

Concord Biotech Limited

Annual Report

2022-23

NOTICE

NOTICE IS HEREBY GIVEN THAT the 38th Annual General Meeting of CONCORD BIOTECH LIMITED will be held on Friday, 7th July, 2023 at the Registered Office of the Company at 1482-86, Trasad Road, Dholka, Dist. Ahmedabad- 387810 at 11.00 a.m. to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt the Audited Standalone and Consolidated Financial Statements for the financial year ended on 31st March, 2023 together with the Auditor and Directors' Report there on.
2. To declare dividend for the financial year 2022-23.
3. To appoint Mr. Utpal Hemendra Sheth (DIN: 00081012) who retires by rotation and being eligible offers himself as Director.
4. To appoint Mr. Amit Varma (DIN: 02241746) who retires by rotation and being eligible offers himself as Director.

Special Business:

5. To consider and if thought fit to pass the following Resolution, with or without modification as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force the Members of the Company hereby ratify the remuneration of Rs. 1,75,000/- (Rupees One Lac Seventy-Five Thousand) plus applicable Goods and Service Tax, p.a. and reimbursement of all reasonable out of pocket expenses incurred, if any payable to M/s. Dalwadi & Associates, Cost Accountants, who have been appointed by the Board of Directors on the recommendation of the Audit Committee as the Cost Auditors of the Company to carry out the cost audit for the financial year ending on 31st March, 2024.”

6. To consider and if thought fit to pass the following Resolution, with or without modification as a **Special Resolution:**

“RESOLVED THAT pursuant to provisions Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 (including any statutory medication(s) or re-enactment thereof, for the time being in force) and in accordance with the approval of the Board of Directors based on recommendations of the Nomination and Remuneration Committee of the Board, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sudhir Vaid, (DIN: 00055967) Chairman & Managing Director with effect from 1st April, 2024 to 31st March, 2029 for a period of 5 years on such terms and conditions including remuneration and perquisites (hereinafter referred to as “remuneration”) as set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Sudhir Vaid, Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay to him the remuneration as per Schedule V of the Companies Act, 2013 as minimum remuneration, subject to such statutory approvals, as may be applicable.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase, alter, vary from time to time the terms of the remuneration in such a manner as may be deemed fit and acceptable to Mr. Sudhir Vaid.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.”

7. To consider and if thought fit to pass the following Resolution, with or without modification as a **Special Resolution:**

“**RESOLVED THAT** pursuant to provisions of Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies Appointment and Remuneration of Managerial Personnel Rules, 2014 (including any statutory modification or reenactment thereof for the time being in force) and in accordance with the approval of the Board of Directors based on recommendations of the Nomination and Remuneration Committee of the Board, approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Ankur Vaid (DIN 01857225) as a Jt. Managing Director and CEO of the Company w.e.f. 1st June 2024 to 31st May, 2029 for a period of 5 years on such terms and conditions including remuneration and perquisites (hereinafter referred to as “remuneration”) as set out in the explanatory statement annexed to this notice.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Ankur Vaid, Jt. Managing Director and CEO, the Company has no profits or its profits are inadequate, the Company will pay to him the remuneration as per Schedule V of the Companies Act, 2013 as minimum remuneration, subject to such statutory approvals, as may be applicable.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to increase, alter, vary from time to time the terms of the remuneration in such a manner as may be deemed fit and acceptable to Mr. Ankur Vaid.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution.”

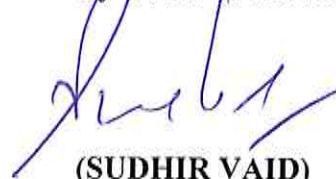
8. To consider, and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

“**RESOLVED THAT** further to the resolution dated July 8, 2022 passed by the shareholders of the Company and pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder, each as amended, and other applicable provisions, if any, and in order to incorporate the observations issued by the Securities and Exchange Board of India on the draft red herring prospectus dated August 12, 2022, Part B of the existing articles of association of the Company, be

and is hereby terminated and an amended set of articles of association as circulated to the shareholders of the Company, be and is approved and adopted as the articles of association of the Company, in total exclusion and substitution of the existing articles of association of the Company.”

“RESOLVED FURTHER THAT Mr. Sudhir Vaid, Managing Director, Mr. Ankur Vaid, Jt. Managing Director and CEO, Mr. Lalit Sethi, Chief Financial Officer and Mr. Prakash Sajani, Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the abovementioned resolution including filing of necessary forms with the Registrar of Companies, Gujarat at Ahmedabad.”

By Order of the Board



(SUDHIR VAID)

DIN: 00055967

Chairman & Managing Director

Place: Ahmedabad

Date: 1st July 2023

Registered Office:

1482-86, Trasad Road, Dholka,

Dist. Ahmedabad- 387810

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, is attached to the notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.5

The Board of Directors at its meeting held on 1st July, 2023, has appointed M/s. Dalwadi & Associates, Cost Accountants, as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending on 31st March, 2024, at a remuneration amounting to Rs. 1,75,000/- (Rupees One Lac Seventy Five Thousand only) plus applicable Goods and Service Tax, p.a. and reimbursement of all reasonable out of pocket expenses incurred, if any. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for approving the Ordinary Resolution as set out in Item No. 5 for ratification by the shareholders at the ensuing Annual General Meeting of the Company.

None of the Directors, Key Managerial Personnel, relatives of Directors and Key Managerial Personnel of the Company is directly/ indirectly interested in the above resolution. The Board of Directors recommend the resolution for your approval.

Item No. 6

Mr. Sudhir Vaid (DIN 00055967) was appointed as Chairman and Managing Director of the Company for a period of 5 years w.e.f. 1st April, 2019 to 31st March, 2024 by Ordinary resolution passed by the members on 5th August, 2019. The tenure of Mr. Sudhir Vaid as Chairman and Managing Director expires on 31st March, 2024.

The Board of Directors based on recommendation of Nomination and Remuneration Committee, thought it fit and in the interest of the Company to re-appoint Mr. Sudhir Vaid as Chairman and Managing Director for a period of 5 years w.e.f. 1st April, 2024 to 31st March, 2029. Though Mr. Sudhir Vaid has already attained the age of 70 years, the Board, based on the performance evaluation and considering his contribution to the Company, it has been proposed to pass the special resolution for reappointment of Mr. Sudhir Vaid as Chairman and Managing Director for further period of five years w.e.f. 1st April, 2024.

The appointment and payment of remuneration and perquisites to Mr. Sudhir Vaid is subject to approval of members of the Company and other statutory approval as may be required.

The terms of remuneration and perquisites payable to Mr. Sudhir Vaid is as follows:

Particulars	Amount in Rs.
Basic Salary	18,75,000
HRA	7,50,000
Education Allowances	1,20,000
Conveyance	4,80,000
Special Allowance	17,75,000
Total – Per Month	50,00,000

Period of appointment: From 1st April, 2024 to 31st March, 2029

Perquisites: Perquisites payable are as under.

- (i) Group Insurance Policy for self as per the policy of the Company.
- (ii) Contribution to Provident Fund, Superannuation Fund or Annuity fund as per the rules of the Company and Gratuity as per the "The Payment of Gratuity Act, 1972".
- (iii) Encashment of leave at the end of the tenure as per the Company's Rules

A copy of the draft letter for re-appointment of the Director setting out the terms and conditions of his re-appointment are available for inspection by the Shareholders at the Registered Office of the Company during the business hours (except on Saturdays and Sundays) and will also be kept available at the venue of the AGM till the conclusion of the AGM.

Where in any financial year during the currency of the tenure of Mr. Sudhir Vaid, Chairman & Managing Director, the Company has no profits or if its profits are inadequate, the remuneration determined as per Schedule V of the Companies Act, 2013 be considered as minimum remuneration, subject to such statutory approvals as may be applicable. Particulars which are required to be disclosed as per Section II, Part-II of Schedule V of the Companies Act, 2013 are given in **Annexure-A** to this explanatory statement.

The Board may increase, alter or vary the above referred terms of appointment, salary, commission, performance bonus and perquisites including minimum remuneration payable in such manner as the Board in its absolute discretion deems fit and agreed by Mr. Sudhir Vaid provided that such alterations are within the limits specified in Schedule V of the Companies Act, 2013 and that of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, to the extend and when becoming applicable or any amendments, modifications or re-enactments made thereof from time to time.

Mr. Sudhir Vaid shall not be liable to retire by rotation.

Other particulars pertaining to Directors seeking appointment / reappointment at this AGM which are required to be disclosed as per Secretarial Standard II issued by Institute of Company Secretary of India and notified by Ministry of Corporate Affairs are given in **Annexure-B**.

The board recommends the members to pass this resolution as a Special Resolution.

