditworthiness of these counterparties on an ongoing basis. Another credit risk at the reporting date is from trade receivables as these are typically unsecured. This credit risk has always been managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customer to whom credit is extended in normal course of business. The group estimates the expected credit loss on the basis of past data and experience. The group also takes proper ECGC cover based on risk based classification of trade receivables.

The Geographical concentration of trade receivable (net of allowance) is as under:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
India	6111.72	4,655.85
Europe	6,335.10	5,030.36
USA	287.78	275.18
Others	10,808.60	10,701.50
Total	**23,543.20**	**20,662.89**

Review of outstanding trade receivables and financial assets is carried out by the management each quarter. The group has a practice to provide for provision for doubtful debts on the basis of duly board approved policy on provision for bad & doubtful debts.

Reconciliation of loss allowance provisions:

(₹ in Lacs)

Particulars	Deposits	Trade receivable	Advances
Loss Allowance as on 1 April 2021	6.68	43.68	116.36
Change In loss allowance	-	(5.78)	-
Loss Allowance as on 31 March 2022	6.68	37.90	116.36
Change In loss allowance	3.44	149.95	(97.50)
Loss Allowance as on 31 March 2023	**10.12**	**187.85**	**18.86**

C) 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 interest rate. The group's main interest rate risk arises from long term borrowings with variable rates (LIBOR plus) which exposes the group to cash flow interest rate risk.

i) Interest rate risk exposure - The exposure of the group's borrowing to interest rate changes at the end of reporting period is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Variable rate borrowing	14643.39	12,418.50
Fixed rate borrowing	-	108.95
Total	**14,643.39**	**12,527.45**

ii) Sensitivity analysis: For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole year:-

(₹ in Lacs)

Particulars	Impact on profit before tax for the year ended	
	31-Mar-23	31-Mar-22
Interest rate- increase by 50 basis point	73.22	62.09
Interest rate- decrease by 50 basis point	(73.22)	(62.09)

D) Liquidity Risk

The group's principle source of liquidity are cash & cash equivalent and cash flows that are generated from operations. The group believes that its working capital is sufficient to meet its current requirement. Additionally, the group has sizeable surplus funds in liquid mutual fund and also in fixed deposit ensuring safety of capital and availability of liquidity as and when required hence, the group do not perceive any liquidity risk.

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
The group has working capital funds which Includes		
Cash and cash equivalent	706.24	775.74
Current investments in liquid mutual funds	11,859.22	33,659.72
Bank balances	17,600.21	767.85
Trade receivable	23,543.20	20,662.89
Total	**53,708.87**	**55,866.20**

Besides above, the company had access to the following undrawn facilities at the end of reporting period:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Fixed		
Cash credit and other facilities	10436.76	3810.26
Variable		
Other facilities	-	-

Contractual maturities of significant financial liabilities are as under :
Maturities of financial liabilities

(₹ in Lacs)

Particulars	Less than and equal to one year	More than one year	Total
As at 31 March 2023			
Trade payable	9,231.48	-	9,231.48
Other Financial liabilities	16,675.26	1,950.71	18,625.97
Total	**25,906.74**	**1,950.71**	**27,857.45**
As at 31 March 2022			
Trade payable	8,903.89	-	8,903.89
Other Financial liabilities	11,422.03	3,903.03	15,325.06
Total	**20,325.92**	**3,903.03**	**24,228.95**

E) Market Risk

Foreign Currency Risk

The group operates significantly in international markets through imports and exports and therefore exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD/Euro/GBP/JPY. The risk is measured through sensitivity analysis by natural hedging due to imports and exports. In order to minimize any adverse effect on the financial performance of the group, financial instrument such as foreign exchange forward contracts are used exclusively to mitigate currency risk.

(i) The company uses foreign exchange forward contracts to mitigate exposure in foreign currency risk. The foreign exchange forward contract outstanding at reporting date are as under: -

Particulars	Type	Currency	As at			
			31-Mar-23		31-Mar-22	
			FC	INR	FC	INR
Forward Contracts		USD:INR	25.00	2,054.00	91.00	6,890.79
	Sell	EURO:INR	-	-	0.90	75.69
		GBP:INR	-	-	-	-
	Buy	EURO:INR	-	-	-	-
		JPY:INR	-	-	159.00	99.00

(ii) Particulars of Unhedged Foreign Currency Exposure as at reporting date (Net exposure to Foreign Currency Risk)