Except Mr. Sudhir Vaid and Mr. Ankur Vaid, none of the Directors, and the Key Managerial Personnel of your Company and their relatives is directly or indirectly concerned or interested in this resolution.

ITEM NO. 7

Mr. Ankur Vaid (DIN 01857225) was appointed as Jt. Managing Director and CEO of the Company for a period of 3 years w.e.f. 1st June, 2021 to 31st May, 2024 by special resolution passed by the members on 13th September, 2021. The tenure of Mr. Ankur Vaid as Jt. Managing Director and CEO expires on 31st May, 2024.

The Board of Directors based on recommendation of Nomination and Remuneration Committee, thought it fit and in the interest of the Company to re-appoint Mr. Ankur Vaid as Jt. Managing Director and CEO for a period of 5 years w.e.f. 1st June, 2024 to 31st May, 2029.

The appointment and payment of remuneration and perquisites to Mr. Ankur Vaid is subject to approval of members of the Company and other statutory approval as may be required.

The terms of remuneration and perquisites payable to Mr. Ankur Vaid is as follows:

Particulars	Amount in Rs
Basic Salary	10,92,500
HRA	4,37,000
Allowances	13,45,500
Total – Per Month	28,75,000

Period of appointment : From 1st June 2024 to 31st May 2029.

Perquisites: Perquisites payable are as under.

- (i) Group Insurance Policy for self as per the policy of the Company.
- (ii) Contribution to Provident Fund, Superannuation Fund or Annuity fund as per the rules of the Company and Gratuity as per the “The Payment of Gratuity Act, 1972”.
- (iii) Encashment of leave at the end of the tenure as per the Company’s Rules

A copy of the draft letter for re-appointment of the Director setting out the terms and conditions of his re-appointment are available for inspection by the Shareholders at the Registered Office of the Company during the business hours (except on Saturdays and Sundays) and will also be kept available at the venue of the AGM till the conclusion of the AGM.

Where in any financial year during the currency of the tenure of Mr. Ankur Vaid, Jt. Managing Director and CEO, the Company has no profits or if its profits are inadequate, the remuneration determined as per Schedule V of the Companies Act, 2013 be considered as minimum remuneration, subject to such statutory approvals as may be applicable. Particulars which are required to be disclosed as per Section II, Part-II of Schedule V of the Companies Act, 2013 are given in **Annexure-A** to this explanatory statement.

The Board may increase, alter or vary the above referred terms of appointment, salary, commission, performance bonus and perquisites including minimum remuneration payable in such manner as the Board in its absolute discretion deems fit and agreed by Mr. Ankur Vaid provided that such alterations are within the limits specified in Schedule V of the Companies Act, 2013 and that of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, to the extend and when becoming applicable or any amendments, modifications or re-enactments made thereof from time to time.

Mr. Ankur Vaid shall be liable to retire by rotation.

Other particulars pertaining to Directors seeking appointment / reappointment at this AGM which are required to be disclosed as per Secretarial Standard II issued by Institute of Company Secretary of India and notified by Ministry of Corporate Affairs are given in **Annexure-B**.

The board recommends the members to pass this resolution as a Special Resolution.

Except Mr. Ankur Vaid and Mr. Sudhir Vaid, none of the Directors, and the Key Managerial Personnel of your Company and their relatives is directly or indirectly concerned or interested in this resolution.

Item 8

In order to undertake the proposed initial public offering, the Company was required to ensure that the articles of association of the Company (the "Articles of Association") conform to the requirements prescribed by relevant stock exchanges prior to filing of the draft red herring prospectus ("DRHP") with the Securities and Exchange Board of India ("SEBI") and the relevant stock exchanges. Accordingly, the Company had amended its Articles of Association and divided it into two parts, Part A and Part B, pursuant to a special resolution dated July 8, 2022 passed by the shareholders of the Company. The DRHP was filed with the SEBI and stock exchanges on August 12, 2022. Pursuant to observations received from SEBI on the DRHP, the Articles of Association are proposed to be amended to terminate Part B in the existing Articles of Association, remove special rights available to the Promoters/shareholders from the existing Articles of Association and to make corresponding articles cross-reference changes.

The existing Articles of Association (including both Part A and Part B) and the proposed revised Articles of Association will be made available for inspection at the registered office of the Company during the working hours of the Company on any working day and on the website of the Company, at www.concordbiotech.com up to the date of the annual general meeting.

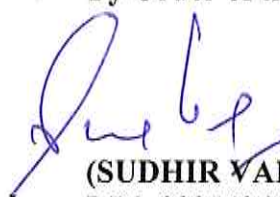
Pursuant to the provisions of Section 14 of the Companies Act, 2013, as applicable, any amendment in Article of Association requires approval of the members of the Company by way of a special resolution.

The Board recommends to the members to pass the resolution as Special Resolution.

None of the directors or managers or key managerial personnel or their relatives is concerned or interested in the said resolution except to the extent of their shareholding in the Company, if any.

Place: Ahmedabad
Date: 1st July 2023

By Order of the Board


(SUDHIR VAID)
DIN: 00055967

Chairman & Managing Director

Annexure-A

Statement as required under Section II of Part-II of Schedule V to the Companies Act, 2013 giving details in respect of Appointment of Mr. Ankur Vaid as Jt. Managing Director and CEO and Mr. Sudhir Vaid as Chairman & Managing Director

I General Information:

a) **Nature of Industry:** Biopharma Company and one of the leading global developers and manufacturers of select fermentation-based APIs

b) **Date of Commencement of Commercial Production:**

1st June 2001

c) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.

d) **Financial Performance based on given indicators:**

(Rs in lakhs)

Particulars	F. Y. 2021-22		F. Y. 2020-21	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from operations (Gross)	71293.35	71293.35	61640.44	61640.44
Total Expenses	49519.29	49519.29	31734.09	31734.09
Profit / (Loss) Before Tax	24115.71	23751.94	31316.81	31271.90
Profit / (Loss) After Tax	17856.78	17493.01	23533.48	23488.57
Profit / (Loss) under Section 198	22401.63	-	16633.58	-

e) **Export Performance:**

(Amount in Lacs)

Particulars	F. Y. 2021-22	F. Y. 2020-21
FOB Value of Exports	33453.45	36083.07
Net Foreign Exchange Earnings	36924.30	35086.12

f) Foreign Investments or Collaborations if any:

II Information about the Appointees:

Sr. No.	Particulars	Mr. Sudhir Vaid (Chairman & Managing Director)	Mr. Ankur Vaid (Jt. Managing Director and CEO)
1.	Background Details	One of the Promoter of the Company playing a crucial role in	One of the Promoter of the Company and Chief Executive Officer, having over 15 years of experience in the pharmaceutical industry.
2.	Past Remuneration	40 Lacs Per Month	23 Lacs Per Month
3.	Recognition or Awards	–	–
4.	Job Profile and his suitability	He has been building our technology capabilities, scaling up our manufacturing facilities and developing our R&D division	He has been involved in the development of the research and development division of Company
5.	Remuneration proposed	50,00,000 p.m.	28,75,000 p.m.
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):	Remuneration Proposed is as per general market standards looking at the contribution and size of the Company	Remuneration Proposed is as per general market standards looking at the contribution and size of the Company
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel	There is Pecuniary relationship with the Company or relationship with the managerial personnel	There is Pecuniary relationship with the Company or relationship with the managerial personnel

III Other Informations :

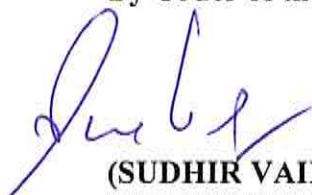
- a. Reasons for inadequacies of profits:- N.A.**
- b. Steps taken or proposed to be taken for improvement:- N.A.**
- c. Expected increase in productivity and profits in measurable terms:- N.A.**

IV The following disclosure are mentioned in the Director's Report under the heading "Corporate Governance" attached to the financial statement:

- i. all elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc., of all the Directors;
- ii. details of fixed components and performance linked incentives along with the performance criteria;
- iii. service contracts, notice period, severance fees; and
- iv. stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Place: Ahmedabad
Date: 1st July 2023

By Order of the Board



(SUDHIR VAID)

DIN: 00055967

Chairman & Managing Director

Annexure-B

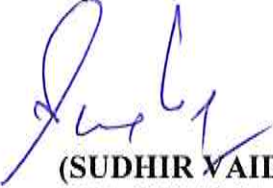
In terms of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs certain disclosures are required with respect to Directors seeking appointment/re-appointment at the ensuing Annual General Meeting which is mentioned below:

Name of Director	Mr. Utpal Hemendra Sheth	Mr. Amit Varma	Mr. Sudhir Vaid	Mr. Ankur Vaid
DIN	00081012	02241746	00055967	01857225
Date of Birth	20/06/1971	15/09/1968	03/09/1952	14/04/1982
Age of Director	52 years	55 years	71 years	41 years
Date of First Appointment/Re-appointment	04/12/2009	05/07/2016	10/05/2000	04/12/2009
Qualification	Chartered Financial Analyst, Cost Accountant and Bachelor of Commerce	Bachelor of Medicine and Doctor of Medicine	Master of Science	Master of Business administration
Experience	27 years	13 years	49 years	17 years
Terms and Conditions of Appointment	Appointed as Professional Director	Appointed as Professional Director	N.A	N.A.
Remuneration sought to be paid	Nil	Nil	4,80,00,000	2,76,00,000
Remuneration last drawn by such person (including Sitting Fees)	70,000	Nil	4,80,00,000	2,76,00,000
Designation	Director	Director	Chairman & Managing Director	Joint Managing Director and CEO
Disclosure of relationship of Directors with Manager and KMP of the Company	N.A.	N.A.	Father of Mr. Ankur Vaid (Director) Father of Mrs. Sonal Kumar (KMP) Father in Law of Mrs. Megha Vaid (KMP)	Son of Mr. Sudhir Vaid Brother of Mrs. Sonal Kumra Husband of Mrs. Megha Vaid
Names of other Companies in which person holds Directorship	As per Annexure C	As per Annexure D	Nil	Nil
Names of membership and	As per Annexure C	Nil	Nil	Nil

Chairman of the committees of the other Companies				
Number of shares held in the Company	Nil	Nil	30169524	5,86,520
No. of Board Meetings attended during the year	2	4	5	5

Place: Ahmedabad
Date: 1st July 2023

By Order of the Board



(SUDHIR VAID)

DIN: 00055967

Chairman & Managing Director

Annexure – C

Names of other Companies in which Mr. Utpal Sheth holds Directorship:

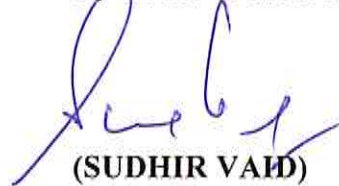
1. Aptech Limited
2. Metro Brands Limited
3. NCC Limited
4. Star Health and Allied Insurance Company Limited
5. Insight Asset Management (India) Private Limited
6. HRS Insight Financial Intermediaries Private Limited
7. Trust Plutus Wealth (India) Private Limited
8. Trust Capital Holdings Private Limited
9. Trust Plutus Family Office & Investment Advisers (India) Private Limited
10. Chanakya Wealth Creation Private Limited
11. Inventurus Knowledge Solutions Private Limited
12. Hiranandani Financial Services Private Limited
13. Trust Asset Management Private Director Limited
14. Kabra Extrusion Technik Limited
15. Zenex Animal Health india Private Limited
16. SNV Aviation Private Limited
17. Rare Worldwide Holdings PTE

Names of membership and Chairman of the committees of the other Companies:

1. NCC Limited – Member of Nomination and Remuneration Committee
2. Aptech Limited– Member of Nomination and Remuneration Committee
3. Metro Brands Limited: Nomination, Remuneration & compensation Committee, Risk Management Committee
4. Star Health and allied Insurance Co. Ltd : Nomination and Remuneration Committee – Member, Audit Committee and Risk Management Committee

Place: Ahmedabad
Date: 1st July 2023

By Order of the Board



(SUDHIR VAID)

DIN: 00055967

Chairman & Managing Director

Annexure D

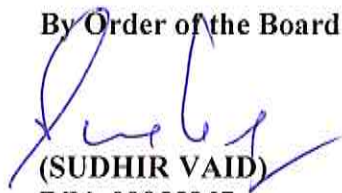
Names of other Companies in which Dr. Amit Varma holds Directorship:

- 1 Nobel Hygiene Pvt Limited
- 2 Quadria Capital Advisors Private Limited
- 3 Healthquad Advisors Pvt. Ltd
- 4 Vimakr Foundation
- 5 Asian Institute of Nephrology And Urology Private Limited
- 6 IBOF Investment Management Private limited
- 7 Quadria Capital Investment Management Pte. Ltd., Singapore
- 8 Quadria Capital GP, Cayman Islands
- 9 Quadria Capital Management Company, Cayman Islands
- 10 Far East Medical HK Limited, Hong Kong
- 11 Far East Medical Vietnam Limited, Vietnam
- Medical Specialist Asia (previously known as MWH Holdings Pte. Ltd.),
- 12 Singapore
- 13 Quadria Capital Fund II GP, Cayman Island
- 14 Quadria Capital Fund II Holdings Pte. Ltd., Singapore
- 15 Akums Drugs And Pharmaceutical Limited
- 16 Healthquad Capital Advisors Private Limited
- 17 ANA Limited, Cayman Island
- 18 ANA III Limited, Cayman Island
- 19 Encube Ethicals Pvt Limited
- 20 Asian Institute Of Gastroenterology private Limited
- 21 Quadria Capital Management Company II
- 22 Quadria Capital Fund III GP

Names of membership and Chairman of the committees of the other Companies:

1. Healthquad Advisors Pvt. Ltd: Member of Investment Committee
2. Quadria Capital GP, Cayman Islands: Member of Investment Committee
3. Quadria Capital Fund II GP, Cayman Island : Member of Investment Committee
4. Akums Drugs And Pharmaceutical Limited : Member of Audit, NRC and CSR Committee
5. Healthquad Capital Advisors Private Limited : Member of Investment Committee
6. Encube Ethicals Pvt Limited : Member of Audit Committee
7. Quadria Capital Fund III GP : Member iof Investment Committee

By Order of the Board



(SUDHIR VAID)

DIN: 00055967

Chairman & Managing Director

Place: Ahmedabad

Date: 1st July, 2023

Registered Office:

1482-86, Trasad Road, Dholka,

Dist. Ahmedabad- 387810

ATTENDANCE SLIP

(Please complete this Attendance Slip, and hand it over at the entrance of the meeting hall.)

I, hereby record my presence at the 38th Annual General Meeting of CONCORD BIOTECH LIMITED to be held on Friday 7th Day of July 2023 at 1482-86, Trasad Road, Dholka, Dist. Ahmedabad- 382 225 at 11.00 a.m.

Signature: _____

Folio No.: _____

Name of the Shareholder: _____

FORM OF PROXY

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U24230GJ1984PLC007440
Name of the company: Concord Biotech Limited
Registered Office: 1482-86, Trasad Road, Dholka,
Dist. Ahmedabad- 382 225

Name of the member (s):

Registered Address:

E-mail ID:

Folio No./Client ID:

DP ID:

I/We, being the member (s) of **Concord Biotech Limited** (the above named Applicant Company) do hereby appoint

1. Name:
Address:
E-mail ID: Signature: _____ or failing him
2. Name:
Address:
E-mail ID: Signature: _____ or failing him
3. Name:
Address:
E-mail ID: Signature: _____ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on the Friday, 7th day of July, 2023 at 11.00 a.m. at 1482-86, Trasad Road, Dholka, Dist. Ahmedabad- 382 225 and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution No.

1. To receive, consider, approve and adopt the Audited Financial Statement including the Consolidated Financial Statement for the financial year ended on 31st March, 2023 together with the Auditor and Directors' Report there on.
2. To approve dividend on equity shares.

3. To appoint Mr. Utpal Sheth (DIN: 00081012) who retires by rotation and being eligible offers himself as Director.
4. To appoint Mr. Amit Varma (DIN: 02241746) who retires by rotation and being eligible offers himself as Director.
5. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2024.
6. To reappoint Mr. Sudhir Vaid (DIN: 00055967) as Jt. Managing Director and CEO of the Company for a period of 5 years.
7. To reappoint Mr. Ankur Vaid (DIN: 01857225) as Jt. Managing Director and CEO of the Company for a period of 5 years.
8. To amend Articles of Association of the Company