Particulars	Currency	As at			
		31-Mar-23		31-Mar-22	
		FC	INR	FC	INR
Receivable / (Payable)	USD:INR	75.18	6,176.72	37.22	2,818.24
	EURO:INR	5.40	481.20	(19.74)	(1,658.36)
	USD:INR	-	-	-	-
	EURO:INR	-	-	-	-
	GBP:INR	6.41	649.67	0.82	81.11
	CAD:INR	-	-	-	-
	LE.:INR	36.37	97.26	28.50	118.85
	SEK:INR	-	-	-	-
	JPY:INR	(513.80)	(318.09)	(148.17)	(92.21)
	AUD:INR	-	-	-	-
	SGD:INR	0.20	17.93	-	-

(iii) Maturity of outstanding foreign exchange forward contracts

The details in respect of maturity of outstanding forward exchange forward contract are as given: -

(₹ in Lacs)

Particulars	Type	Currency	As at	
			31-Mar-23	31-Mar-22
Not later than 3 months		USD:INR	1,027.00	1,211.57
	Sell	EURO:INR	-	75.69
		GBP:INR	-	-
	Buy	EURO:INR	-	-
		JPY:USD	-	49.16
Later than 3 months and not later than 6 months		USD:INR	616.20	1,817.35
	Sell	EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	24.89
Later than 6 month & not later than one year		USD:INR	410.80	3,861.87
	Sell	EURO:INR	-	-
		GBP:INR	-	-
	Buy	JPY:USD	-	24.89

(iv) The mark to market gain or loss on foreign currency are as under: -

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Mark to market loss / (Gain) accounted for (Net)	62.17	(52.07)

37 CAPITAL MANAGEMENT

a) **Risk Management -** The group is cash surplus and has no capital other than equity. The Cash surplus are currently invested in Liquid mutual funds and also in fixed deposit with banks. Safety of capital is of prime importance to ensure availability of capital for group's business requirement. Investment objective is to provide safety and adequate return on surplus funds. The group's adjusted net debt to equity ratio at the end of reporting period is as follows:

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Gross borrowings	14,643.39	12,527.45
Less: cash and cash equivalents	706.24	775.74
Adjusted net debt	13,937.15	11,751.71
Total Equity	1,24,162.72	1,08,748.14
Adjusted net debt to equity	11.22%	10.81%

The group's total owned funds of ₹1,24,162.72 Lacs with ₹13,937.15 Lacs as net debts is considered adequate by the management to meet its business interest and any capital risk it may face in the future.

b) **Loan Covenants**
Under the terms of borrowing facilities, the group is required to comply with certain financing covenants and the group has complied with those covenants through out the reporting period.

c) Dividend

(₹ in Lacs)

Particulars	As at	
	31-Mar-23	31-Mar-22
Dividend recognized in the financial statements		
Final dividend paid in financial year 31st March 23 pertaining to financial year ended 31st March 22	(2,397.95)	(2,397.01)
Dividend not recognized in the financial statements		
In addition to the above dividend, since year end, the Board of directors have recommended the payment of final dividend of ₹ 3 per equity share (PY ₹ 2.5 per equity share)		

This dividend is subject to the approval of shareholders of the company in ensuing Annual General Meeting and upon approval would result in cash outgo of approx. ₹ 2,878.33 Lacs

38 The group has adopted Ind AS 116 effective annual reporting period beginning April 1, 2019 and applied the Standard to its leases retrospectively with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the group has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to opening balance of retained earnings as on April 1, 2019.

The lease payments including interest have been disclosed under cash flow from financing activities. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognized in balance sheet at the date of initial application.

On application of Ind AS 116, the nature of expense has changed from lease rent in previous periods to depreciation cost for right of use asset and finance cost for interest accrued on lease liability.

The details of right of use asset held by the company is as follows:

Particulars	As at 31-Mar-23	As at 31-Mar-22
Balance at the beginning of the year	115.20	216.58
Addition during the year	371.07	-
Depreciation for the year	123.69	86.40
Adjustment on account of modification in lease term	115.20	14.98
Closing balance at the end of the year	**247.38**	**115.20**

The Following is break up of current and non-current lease liabilities as at 31st March 2023

Particulars	As at 31-Mar-23 (Rs.in Lakhs)	As at 31-Mar-22 (Rs.in Lakhs)
Current lease liabilities	123.36	105.43
Non-Current lease liabilities	134.93	37.96
Total	**258.29**	**143.39**
The following is movement in lease liabilities during the year ended 31 March 2023		
Particulars	**Year ended 31-Mar-23**	**Year ended 31-Mar-22**
Balance at the beginning of the year	143.39	328.98
Addition during the year	371.07	-
Finance cost accrued during the year	28.82	17.61
Modification in lease term	-	89.20
Deletions	143.39	-
Payment of lease liabilities (including interest)	141.60	114.00
Balance at the end of the year	**258.29**	**143.39**

Depreciation on right of use asset is Rs 123.69 lacs and Interest on lease liability for year ended 31st March 2023 is Rs 28.82 lacs
Lease Contracts entered by the group majorly pertains to building taken on lease to conduct the business activities in ordinary course.