Signed this _____ day of _____, 2023

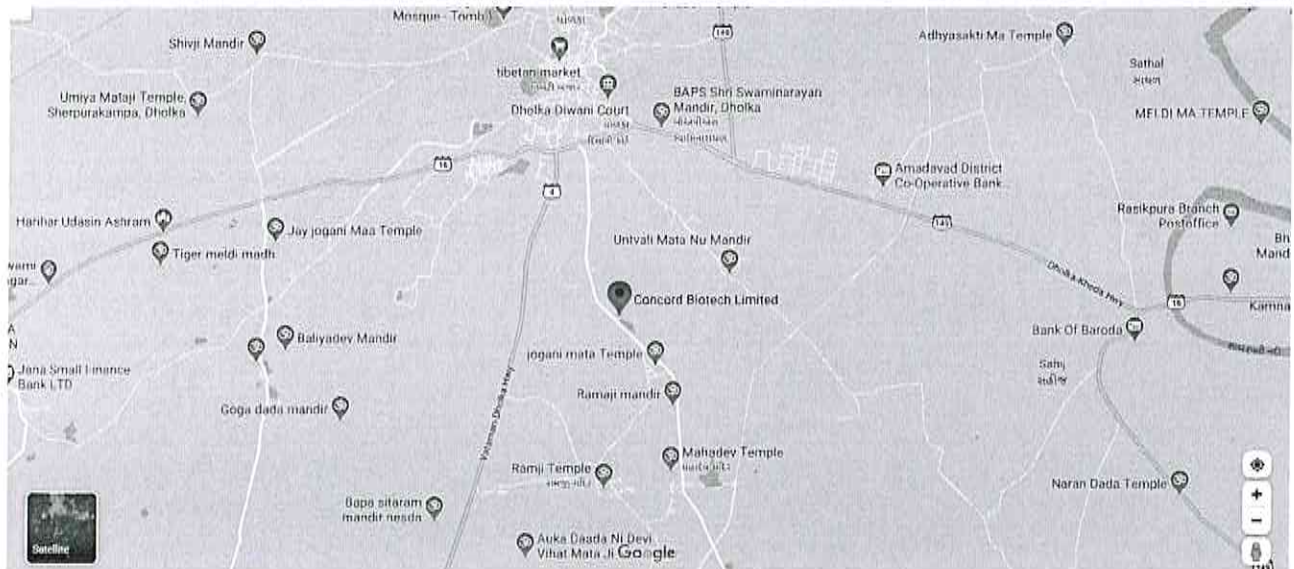
Signature of shareholder: _____

Signature of Proxy holder(s) : _____

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route map to the venue



DIRECTORS' REPORT

TO THE MEMBERS:

The Directors have pleasure in presenting the 38th Annual Report together with Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2023.

1. FINANCIAL RESULTS

The financial results of the company for the year under review are as under:

Particulars	2022-23 (Rs.in Lacs)	2021-22 (Rs.in Lacs)
Revenue from Operation	85316.82	71293.35
Other Income	3530.93	2341.65
Share of Profit in Joint venture with Japan	195.93	(363.77)
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	37859.68	29669.15
Less: Depreciation/ Amortization/ Impairment	5403.24	5005.08
Profit /loss before Finance Costs, Exceptional items and Tax Expense	32456.44	24664.07
Less: Finance Costs	451.03	548.36
Profit /loss before Exceptional items and Tax Expense	32005.41	24115.71
Add/(less): Exceptional items	0.00	0.00
Profit/loss before Tax Expense	32005.41	24115.71
Less: Tax Expense:		
Current	7953.00	5849.00
Deferred	238.16	370.53
Short provision for tax of earlier years	1.61	39.40
Profit/loss for the year (1)	23812.64	17856.78
Total Comprehensive Income/loss (2)	25.75	(55.80)
Total (1+2)	23838.39	17800.98
Balance of profit /loss for earlier years	109764.94	99016.04
Add: Profit for the Year	23812.64	17856.78
Add: Other Comprehensive Income	25.75	(55.80)
Less: Dividend paid on Equity Shares	(5356.35)	(7052.08)
Less: Dividend paid on Preference Shares	0.00	0.00
Less: Dividend Distribution Tax	0.00	0.00
Balance carried forward	128151.88	109764.94

2. DIVIDEND

The Board has recommended final dividend of Rs. 6.83/- per equity share i.e. 683% on equity shares of Rs. 1 each for the financial year ended on 31st March, 2023. The resultant dividend would result in total cash outflow of Rs. 7145.29 Lacs.

3. RESERVES

The Board does not propose to carry any amount to the reserves.

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

Company continues to add assets and enhance its manufacturing abilities to cater the growing market add new products to the product portfolio. The injectables facility is likely to commence commercial production during the current financial year, however considering legal requirements revenue from this facility is expected during the financial year 2024-25. The new facility has also been successfully inspected by the USFDA authorities and accordingly, Company will be able to sell the products to the United States also from the new facility. During the period under review the total revenue of the Company increased from Rs. 71293 lakhs to Rs. 84018 lakhs.

During the year Company has not changed in it's nature of Business.

5. LISTING ON STOCK EXCHANGES

In order to meet its commitments as per the investment agreement entered into with the investors, the Board of Directors of the Company has subject to necessary approvals and market conditions decided to list the shares of the Company on stock exchanges through offer of sale by the existing investors. While no fresh funds are proposed to be raised by Company the listing will be beneficial for its stakeholders.

6. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments have occurred between the end of financial year and date of the report, which could affect financial position of the Company.

7. INTERNAL CONTROL SYSTEM

Your Company has strong Internal Controls and Risk Assessment/ Management systems. These systems enable the Company to comply with Internal Company policies, procedures, standard guidelines and local laws to help protect company's Assets and Confidential information against financial losses and unauthorized use. Further, M/s. Ramanlal G. Shah & Co., Chartered Accountants, appointed as Internal Auditor of the Company and based on findings of Internal Audit Report, the Company further took action to strengthen control

measures and M/s Manubhai & Shah LLP carries out management audit to ensure ongoing control and improvement of the systems.

8. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Concord Biotech Japan KK based out in Japan is an associate Company in which Company holds 50 % Stake.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Concord Biotech Japan KK an Associate Company, in **Form AOC-1** is attached to the financial statements of the Company.

9. ANNUAL RETURN

As per provisions of Section 92(3) Annual Return of the Company for the financial year ended on March 31, 2023 is placed on the website of the Company and the same can be accessed through <https://www.concordbiotech.com/investors>

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees and Investment covered under Section 186 of the Companies Act, 2013 appear in the notes to the financial statement.

11. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Utpal Hemendra Sheth and Mr. Amit Varma, Directors of the Company would retire by rotation, and being eligible, offer themselves for re-appointment. Mr. Sudhir Vaid, Chairman & Managing Director of the Company and Mr. Ankur Vaid, Joint Managing Director and CEO will be reappointed due to their expiry of term. As per the requirement of the provisions of the Companies Act, 2013 approval of the shareholders is required to be obtained in the general meeting of the Company. Necessary resolutions are therefore proposed in the ensuing Annual General Meeting.

During the year, Mr. Rajeev Agarwal resigned from the post of Director of the Company with effect from 30th May, 2022 and Board places on record their appreciation for the contribution made by him during his association with the Company. Mr. Arvind Agarwal was appointed as an Independent Director on 24th May 2022, Mr. Jayaram Easwaran and Mr. Chakaravarthy Mandayam Sriraman both were appointed as Independent Directors with effect from 14th June, 2022.

12. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have provided declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

13. NO. OF MEETINGS OF THE BOARD OF DIRECTORS

There were total five (5) meetings of the Board of Directors of the Company held during the financial year from April 01, 2022 to March 31, 2023 on following dates:

SR. NO.	DATE	SR. NO.	DATE
1.	24-05-2022	4.	14-09-2022
2.	29-07-2022	5.	11-01-2023
3.	09-08-2022		

14. DEPOSITS

The Company has not accepted any deposits during the period under review and there are no outstanding deposits as on March 31, 2023. There have been no matured deposits remaining unpaid at the year-end.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including arms length transactions under third proviso thereto is annexed in **Annexure I**.

16. INFORMATION PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013

- a. Conservation of energy and technology absorption.

Information pursuant to clause (m) sub-section (3) of section 134 of The Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of this report are given in the **Annexure II**.

- b. The details of foreign exchange earnings and outgo are annexed in **Annexure II**.

17. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) of the Companies Act, 2013 the Directors confirm the following:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

- ii. Your Directors had selected such accounting policies and applied them consistently and made judgements 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.
- iii. Your Directors had taken proper and sufficient care for the 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 fraud and other irregularities.
- iv. Your Directors had prepared the attached Annual Accounts for the year ended on March 31, 2023 on a going concern basis.
- v. Your Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013. The composition of audit committee is given below:

Name	Category
Amitabh Thakore	Independent, Non- Executive Member Chairman
Dr. Arvind Agarwal	Independent, Non-Executive
Amit Varma	Non-Executive Director-Member

During the year two Audit Committee Meetings were held on 18.07.2022 and 11.01.2023.

19. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company has formed a Nomination and Remuneration Committee of Directors in line with the provisions of Section 178 of the Companies Act, 2013. The composition of committee is given below:

Name	Category
Amitabh Thakore	Chairman (Independent Non-Executive)
Dr. Amit Varma	Member (Non-Independent Non-Executive)
Bharti Khanna	Independent, Non-Executive Member

During the year two Meetings of Nomination and Remuneration Committee were held on 24.05.2022 and 18.07.2022

The Nomination and Remuneration Committee has formulated policy relating to the remuneration for the directors, KMPs and other employees and same is attached as **Annexure- III**.