The Table below provides details regarding the contractual maturities of lease charges as at 31 March 2023 on an undiscounted basis:

Particulars:	Short term lease charges payable	Long term lease Charges payable	As at 31st March 2023 (Rs in Lacs)	As at 31st March 2022 (Rs in Lacs)
Less than one year	-	141.6	141.6	114
Up to five year	-	141.6	141.6	38
More than five year	-	-	-	-

The group do not foresee liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

Rental expense recorded for short term lease amounted to Rs. 192.96 lacs and grouped as short term lease expense in Note No. 32 " other expense"

39 RELATED PARTY DISCLOSURES:
Related party disclosures as required by Ind AS - 24 "Related Party Disclosures" are as under:

A <u>List of related parties and relationships</u>

a Associate

1 Ultra For Medical Products (UMIC), Egypt

b <u>Key Management Personnel & Relative</u>

1 Mr. Himanshu Baid (Managing Director)
2 Mr. Rishi Baid (Joint Managing Director)
3 Mr. Naresh Vijayvergiya (CFO)
4 Mr. Ravi Prakash (Dy. Company Secretary) w.e.f 24th May 2022

5 Mr. Avinash Chandra (Company Secretary)
6 Mr. Devendra Raj Mehta (Independent Director)
7 Mr. Prakash Chand Surana (Independent Director)
8 Mr. Shailendra Raj Mehta (Independent Director)
9 Dr. Sandeep Bhargava (Independent Director)
10 Mr. Alessandro Balboni (Director)
11 Mr. Amit Khosla (Independent Director)
12 Mrs. Sonal Mattoo (Independent Director)
13 Mr. Ambrish Mithal (Independent Director) w.e.f 04th August 2022
14 Mr. J. K. Baid (Director- relative of Managing Director & Joint Managing Director)
15 Mr. Vishal Baid (President- relative of Managing Director & Joint Managing Director)
16 Mrs. Mukulika Baid (Director- relative of Managing Director & Joint Managing Director)
17 Mr. Dhruv Baid (Manager- relative of Managing Director & Joint Managing Director)
18 Mr. Arham Baid (Manager- relative of Managing Director & Joint Managing Director)
19 Mr. Aaryaman Baid (Manager- relative of Managing Director & Joint Managing Director)

c <u>Enterprises over which key management personnel and their relatives exercise significant influence</u>
1 Vitromed Healthcare
2 Jai Polypan Pvt. Ltd.
3 Stilocraft
4 Polycure Martech Ltd.
5 Jai Chand Lal Hulasi Devi Baid Charitable Trust

B Transactions with related parties

(₹ In lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Sales of Goods	**859.05**	**756.04**			**1,587.80**	**2,783.62**
Ultra for Medical Products, Egypt	859.05	756.04				
Vitromed Healthcare					1,587.80	2,783.62
Purchases of Goods					**30.36**	**43.66**
Vitromed Healthcare					30.36	43.66
Job work					**6,693.36**	**5,776.34**
Vitromed Health Care					6,693.36	5,776.34
Rent received					**0.20**	**0.20**
Virtomed Healthcare					0.20	0.20
Rent paid					**1.70**	**1.70**
Jai Polypan Pvt. Ltd.					1.70	1.70
CSR Expenses	**123.00**	**125.86**				
Jai Chand Lal Hulasi Devi Baid Charitable Trust	123.00	125.86				
Advance From Associates	**-**	**28.35**				
Ultra for Medical Products, Egypt	-	28.35				
Directors / Key Managerial Personnel's' Remuneration including commission			**2,672.02**	**2,237.64**		
Mr. Himanshu Baid			1,300.63	1,072.08		
Mr. Rishi Baid			1,247.28	1,042.59		
Mr. J. K. Oswal			-	26.77		
Mr. Naresh Vijayvargiya			98.98	82.38		
Mr. Avinash Chandra			16.74	13.82		
Mr. Ravi Prakash			8.39	-		
Defined benefit obligations*			**(0.73)**	**40.92**		
Mr. Himanshu Baid			(1.74)	13.11		

Mr. Rishi Baid			(0.84)	11.58		
Mr. J. K. Oswal			-	13.13		
Mr. Naresh Vijayvergiya			1.58	3.03		
Mr. Avinash Chandra			(0.01)	0.07		
Mr. Ravi Prakash			0.28	-		
Salary and perquisites			**171.48**	**123.11**		
Mr. Vishal Baid			171.48	123.11		
Salary and perquisites			**258.83**	**194.81**		
Mr. Dhruv Baid			87.99	79.46		
Mr. Arham Baid			85.42	59.60		
Mr. Aaryaman Baid			85.42	55.75		
Commission and Sitting fees			**128.00**	**93.75**		
Mr. J. K. Baid			14.25	11.25		
Mrs. Mukulika Baid			14.25	11.25		
Mr. Devendra Raj Mehta			16.00	12.50		
Mr. Prakash Chand Surana			14.00	12.00		
Mr. Shailendra Raj Mehta			15.50	12.25		
Dr. Sandeep Bhargava			14.50	11.50		
Mr. Amit Khosla			15.75	12.00		
Mrs. Sonal Mattoo			14.75	11.00		
Mr. Ambrish Mithal			9.00	-		
Mr. Alessandro Balboni			**239.25**	**150.83**		
Management Fees			225.75	150.83		
Director Sitting Fees			1.50			
Commission			12.00			