20. CORPORATE SOCIAL RESPONSIBILITY:

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activity during the year are set out in **Annexure-IV** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

21. SECRETARIAL AUDIT REPORT

Pursuant to Section 204 of the Act, the Secretarial Audit Report for the Financial Year ended on 31st March, 2023 provided by Mr. Ashish Shah of M/s. Ashish Shah & Associates, Practicing Company Secretary is annexed herewith as **Annexure-V** to this Report.

22. AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants, (Firm Registration No. 117365W) has been appointed in the Annual General Meeting of Financial Year 2018-19 for a term of 5 consecutive years from the Annual General Meeting of Financial Year 2018-19 till the conclusion of the Annual General Meeting for the Financial Year 2023-24.

23. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND SECRETARIAL AUDITOR

There are no qualifications or comments by the Statutory Auditors and Secretarial Auditors which require explanation from the Directors.

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

There are no material orders passed by the Regulators, Courts, and tribunals impacting going concern status and the Company's operations in future.

25. VIGIL MECHANISM:

In Compliance with the provisions of Companies Act, 2013, the Company has established a vigil mechanism and overseas through the Committee, the genuine concerns about unethical behavior expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company. The board has approved a policy for vigil mechanism which has been hosted on the website of the Company.

26. RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section

27. INCREASE AND SUB DIVISION IN AUTHORISED SHARE CAPITAL:

The Share Capital of the Company was sub-divided from existing ₹ 10,00,00,00/- consisting of ₹ 1,00,00,000 equity shares of face value of ₹ 10 each to ₹ 10,00,00,000 consisting of 10,00,00,000 equity shares of face value of ₹ 1 each during the year. Further the authorized share capital of the Company was increased from the existing ₹ 10,00,00,000/- (Rupees ten crore only) divided into 10,00,00,000 equity shares of ₹ 1/- (Rupees one only) each to ₹ 11,00,00,000/- (Rupees Eleven Crores only) divided into 11,00,00,000/- (Eleven Crores) equity shares of ₹ 1/- (Rupees One only) each.

There were no other changes in the Share Capital during the year.

28. INCREASE IN ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL:

The Paid-Up Share Capital of the Company was increased from Rs 9,51,05,640/- to Rs 10,46,16,204/- during the year by allotment of 9510564 as Bonus Shares on 8th July 2022.

There were no other changes in the Paid-Up Share Capital during the year.

29. MAINTENANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013 AND STATUS OF THE SAME:

M/s. Dalwadi & Associates, Cost Accountants have been duly reappointed as Cost Auditors of the Company for the financial year 2022-23. The cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 are made and maintained by the Company.

30. **CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has established an Internal Complaint Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no incidences of sexual harassment reported.

31. **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

No frauds have been noticed or reported during the year under audit report which are reportable to the Central Government.

32. **HUMAN RESOURCES**

The employees have played a major role in the performance of the Company over the years. They will continue to be the Company's pillars of strength in the years to come as proper training and exposure to the new products will be forthcoming. Industrial relations in the Company were amicable throughout the year under review.

33. **ACKNOWLEDGEMENT**

The Directors wish to express their gratitude towards the Bankers of the Company for the cooperation provided by them throughout the year. The Directors also place on record the trust put in by the members in the management of the Company. Your Directors are also grateful to all the agencies, customers, suppliers and all other concerned persons, who have cooperated in the business of the Company.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
CONCORD BIOTECH LIMITED**

Place: Ahmedabad
Date: 1st July, 2023


Sudhir Vaid
Chairman & Managing Director
DIN-00055967


Ankur Vaid
Joint Managing Director
DIN-01857225

Annexure-I
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:

Name of Related Party	Nature of Relationship	Nature of Contract / Arrangements / Transactions	Duration of Contracts / Arrangements / Transactions	Salient Terms of the Contracts / Arrangements / Transactions	Justification of entering	Date of Approval by Board	Amount paid in Advance	Date on which Special Resolution was passed in general meeting U/S 188
				NIL				

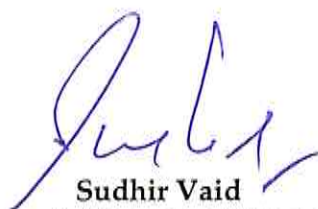
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of Related Party	Nature of Relationship	Nature of Contract / Arrangements / Transactions	Duration of Contracts / Arrangements / Transactions	Salient Terms of the Contracts / Arrangements / Transactions	Transactions Value	Date of Approval by Board	Amount paid in Advance
Mr. Sudhir Vaid	Chairman and Managing Director	Lease Agreement	3 Years	Lease Office at Mondeal Heights	Lease rent of Rs. 121.60 lakhs p.a.	01/07 /2023	Nil
Mrs. Manju Vaid	Wife of Chairman & MD	Lease Agreement	3 Years	Lease Office at Mondeal Heights	Lease rent of Rs. 39.14 lakhs p.a.	01/07 /2023	Nil
Col. S.K. Vaid	Brother of MD	Service Contract	N.A.	Providing of professional Services	Increase in service charges from 4.05 lakhs p.m. to 3.52 lakhs p.m.	29/07 /2022	NIL
Mrs. Megha Vaid	Wife of Joint MD	Remuneration	N.A.	Periodical review by board	Increase in monthly Remuneration from Rs. 4.14 to Rs. 5.59 lakhs p.m.	29/07 /2022	NIL
Mrs. Sonal Kumra	Daughter of MD	remuneration	N.A.	Periodical review by	Increase in monthly	29/07 /2022	NIL

				board	Remuneratio n from Rs. 4.57 to Rs. 6.12 lakhs p.m.		
Concord Biotech Japan K.K.	Joint Venture	Sale of Goods	N.A.	Sale of Goods at prevailing market rate	Rs. 5395.70 lacs p.a.	01/07 /2023	Nil

For and on behalf of the Board of Directors of
Concord Biotech Limited

Place: Ahmedabad
Date: 1st July, 2023



Sudhir Vaid
Chairman & Managing Director
DIN-00055967



Ankur Vaid
Joint Managing Director
DIN-01857225

ANNEXURE - II

PARTICULARS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

a. The Steps taken or impact on conservation of energy:-

The Company attaches a great deal of importance to energy conservation. Efforts to conserve Energy continued during the year through timely preventive maintenance and inspection of major plant and machinery and replacement of equipment are carried out wherever necessitated.

b. The steps taken by the Company for utilizing alternate sources of energy

Company at present does not intend to use any alternate source of energy.

c. The Capital investment on energy conservation equipments

No Capital investments are planned at this stage.

B. TECHNOLOGY ABSORPTION

i. Efforts made towards technology absorption:

We have state of the art R & D facilities and developments are carried out to adopt and upgrade new developments.

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

At Concord, product improvement and cost reduction is an ongoing process. Company though imports some key raw materials but is not totally dependent on such imported materials.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

(a) The details of technology imported : Company has imported technology for Anti-Bacterial Drugs.

(b) The year of import : 2020 & 2021

(c) Whether the technology been fully absorbed : While technology for one product has been adopted, for the other its in the process of implementation.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof

iv. The expenditure incurred on Research and Development

Company has incurred Revenue Expenditure of Rs. 2958.91 lacs and Capital Expenditure of Rs. 231.16 lacs during the current year on Research and Development.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total earnings in foreign exchange for the year ended 31st March, 2023 were Rs. 41641.03 Lacs and the total outflow was Rs. 2978.81 Lacs.

For and on behalf of the Board of Directors of
Concord Biotech Limited

Place: Ahmedabad
Date: 1st July, 2023


Sudhir Vaid
Chairman & Managing Director
DIN-00055967


Ankur Vaid
Joint Managing Director
DIN-01857225

ANNEXURE III

POLICY ON REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL ("KMP") AND OTHER EMPLOYEES

Preamble

This Policy on Remuneration of Directors, Key Managerial Personnel ("KMP") and Other Employees (hereinafter referred as the "Policy") of Concord Biotech Limited ("the Company") is designed and formulated by the Nomination and Remuneration Committee ("the Committee") of the Company pursuant to the Companies Act, 2013 (the "Act") and rules made thereunder. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law.

The Policy lays down the criteria with regard to remuneration of Directors, KMP and other employees.

- A. Guiding Principles for remuneration: The Company shall remunerate all its personnel reasonably and sufficiently as per industry benchmarks and standards. The remuneration shall be commensurate with their contributions and shall be sufficient enough to retain and motivate the human resources of the Company. The compensation package will, inter alia, take into account the experience of the personnel, the knowledge and skill required including complexity of the job, work duration and risks associated with the work, and attitude of the worker like positive outlook, team work, loyalty, past remuneration, past performance etc.

The level and components of the remuneration shall be such so as to align with the long term interest of the company and its shareholders.

- B. Components of Remuneration:

The following will be the various remuneration components which may be paid to the personnel of the Company based on the designation and class of the personnel.

- a. Fixed compensation: The fixed salaries of the Company's personnel shall be competitive and based on the individual personnel's responsibilities and performance.
- b. Variable compensation: The personnel of the Company may be paid remuneration by way of variable salaries based on their performance evaluation. Such variable salaries should be based on the performance of the individual against his short and long term performance objectives and the performance of the Company.
- c. Share based payments: The Board of Directors may, on the recommendation of the Nomination and Remuneration Committee, issue to certain class of personnel a share and share price related incentive program.
- d. Non-monetary benefits: Senior management personnel of the Company may, on a case to case basis, be awarded customary non-monetary benefits such as discounted salary advance /credit facility, rent free accommodation, Company cars with or without chauffeur's, share and share price related incentive, reimbursement of electricity and telephone bills etc.
- e. Commission: The directors may be paid commission if approved by the shareholders. The shareholders may authorise the Board to declare commission to be paid to any director of the Board.
- f. Retirement benefits: The Company shall provide retirement benefits applicable in accordance with law.

- g. **Sitting Fee and Commission:** The Company may pay sitting fee for attending Board and Committee meeting and commission to the Directors of the Company in compliance with law.
- h. **Loan/ advances to the Employees:** The Company may give loan or advances to the employees in accordance with the provisions of the Companies Act, 2013 and the terms and conditions of the Loan Policy of the Company, as approved by the Board or any Committees thereof, from time to time.
- C. **Entitlement:** The authority to determine the entitlement to various components as aforesaid for each class and designation of personnel shall be as follows:

Designation / Class	To be determined by
Managing Director/ Joint Managing Director/ Whole Time Director	The remuneration for the Managing Director/ Joint Managing Director/ Whole-time Director is as per the agreement approved by the shareholders on recommendation of the Board of Directors. In case of any change, the same would require the approval of the shareholders on recommendation of the Board of Directors and other applicable compliances required by laws.
Independent Directors*	Board of Directors / Executive Committee
Other Directors	Board of Directors
Senior Management	Recommendation of the Nomination and Remuneration Committee and approval of Board of Directors
Recommendation of the Nomination and Remuneration Committee and approval of Board of Directors	Departmental Heads in consultation with Human Resources Head

*Sitting fee payable to the directors shall be as approved by the Board in accordance with the provisions of the law.

- D. **Amendment:** The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

Annexure-IV

Annual Report on CSR Activities for the year ended 31st March 2023

1. Brief outline on CSR Policy of the Company:

Concord Biotech Limited shall strive to reach out to the under-privileged, needy and weaker sections of the society and to address the social, educational, cultural, environmental and economic needs of such sections of the society. The company shall give preference to the local area of its operations.

Key Focus Areas of the CSR Policy are

- a) Promoting education
- b) Health Care
- c) Sustainable Livelihood
- d) Protection of the environment
- e) Promotion of sports
- f) Gender Equality & Empowerment of Women
- g) Rural Development
- h) Infrastructure development

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	Mr. Ankur Vaid	Chairman and Joint Managing Director & CEO	-	-
2	Mr. Rajiv Agarwal	Member and Director	-	-
3	Dr. Amit Varma	Member and Director	-	-
4	Mrs. Bharti Khanna	Member and Director	-	-

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company : Weblink for composition of CSR Committee is <https://www.concordbiotech.com/social-responsibility-policy>
Weblink for CSR Policy is <https://www.concordbiotech.com/social-responsibility-policy>
Weblink for CSR Projects as approved by the Board is <https://www.concordbiotech.com/csr>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of : N.A.

sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, if applicable (attach the report)

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility) Rules, 2014, and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
	N.A.		

6. Average net profit of the Company as per Section 135(5) : Rs. 24774.80 lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5) : 449.46 lakhs

- (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, if any : Nil

- (d) Total CSR obligation for the financial year (7a + 7b - 7c) : 449.46 lakhs

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

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent (In Rs. Lakhs)				
	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 (in Rs. Lakhs)	Date of Transfer	Name of the Fund	Amount (in Rs. Lakhs)	Date of Transfer
Rs. 497.29 lakhs	Nil		Nil		

- (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr No	Name of the project	Item from list of activities in Schedule VII of the	Local Area (Yes/ No)	Location of the project	Project duration	Amt allocated for the project (in lakhs)	Amt spend in the current financial year (in Lakhs)	Amt transfer to unspent CSR account for the Project	Mode of implementation - Direct (yes / No)	Mode of implementation through implementation agency

		Act						as per section 135(6) (in Lakhs)			
			State	District						Name	CSR registrati on number
	N.A.										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs. Lakhs).	Mode implementation on Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Educational	135(ii)	No	Majorly Gujarat and Across India	N.A.	299.29	Direct	N.A.	N.A.
2	Medical	135(i)	No	Gujarat	N.A.	105.34	Direct	N.A.	N.A.
3	Environmental sustainability	135(iv)	No	Gujarat	N.A.	50.46	Direct	N.A.	N.A.
4	Rural Development	135(x)	No	Gujarat	N.A.	16.50	Direct	N.A.	N.A.
5	Promoting Sports	135 (vii)	No	Gujarat	N.A.	6.00	Direct	N.A.	N.A.
6	Cultural	135(v)	No	Gujarat	N.A.	2.96	Direct	N.A.	N.A.
	TOTAL					480.55			

(d) Amount spent in Administrative Overheads: Rs. 16.74 lakhs

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 497.29 lakhs

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

Sl. No.	Particular	Amount (in Rs. Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	495.46
(ii)	Total amount spent for the Financial Year	497.29
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.83
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.83

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

Sr. No.	Preceding Financial Year	Amount Transferred to Unspent CSR Account under Section 135(6) (Rs. in Lakhs)	Amount spent in the Reporting Financial Year (Rs. in Lakhs)	Amount Spent to any Specified Fund mentioned in Schedule VII as per Section 135(6), if any			Amount remaining to be spent in remaining Financial Years (Rs. in Lakhs)
				Name of the Fund	Amount (Rs) in lakhs	Date of Transfer	
1	2021-22	N.A.	N. A.	N. A.	Nil	N.A.	N.A.
2	2020-21	N.A.	N. A.	N. A.	Nil	N.A.	N.A.
3	2019-20	N.A.	N. A.	N. A.	Nil	N.A.	N.A.
	TOTAL	N.A.	N. A.	N. A.	Nil	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total Amt allocated for the project (in Rs. Lakhs)	Amt spent on the project in the reporting financials year	Cumulative amt spent at the end of the reporting financial year	Status of the project - Completed / ongoing
	N.A.							
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): N.A.

- Date of creation or acquisition of the capital asset(s)
- Amount of CSR spent for creation or acquisition of capital asset

- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the Company has failed to spend two per cent : N.A.
of the average net profit as per Section 135(5)

Date: 1st July, 2023
Place: Ahmedabad


Sudhir Vaid
Managing Director
DIN: 00055967


Ankur Vaid
Chairman of CSR Committee
DIN: 01857225



ASHISH SHAH & ASSOCIATES

Company Secretaries & Trade Mark Agent | Insolvency Resolution Professional

402, "Shaival Plaza", 4th Floor, Gujarat College Road, Besides Hope Hospital, Ellisbridge, Ahmedabad - 380 006.
Mobile: 098259 40391 | Tel. : 079-26420336 / 7 / 9 | Fax : 079-26424100 | E-mail : ashish@ravics.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Concord Biotech Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Concord Biotech Limited (herein after referred to as "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Concord Biotech Limited ("the Company") for the financial year ended on 31st March, 2023 and verified the provisions of the following acts, regulations and also their applicability as far as the Company is concerned during the period under Audit:

- (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;
- (iii) 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;
- (iv) Since the Company is not listed on the stock exchange therefore the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable to the Company.
- (v) There are no laws which are specifically applicable to the Company.





ASHISH SHAH & ASSOCIATES

Company Secretaries & Trade Mark Agent | Insolvency Resolution Professional

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Since Company is not listed on the stock exchange, provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable. We have examined compliance with applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India for holding Board and General meeting.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per records available in the said minutes there were no dissenting views expressed by any directors during the meetings.

We 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.

We further report that during the audit period the company there are no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Place: Ahmedabad
Date: 1st July, 2023



For, Ashish Shah & Associates

Ashish Shah
Company Secretary in practice
FCS No. 5974
C P No.: 4178
UDIN: F005974E000530168

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.