* The reduction/reversal in Defined benefit obligation is due to changes in leave encashment entitlements.

Outstanding balances at the year end

(₹ In lacs)

Particulars	Associate		Key Management personnel and their relatives		Enterprises controlled by key management personnel and their relatives	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022	31-03-2023	31-03-2022
Dividend / Share Governing Council outstanding	97.26	118.35				
Ultra for Medical Devices	97.26	118.35				
Directors' Remuneration / Salary payable			**909.24**	**695.07**		
Mr. Himanshu Baid			439.43	333.86		
Mr. Rishi Baid			439.75	337.98		
Mr. Vishal Baid			11.21	5.01		
Mr. Dhruv Baid			5.46	3.79		
Mr. Arham Baid			4.01	4.51		
Mr. Aaryamann Baid			4.01	4.57		
Mr. Naresh Vijayvergiya			4.67	4.82		
Mr. Avinash Chandra			0.22	0.53		
Mr. Ravi Prakash			0.48	-		
Commission Payable			**93.60**	**64.80**		
Mr. J. K. Baid			10.80	8.10		
Mrs. Mukulika Baid			10.80	8.10		
Mr. Devendra Raj Mehta			10.80	8.10		
Mr. Prakash Chand Surana			10.80	8.10		
Mr. Shailendra Raj Mehta			10.80	8.10		

Dr. Sandeep Bhargava			10.80	8.10		
Mr. Amit Khosla			10.80	8.10		
Mrs. Sonal Mattoo			10.80	8.10		
Mr. Ambrish Mithal			7.20	-		
Management Fee & Other Payable			**25.04**	**23.98**		
Mr. Alessandro Balboni			25.04	23.98		
Trade Receivable	**647.23**	**419.48**				
Ultra for Medical Products, Egypt	647.23	419.48			-	-
Trade Payable / Payable for capital goods/Rent payable					**-**	**0.28**
Jai Polypan Pvt. Ltd.					-	0.28
Advance from customer	**-**	**28.35**				
Ultra for Medical Products, Egypt	-	28.35				

40 EARNINGS PER SHARE (EPS) OF 5/- EACH:

Particulars	Year Ended	
	31-Mar-23	**As at 31-Mar-22**
Net profit after tax available for equity share holders (₹ In lacs)	17,928.25	14,650.60
Basic Earnings per Share		
Number of shares considered as Basic weighted average shares outstanding during the year	9,59,16,495	9,58,88,694
Basic Earnings per Share (in ₹)	18.69	15.28
Diluted Earnings per Share		
Weighted Average no. shares outstanding during the year	9,59,16,495	9,58,88,694
Effect of dilutive issue of stock options	1,04,450	75,500
Weighted Average no. shares outstanding for diluted EPS	9,60,20,945	9,59,64,194
Diluted Earnings per Share (in ₹)	18.67	15.27

41 EMPLOYEE BENEFIT:

As per Ind AS - 19 “Employee Benefits”, the disclosures are as under:

I Defined Contribution Plan - Provident Fund

The company makes contribution towards Provident Fund to Regional fund commissioner. The contribution payable by the company are at the rates specified in the rules of the scheme.

During the period, the company has recognized the following amount in statement of profit and loss

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Employers' contribution to provident fund * #	755.38	649.63

* included in “contribution to provident fund and others” under employee benefit expenses (refer note no. 28)
# excluding contribution to provident fund transferred to Research and Development Expenses ₹ 12.64 lacs (PY ₹ 9.19 lacs).