ASHISH SHAH & ASSOCIATES

Company Secretaries & Trade Mark Agent | Insolvency Resolution Professional

402, "Shaival Plaza", 4th Floor, Gujarat College Road, Besides Hope Hospital, Ellisbridge, Ahmedabad - 380 006.
Mobile : 098259 40391 | Tel. : 079-26420336 / 7 / 9 | Fax : 079-26424100 | E-mail : ashish@ravics.com

Annexure-A

To,
The Members,
Concord Biotech Limited

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

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

Place: Ahmedabad
Date: 1st July, 2023

For, Ashish Shah & Associates

Ashish Shah
Company Secretary in practice
FCS No. 5974
C P No.: 4178
UDIN: F005974E000530168



INDEPENDENT AUDITOR'S REPORT

To the Members of Concord Biotech Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Concord Biotech Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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, the Cash Flow Statement and Statement of Changes in Equity 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 with reference to standalone financial statements 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 with reference to standalone financial statements.

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

In our opinion and to the best of our information and according to the explanations given to us, 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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in note 43 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded writing or otherwise, that the Company 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 has 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. 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.

As stated in note 45(b) to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The 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 w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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 **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No: 117365W)



H. S. Sutaria

Hardik Sutaria
(Partner)
(Membership No. 116642)
UDIN: 23116642BGWGCZ3998

Place: Ahmedabad
Date: July 01, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Concord Biotech Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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



Meaning of Internal Financial Controls with reference to Standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No: 117365W)

H. S. Sutaria

Hardik Sutaria
(Partner)
(Membership No. 116642)
UDIN: 23116642BGWGCZ3998

Place: Ahmedabad
Date: July 01, 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 of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
 - (a)
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) Some of the Property, Plant and Equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management in accordance with programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use 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) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanation given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of accounts.
 - (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us including the revised submissions made by the Company to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.



- (iii) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence sub-clauses iii (a), (b), (c), (d), (e) and (f) under clause (iii) of the Order are not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year from public to which directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, would apply. Accordingly, the provisions of clause (v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148 (1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, Professional Tax cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities however there have been few delays in respect of remittance of Goods and service Tax, Tax deposit at source and Advance tax.
- There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Customs Duty, Professional Tax, Goods & Service 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:

Name of Statute	Nature of the Dues	Amount involved (Rs. in lacs)	Amount unpaid (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
The Income tax Act, 1961	Income tax	9.43	-	A.Y. 2013-14	The Commissioner of Income tax (Appeals)
The Income tax Act, 1961	Income tax	8.36	8.36	A.Y. 2015-16	The Commissioner of Income tax (Appeals)
The Income tax Act, 1961	Income tax	15.11	15.11	A.Y. 2016-17	The Commissioner of Income tax (Appeals)



Name of Statute	Nature of the Dues	Amount involved (Rs. in lacs)	Amount unpaid (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
The Income tax Act, 1961	Income tax	48.57	42.74	A.Y. 2018-19	The Commissioner of Income tax (Appeals)
The Income tax Act, 1961	Income tax	930.67	930.67	A.Y. 2020-21	Assessing Officer of Income tax
The Income tax Act, 1961	Income tax	42.42	42.42	A.Y. 2020-21	The Commissioner of Income tax (Appeals)
The Central Excise Act, 1944	Excise Duty	376.37	348.15	From January, 2015 to June, 2017	The Commissioner of Central Excise (Appeal)

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the order is not applicable.
- (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 joint ventures during the year and hence reporting under clause (ix) (e) of the order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its joint ventures.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (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 (x)(b) of the Order is not applicable to the Company.



- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, 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 were 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 Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. 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 issued to the Company during the year and covering the period upto December 2022 and the final of the internal audit reports where issued after the balance sheet date covering the period January to March, 2023 for the period under audit.
- (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) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (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 the statutory auditors of the company during the year.
- (xix) On the basis of the financial ratios, ageing, 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 the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, 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)

The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 117365 W)



H. S. Sutaria

Hardik Sutaria
(Partner)
(Membership No. 116642)
UDIN: 23116642BGWGCZ3998

Place: Ahmedabad
Date: July 01, 2023

(₹ in Lakhs, except per share data)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
I. Non-current assets			
(a) Property, plant and equipment	5 (A)	59,252.26	56,803.05
(b) Capital work-in-progress	5 (B)	17,269.71	7,415.52
(c) Intangible assets	6	19.77	357.70
(d) Right-of use assets	7	25.99	136.84
(e) Financial assets			
(i) Investments	8	78.98	92.08
(ii) Others	9	1,019.51	249.56
(f) Other non-current assets	10	761.95	2,663.94
(g) Non-Current tax assets (Net)	20 (c)	266.52	360.45
Total non-current assets (A)		78,694.69	68,079.14
II. Current assets			
(a) Inventories	11	21,231.47	19,511.79
(b) Financial assets			
(i) Investments	8	13,693.01	7,347.33
(ii) Trade receivables	12	27,375.76	23,217.42
(iii) Cash and cash equivalents	13 (a)	349.92	66.69
(iv) Other bank balances	13 (b)	3,994.77	8,826.48
(v) Others	14	3,659.90	2,198.22
(c) Other current assets	15	2,465.18	2,098.76
Total current assets (B)		72,770.01	63,266.69
TOTAL ASSETS (A) + (B)		1,51,464.70	1,31,345.83
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,046.16	951.06
(b) Other equity	17	1,28,151.88	1,09,764.94
Total equity (A)		1,29,198.04	1,10,716.00
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	623.56	3,124.86
(ii) Lease liabilities	7	16.38	31.07
(b) Provisions	19	229.66	187.41
(c) Deferred tax liabilities (net)	20 (b)	2,343.90	2,097.08
Total non-current liabilities (B)		3,213.50	5,440.42
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	2,500.00	2,933.72
(ii) Lease liabilities	7	14.69	159.61
(iii) Trade payables	21		
Due to micro and small enterprise		1,702.27	896.88
Due to other than micro and small enterprise		7,677.73	7,413.68
(iv) Others	22	3,134.35	2,163.89
(b) Provisions	19	2,747.57	174.77
(c) Other current liabilities	23	376.68	1,446.86
(d) Liabilities for Current tax	20 (c)	899.87	-
Total current liabilities (C)		19,053.16	15,189.41
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		1,51,464.70	1,31,345.83
See accompanying notes forming part of the Standalone Financial Statements	1 to 46		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

For and on behalf of board of directors of
Concord Biotech Limited
CIN:U24230GJ1984PLC007440

Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

Lalit Sethi
Chief Financial Officer

Ankur Vaid

Ankur Vaid
Joint Managing Director & CEO
DIN: 01857225

Prakash Sajani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023

Place: Ahmedabad
Date: 1st July, 2023

Concord Biotech Limited
Standalone Statement of Profit and loss for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

Particulars	Notes	Year Ended 31 March 2023	Year Ended 31 March 2022
Income			
Revenue from operations	24	85,316.82	71,293.35
Other income	25	3,530.93	2,341.65
Total Income		88,847.75	73,635.00
Expenses			
Cost of materials consumed	26	16,707.15	15,725.74
Purchases of stock-in-trade		2,876.87	3,073.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(1,563.20)	(2,398.01)
Employee benefits expense	28	11,027.85	9,569.45
Finance costs	29	451.03	548.36
Depreciation and amortization expense	30	5,403.24	5,005.08
Other expenses	31	21,939.40	17,995.33
Total Expenses		56,842.34	49,519.29
Profit before tax		32,005.41	24,115.71
Tax expenses			
Current tax	20 (a)	7,953.00	5,849.00
Deferred tax	20 (b)	238.16	370.53
Short / (excess) provision for tax of earlier years		1.61	39.40
Total tax expenses		8,192.77	6,258.93
Profit for the year		23,812.64	17,856.78
Other Comprehensive Income / (loss)			
Items that will not be reclassified to the statement of Profit or Loss			
Re-measurement gain/ (loss) on defined benefit plans		34.41	(74.57)
Income tax relating to re-measurement gain/ (loss) on defined benefit plans		(8.66)	18.77
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		25.75	(55.80)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		23,838.39	17,800.98
Earnings per share (Nominal value per equity share of ₹ 1 each)			
Basic and diluted (Refer note 32)		22.76	17.07
See accompanying notes forming part of the Standalone Financial Statements	1 to 46		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

H.S. Sutar

Hardik Sutar
Partner

For and on behalf of board of directors of
Concord Biotech Limited
CIN: U24230GJ1984PLC007440

Sudhir Vaid

Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

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Lalit Sethi

Lalit Sethi
Chief Financial Officer

Prakash Sajjani

Prakash Sajjani
Asst. Vice President - Finance &
Company Secretary

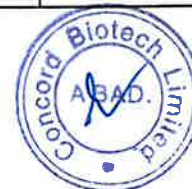
Place: Ahmedabad
Date: 1st July, 2023

Place: Ahmedabad
Date: 1st July, 2023

Concord Biotech Limited
Standalone Cash Flow Statement for the year ended 31 March 2023