II Defined Benefit Plan

The company has formed a employees gratuity trust which is administrated by Life Insurance Corporation of India (LIC). The company makes contribution towards funding the defined benefit plan pertaining to gratuity to LIC. The Leave Encashment liability is not contributed to any fund and is unfunded. The present value of the defined benefit obligation and related current cost are measured using projected unit credit method with actuarial valuation being carried out at balance sheet date.
The amount recognized are as under:

a) **Gratuity (Funded)**

(i) Present Value of Defined benefit Obligation

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Obligations at year beginning	397.65	382.28
Service Cost - Current	65.63	58.65
Service Cost - Past	-	
Interest expenses	28.71	25.96
Actuarial (gain) / Loss on PBO	(22.43)	(32.60)
Benefit payments	(40.24)	(36.64)
Addition due to transfer of employee	-	-
Obligations at year end	**429.31**	**397.65**

(ii) Change in plan assets

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Fair value of plan assets at the beginning of the period	**262.59**	**281.06**
Actual return on plan assets	16.54	19.70
Less- FMC Charges	(0.21)	(1.52)
Employer contribution	1.00	-
Benefits paid	(40.24)	(36.64)
Fair value of plan assets at the end of the period	**239.68**	**262.59**

(iii) Assets and Liabilities recognized in the Balance Sheet

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Present Value of the defined benefit obligations	429.31	397.65
Fair value of the plan assets	239.68	262.59
Amount recognized as Liability	**189.63**	**135.05**

(iv) Defined benefit obligations cost for the year:

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	**31-Mar-22**
Service Cost - Current	65.63	58.65
Service Cost - Past	-	-
Interest Cost	9.75	6.87
Expected return on plan assets	-	-
Actuarial (gain) loss	-	-
Net defined benefit obligations cost	**75.38**	**65.52**

(v) Amount recognized in Other Comprehensive Income (OCI)

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain / (loss) for the year on PBO	22.43	32.60
Actuarial gain /(loss) for the year on Asset	(2.63)	(0.91)
Unrecognized actuarial gain/(loss) for the year	**19.80**	**31.69**

(vi) Investment details of Plan Assets

Particulars	Year ended	
	31-Mar-23	31-Mar-22
The details of investments of plan assets are as follows:	-	-
Funds managed by Insurer	100%	100%
Total	**100%**	**100%**

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vii) Actuarial assumptions:

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Discount Rate per annum	7.36%	7.22%
Future salary increases	4.00%	4.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(viii) Demographic Assumptions:

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company, business plan, HR Policy etc. as provided in the relevant accounting standard.

Particulars	Year ended	
	31-Mar-23	31-Mar-22
i) Retirement Age (Years)	60.00	60.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	
iii) Attrition at Ages	Withdrawal Rate %	
Up to 30 Years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

(ix) Amount recognized in current year and previous four years:

(₹ in lacs)

	Year ended				
	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-20	31-Mar-19
Defined benefit obligations	429.31	397.65	382.28	333.23	321.58
Plan assets	(239.68)	(262.59)	(281.06)	(161.91)	(157.55)
Deficit /(Surplus)	**189.63**	**135.05**	**101.22**	**171.32**	**164.03**

(x) Expected Contribution to the Fund in the next year

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Service Cost	85.01	77.16
Net Interest Cost	13.96	9.75
Expected contribution for next annual reporting period	**98.97**	**86.91**

(xi) Sensitivity Analysis

The sensitivity of defined benefit obligations to changes in the weighted principal assumptions is :

	"Change in Assumption"		"Increase in Assumption"			"Decrease in Assumption"		
	31-Mar-23	31-Mar-22	Impact	31-Mar-23	31-Mar-22	Impact	31-Mar-23	31-Mar-22
Discount Rate per annum	0.50%	0.50%	Decrease by	(24.54)	(23.65)	Increase by	26.87	25.94
Future salary increases	0.50%	0.50%	Increase by	26.27	25.32	Decrease by	(24.20)	(23.19)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognized in balance sheet.

(xii) Maturity Profile of Defined Benefit Obligation

(₹ in lacs)

Sr. No.	Year	Amount
a	0 to 1 Year	17.24
b	1 to 2 Year	6.90
c	2 to 3 Year	13.44
d	3 to 4 Year	8.87
e	4 to 5 Year	18.87
f	5 to 6 Year	23.21
g	6 Year onwards	340.77

(xiii) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

A) **Salary Increases:** Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) **Investment Risk:** If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) **Discount Rate:** Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) **Mortality & disability:** Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) **Withdrawals:** Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

b) **Leave Encashment (Unfunded)**

The Leave Encashment liability of ₹ 157.63 lacs form part of long term provision ₹ 136.66 Lacs (PY ₹ 167.05 Lacs) and short term provision ₹ 20.97 Lacs (PY ₹ 18.74 Lacs) and is unfunded and does not require disclosures as mentioned in para 158 of Ind AS 19.

42 SEGMENT INFORMATION:

Description of segment and principal activity.

The Group is primarily in the business of manufacture and sale of medical devices. Operating segments are reported in the manner consistent with internal reporting to Managing director of the group. The Group has regular reviews procedures in place and Managing director reviews the operations of the Group as a whole, Hence there are no reportable segments as per Ind AS 108 Operating segment.

Information about Geographical areas

The following information discloses revenue from customers based on geographical areas.

i) Revenue on product group wise (Ind AS 108, Para 32)

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Medical Devices	1,10,865.82	91,688.79
Total	**1,10,865.82**	**91,688.79**

ii) Revenue as per geographical area (Ind AS 108, Para 33 (a))

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
With in India	34,400.52	30,346.37
Outside India (Including Revenue of foreign subsidiaries)	76,465.30	61,342.42
Total	**1,10,865.82**	**91,688.79**

iii) None of the non-current assets of standalone company (other than financial instruments, investment in associates) are located outside India. The non-current assets of foreign subsidiaries (other than financial instruments, goodwill and investment) located outside India are as under:

(₹ in lacs)

Country where assets are located	Year ended	
	31-Mar-23	31-Mar-22
China	420.31	461.79
Netherlands	0.22	0.46
Italy	455.61	399.45
Total	**876.14**	**861.70**

iv) None of the customers of the Group individually account for 10% or more sale.

v) The group is manufacture of medical devices and has concluded that owing to nature of products the group manufactures, impact of COVID-19 is not material based on revenue estimates.

43 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The details of expenditure incurred on CSR are as under:

(₹ in lacs)

Sr. No.	Particulars	Year ended	
		31-Mar-23	31-Mar-22
1	The Gross amount required to be spent by the company during the year as per Section 135 of Companies Act 2013 read with Schedule VII	315.34	263.16
2	Amount of expenditure incurred on:	-	-
	i. Construction / acquisition of any assets	-	-
	ii. On purposes other than (i) above	298.35	264.94
3	Unspent amount in CSR related to on-going project transferred to separate bank account.	16.99	-
4	Total of previous years shortfall	-	-
5	Reason for shortfall	NA	NA
6	Nature of CSR activities	-	-

	Promoting education, Promotion of Healthcare, Food relief activity, Social welfare, Covid 19 related assistance/Specific products		
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard		
	Contribution to JAI CHAND LAL HULASI DEVI BAID CHARITABLE TRUST in relation to CSR expenditure	123.00	125.86

#The company is contributing in ongoing school project and have created provision of Rs. 16.99 lacs for unspent amount on-ongoing project and is being shown as provision for CSR expense in note no 17 and the company has transferred a sum of Rs. 16.99 lacs in separate bank account as required by section 135(6) of Companies Act 2013.

44 SHARE BASED PAYMENTS:

'The company has formulated "Poly Medicure Employee Stock Option Scheme, 2016 (ESOS 2016)" duly approved by the shareholders in the annual general meeting held on 27th September 2016, in accordance of which the ESOP Committee of Board of Directors of the company held on 04th June 2019 has granted 42950 equity shares to eligible employee on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employment, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

'The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the shareholders in the annual general meeting held on 29th Sept 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 6th November 2020 has granted 63100 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

'The company has also formulated "Poly Medicure Employee Stock Option Scheme, 2020 (ESOP 2020)" duly approved by the shareholders in the annual general meeting held on 29th September 2020 in accordance of which the ESOP Committee of Board of Directors of the company held on 04th August 2022 has granted 79,900 equity shares to eligible employees on the following terms & Conditions:

All option granted under this scheme shall, upon vesting, be exercised with in a period of three months from the date of vesting, failing which the option shall lapse, or such other date as decided by the compensation committee.

Provided, however that in case of cessation of employement, the vested option shall lapse/ be exercised in accordance with the provisions of article 12 of this scheme.

The vesting period for the conversion of options are as follows:
On completion of 24 months from the date of grant of option: 50% vests.
On completion of 36 months from the date of grant of option: 50% vests.

a Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOS 2016)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value at grant date
(Year of Grant)				
2019-20	42950	2021-22 2022-23	50	147

b Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value
(Year of Grant)				
2020-21	63100	2022-23 2023-24	100	374

c Details of employees stock options granted under Poly Medicure Employee Stock Option Scheme, (ESOP 2020)

Financial Year	Number	Financial year of vesting	Exercise price	Fair value
(Year of Grant)				
2022-23	79900	2024-25 2025-26	100	666

d Movement of share options during the year

Particulars	As at 31st March 2023		As at 31st March 2022	
	Number of share options	Exercise Price	Number of share options	Exercise Price
Balance at the beginning of the year	75,500	50 & 100	1,02,800	50 & 100
Granted during the year (ESOP-2020)	79,900	100	-	-
Forfeited during the year	-	-	7,525	-
Exercised during the year (ESOS 2016, 2020)	44,000	50 & 100	19,775	50
Expired / Lapsed during the year	6,950	-	-	-
Balance Options to be exercised at the end of the year	**1,04,450**	**100**	**75,500**	**50 & 100**

e Compensation expenses arising on account of share based payments

(₹ in lacs)

Particulars	Year ended	
	31-Mar-23	31-Mar-22
Share based payment expenses to employees	192.74	93.10
Total	**192.74**	**93.10**

f Fair value on grant date

The fair value on grant date is determined using Black Scholes Model which takes into account exercise price, terms of option, share price at grant date and expected price volatility of the underline shares, expected dividend yield and risk free interest rate for the term of option.

The model inputs for options granted	ESOS 2016	ESOS 2020	ESOS 2020
a Exercise price	50	100	100
b Grant date	3rd June 2019	29th Sep 2020	4th Aug 2022
c Vesting year	2021-22 2022-23	2022-23 2023-24	2024-25 2025-26
d Share price at grant date	195	463	755
e Expected price volatility of the company share	20% to 25%	20% to 25%	20% to 25%
f Expected dividend yield	0.86%	0.43%	0.33%
g Risk free interest rate	6.92%	6.00%	7.00%

The expected price volatility is based on the historic volatility.

45 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT 2013:

(₹ In lacs)

Name of the entity	Net Assets		Share in profit (loss)	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount
Subsidiary Companies				
Poly Medicure (Laiyang) Co. Ltd, China	0.58%	726.00	0.16%	28.19
Polymed BV, Netherlands, (Consolidated)	3.99%	4,956.51	-0.79%	(141.43)
Plan 1 Health India Pvt Ltd.	0.00%	(0.34)	0.00%	(0.30)
Associate Company				
Ultra for Medical Products, Egypt	-	-	1.07%	192.67

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with Rule 5 of Companies (Accounts) Rules, 2014 is Annexed.

46 During the year ended 31st March 2019, the company had invested a sum of Rs. 3,417.79 lacs in Poly Medicure BV, Netherlands, where by Poly Medicure BV, Netherlands became wholly owned subsidiary company of the company. Poly Medicure BV Netherlands invested Rs. 3,348.36 lacs in Plan 1 Health Italy, where by Plan 1 Health became step subsidiary of the company. The consolidated financial statement of Poly Medicure BV have been consolidated in the consolidated financial statements. Goodwill amounting to Rs. 2,858.11 Lacs have been created on consolidation. Goodwill of Rs. 2,858.11 Lacs has been (CGU) allocated to Plan 1 Health Italy business only. The estimated value in use of this CGU is based on future cash flows using a 20% weighted annual growth rate for forecast periods of 5 years and discount rate of 9%. An analysis of the sensitivity of the computation to a change in key parameters (i.e. operating margin discount rate and long term average growth rate) based on reasonable assumption did not identify any probable scenario in which the recoverable amount of the CGU would decrease its carrying amount, accordingly, no impairment in value of goodwill on consolidation have been made.

As per Dutch GAAP (applicable to Polymedicure BV Netherlands) goodwill is measured at cost less accumulated amortization and is amortized over useful life of 20 years whereas as per Ind AS, Goodwill is tested for impairment and not amortized. Suitable adjustment has been made in consolidated financial statements in this regard to follow uniform accounting policies applicable under Ind AS.

Other suitable adjustments to follow uniform accounting policies applicable under Ind AS has also been made in consolidated financial statement, wherever accounting policies followed/adopted by subsidiary companies are different.

47 During the year ended 31st March, 2021, the company had issued 76,33,587 equity shares of Rs 5/- each at premium of Rs. 519/- each (Issue Price per share Rs. 524/- each) amounting to Rs. 40,000 lacs to Qualified Institutional Investors on QIP basis. The proceeds of QIP have been utilized as per details given below: -

S.No	Particulars	Amount (Rs.in Lacs)
1	QIP share issue expenses(including GST of Rs.105.59 lacs)	799.09
2	Repayment/Prepayment of debts and working capital	6,182.80
3	Investment in subsidiary	1,715.84
4	Capital expenditure	31,302.27
	Total	**40,000.00**

The entire proceeds from QIP have been utilised for the purpose for which it was raised and there are no unspent amount as at balance sheet date.

48 Standards issued and amended but not effective

The Ministry of Corporate Affairs (MCA) notifies new Indian Accounting Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by isssuing the Companies (Indian Accounting Standards) Amendment Rules, 2023 applicable from April 1, 2023, as below:

IND AS 1 - Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statement.

IND AS 12 - Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transaction that, on initial recognition, give raise to equal taxable and deductible temporary differences. The company is evaluating the impact, if any, in its financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors- The amendments will help entities to distinguish between accounting policies and accounting estimates, the definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statement that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require item in financial statement to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its financial statements.

49 Events after the reporting date
Dividends declared by the company are based on the profits available for distribution. On 09th May 2023, the Board of directors have proposed a final dividend of Rs.3/- per share in respect of the year ended March 31 2023 subject to approval of shareholders at the Annual General Meeting. The proposal is subject to approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately Rs.2,878.33 Lacs.

50 ‘No funds have been advanced/loaned/invested (from borrowed fund or from share premium or from any other sources/kind of fund) by the company to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (i) directly or indirectly lend or invest in other peron or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the company from any person(s) or entity(ies), including foreign entities (funding Parties), with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

51 'The Indian parliament has approved the Code of Social Security, 2020 which would impact the contribution by the company toward providend fund and gratuity. The Ministry of Labour and Employment has relesed draft rules for the Code on Social Security, 2020 on November 13, 2020. The company will asses the impact and its evaluation once the subject rules are notified. The conmpany will give appropriate impact in its financial statement in the period in which, the code become effective and the related rules to determine the financial impact are published.

52 Additional regulatory information required by Schedule-III of Companies Act 2013

1) Relationship with struck off Companies: The Company do not have any relationship with Companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.

2) Details of Benami Property: No proceedings have been initiated or are pending against the Company for holding any Benami property under Benami Transaction (Prohibition) Act 1988 and the Rules made thereunder.

3) Compliance with numbers of layer of Companies: The Company has complied with the number of layers prescribed under Companies Act 2013.

4) Compliance with approved Scheme of Arrangement: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

5) Undisclosed Income: There is no income surrendered or disclosed as income during current or previous year in the tax assessment under the Income Tax Act 1961 that has not been recorded in books of accounts.

6) 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.

53 Previous year figures have been regrouped or reclassified to confirm current year classification.

As per our Auditors' report of even date annexed
For **M C Bhandari & Co. (Reg No.303002E)**
Chartered Accountants

Ravindra Bhandari
Partner
Membership No. 097466

Place : New Delhi
Date: 9th May 2023

For and on behalf of the Board of Directors

Himanshu Baid
Managing Director
DIN : 00014008

Rishi Baid
Joint Managing Director
DIN : 00048585

Naresh
Vijayvargiya CFO

Avinash Chandra
Company Secretary
(A32270)

Form AOC - I

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013,
read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in Lacs)

		1	2	3
Sr. No.	**Name of the subsidiary**	**Poly Medicure (Laiyang) Co. Ltd., China**	**Polymed BV, Netherland, Consolidated**	**Plan 1 Health India Pvt.Ltd.**
		Audited	**Management Certified**	**Audited**
1	Reporting period for the subsidiary concerned	31st March 2023	31st March 2023	31st March 2023
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	CNY 1 CNY = 11.9585 INR	EURO 1 EURO = 89.05 INR	Rupee
3	Share capital	872.38	1,548.45	1.00
4	Reserves & surplus	(146.38)	3,408.06	(1.34)
5	Total assets	1,788.39	7,518.63	0.25
6	Total Liabilities	1,062.39	2,562.12	0.59
7	Investments	-	-	-
8	Turnover	1,391.10	4,222.10	-
9	Other Income	(3.26)	50.33	-
10	Profit (Loss) before taxation	28.19	(98.78)	(0.30)
11	Provision for taxation	-	42.65	-
12	Profit (Loss) after taxation	28.19	(141.43)	(0.30)
13	Proposed Dividend	-	-	-
14	% of shareholding	100%	100%	99.99%

Part "B": Associates
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Name of Associates	**Ultra For Medical Products Company (UMIC), Egypt**
Latest audited Balance Sheet Date	31st December 2022
Shares of Associate held by the company on the year end	
No.	1,95,500
Amount of Investment in Associates	88.67
Extent of Holding %	23%
Description of how there is significant influence	Holding more than 20% of share capital
Reason why the associate is not consolidated	N.A.
Net worth attributable to Shareholding as per latest audited Balance Sheet	675.53
Profit for the year	
Considered in Consolidation	192.67
Not Considered in Consolidation	693.77

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POLYMED

MEDICAL DEVICES

We Care As We Cure

If undelivered, please return to:

POLY MEDICURE LIMITED

Registered Office :

232-B, 3rd Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020, INDIA

Tel: +91-11-33550700, 26321838 / 99 / 89 / 93 / 81 Fax: +91-11-26321894/39

E-mail: investorcare@polymedicure Web: www.polymedicure.com

Plants:

Unit-I : Plot No. 104-105, Sector-59, HSIIDC Industrial Area, Ballabgarh, Faridabad-121004 (Haryana)

Unit-II : Plot No. 115-116, Sector-59, HSIIDC Industrial Area, Ballabgarh, Faridabad-121004 (Haryana)

Unit-III : Plot No. 17, Sector-3, I.I.E Sidcul, Haridwar-249403 (Uttarakhand)

Unit-IV : Plot No. PA010-019, Mahindra World City, (SEZ) Jaipur - 302037 (Rajasthan)

Unit-V : Plot No. 34, Sector-68, IMT, Faridabad-121004 (Haryana)