(₹ In Lakhs, except per share data)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	32,005.41	24,115.71
Adjustment for:		
Depreciation and amortization	5,403.24	5,005.08
Interest Income	(444.08)	(478.74)
Finance Cost	451.03	548.36
Interest Subsidy Income	(229.47)	(293.66)
(Reversal) / Provision of doubtful debts, net	9.24	(34.63)
Export receivables and other receivables written off	-	645.44
Excess provision no longer required written back	(175.09)	-
Provision against other receivables	-	226.95
Net loss on sale of Property, plant & equipment	9.40	3.37
Net gain on sale of investments	(299.36)	(509.38)
Net gain on financial assets measured at fair value through profit or loss	(72.33)	(13.58)
Net unrealised foreign exchange (gain) / loss	195.35	(183.58)
Loss Due to Fire	3.05	-
Operating Profit before Working Capital Changes	36,856.39	29,031.34
Working Capital Changes:		
(Increase)/Decrease in Inventories	(1,722.73)	(4,151.18)
(Increase)/Decrease in trade receivables	(4,309.71)	(5,276.94)
(Increase)/Decrease in other financial assets	(1,546.67)	(642.76)
(Increase)/Decrease in other assets	(366.43)	3,059.67
Increase/(Decrease) in provisions	2,649.46	11.71
Increase/(Decrease) in trade payables	988.06	3,653.54
Increase/(Decrease) in other financial liabilities	149.66	139.70
Increase/(Decrease) in other liabilities	(1,070.19)	1,000.75
	(5,228.55)	(2,205.51)
Cash generated from operations	31,627.84	26,825.83
Direct Taxes paid (Net of Income Tax refund)	(7,027.66)	(6,078.49)
Net cash generated from operating activities	24,600.18	20,747.34
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant & equipment and Intangible Assets	(14,508.48)	(15,550.42)
Proceeds from disposal of Property, plant & equipment	2.53	5.58
Purchase of Current Investments	(64,309.92)	(48,895.00)
Proceeds from sale of Current Investment	58,349.04	56,143.62
Interest received	558.49	413.96
Net Cashflow from Deposits (Other bank Balances)	4,113.33	(3,296.41)
Net cash used in investing activities	(15,795.01)	(11,178.67)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term borrowings	(2,500.00)	(2,500.14)
Change in Short term borrowings (net)	(433.72)	(76.20)
Dividend Paid	(5,356.35)	(7,052.08)
Interest Paid	(377.63)	(531.45)
Interest Subsidy Received	323.56	308.90
Repayment towards Lease Liabilities	(177.80)	(165.43)
Net cash used in financing activities	(8,521.94)	(10,016.40)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	283.23	(447.73)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	66.69	514.42
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	349.92	66.69



Concord Biotech Limited
Standalone Cash Flow Statement for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

Standalone Cash Flow Statement for the year ended 31 March 2023 (Continued...)

Reconciliation of Cash and cash equivalents with Financial Information

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and Cash Equivalents:		
Cash on hand	1.63	1.15
Balance with Banks	348.29	65.54
Cash and cash equivalents as per Balance Sheet (Refer Note 13)	349.92	66.69

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31, 2023

Particulars	As at 1 April 2022	Cash flows	Non-cash Movement	As at 31 March 2023
Borrowings (including current maturities) (Note - 18)	6,058.58	(2,933.72)	(1.30)	3,123.56
Lease Liability (Note - 7)	190.68	(177.80)	18.19	31.07
Interest accrued but not paid (Note - 22)	36.32	(377.63)	367.28	25.97
Total liabilities from financing activities	6,285.58	(3,489.15)	384.17	3,180.60

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31, 2022

Particulars	As at 1 April 2021	Cash flows	Non-cash Movement	As at 31 March 2022
Borrowings (including current maturities) (Note - 18)	8,634.92	(2,576.34)	-	6,058.58
Lease Liability (Note - 7)	293.45	(165.43)	62.66	190.68
Interest accrued but not paid (Note - 22)	50.79	(531.45)	516.98	36.32
Total liabilities from financing activities	8,979.16	(3,273.22)	579.64	6,285.58

The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 statement of cash flows.

See accompanying notes forming part of the Standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Hardik Sutaria
Partner

For and on behalf of board of directors of
Concord Biotech Limited
CIN: U24230GJ1984PLC007440

Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

Ankur Vaid
Joint Managing Director & CEO
DIN: 01857225

Lalit Sethi
Chief Financial Officer

Prakash Sajani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023

Place: Ahmedabad
Date: 1st July, 2023

Concord Biotech Limited
Standalone Statement of Changes in Equity for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

A. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	951.06	951.06
Changes during the year	95.10	-
Closing Balance	1,046.16	951.06

B. OTHER EQUITY

Particulars	Reserves and Surplus			Total Other Equity
	Retained Earnings	General Reserve	Securities Premium	
Balance as at 1 April, 2021	87,802.05	2,921.79	8,292.20	99,016.04
Profit for the year	17,856.78	-	-	17,856.78
Other comprehensive Income (Net of tax)	(55.80)	-	-	(55.80)
Total Comprehensive Income	17,800.98	-	-	17,800.98
Dividends*	(7,052.08)	-	-	(7,052.08)
Balance as at March 31, 2022	98,550.95	2,921.79	8,292.20	1,09,764.94
Profit for the year	23,812.64	-	-	23,812.64
Other comprehensive Income (Net of tax)	25.75	-	-	25.75
Total Comprehensive Income	23,838.39	-	-	23,838.39
Transactions recorded directly in equity				
Transfer to equity share capital on account of Bonus	-	-	(95.10)	(95.10)
Dividends**	(5,356.35)	-	-	(5,356.35)
Balance as at March 31, 2023	1,17,032.99	2,921.79	8,197.10	1,28,151.88

* Final Dividend of ₹ 74.15 per equity share for the FY 2020-21.

**Final Dividend of ₹ 5.12 per equity share for the FY 2021-22.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

For and on behalf of board of directors of

Concord Biotech Limited

CIN: U24230GJ1984PLC007440

H.S. Sutar

Hardik Sutar

Partner

Sudhir Vaid

Sudhir Vaid

Chairman & Managing Director

DIN: 00055967

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Joint Managing Director & CEO

DIN: 01857225

Lalit Sethi

Lalit Sethi

Chief Financial Officer

Prakash Sajani

Prakash Sajani

Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad

Date: 1st July, 2023

Place: Ahmedabad

Date: 1st July, 2023

Concord Biotech Limited
Notes to the Standalone financial statements

1. Corporate Information

Concord Biotech Limited (the Company) is a public company incorporated and domiciled in India. The Company is engaged in research and development, manufacturing, marketing and selling of pharmaceutical products. The Company's API manufacturing facilities are located at Dholka and Limbasi, and its formulations facility at Valthera in the state of Gujarat, India.

2. Statement of Compliance

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These standalone financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These standalone financial statements were authorised for issuance by the Company's Board of Directors on 1 July 2023.

3. Basis of Preparation of Standalone financial statements

3.1. Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are rounded to the nearest rupee lakhs.

3.2. Basis of Measurement

The standalone financial statements have been prepared on the historical cost basis (i.e on accrual basis), except for the following items:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

3.3. Measurement of Fair Value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value measurement and/or disclosure purposes in the financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net



Concord Biotech Limited
Notes to the Standalone financial statements

realisable value in Ind AS 2 Inventories.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.4. Use of estimates

The preparation of the standalone financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Key source of estimation of uncertainty at the date of standalone financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

- Useful lives of property, plant and equipment (Refer note no. 4.1)
- Leases-Company as a lessee (Refer note no. 4.5)
- Valuation of Inventories (Refer note no. 4.6)
- Employee benefits (refer note no.4.8)
- Provisions & Contingent Liabilities (Refer note no. 4.9)
- Valuation of deferred tax assets (Refer note no. 4.12)

3.5. Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

All assets and liabilities are classified into current and non-current.



Concord Biotech Limited
Notes to the Standalone financial statements

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current assets / non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be settled within 12 months after the reporting date; or
- the Company does not have any unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include the current portion of non-current liabilities / non-current financial liabilities. All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent. The operating cycle of the Company is less than 12 months.

4. Significant accounting policies

4.1. Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of Plant, Property & Equipment comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying Property, Plant and Equipment is capitalized to respective assets when the time taken to put the assets to use is substantial.



Concord Biotech Limited
Notes to the Standalone financial statements

When major items of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The cost of replacement of any property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Company and its cost can be measured reliably.

Capital work-in-progress comprises cost of Property, Plant and Equipment that are not yet installed and ready for their intended use at the Balance sheet date.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period up to commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or upgradation.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in profit and loss.

Freehold land is carried at historical cost and not depreciated. Depreciation on Property, Plant and Equipment is provided using straight line method (except vehicles which have been depreciated based on written down value method) based as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added / disposed off during the year is provided on pro-rata basis with reference to month of addition / disposal. The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end and changes in estimates, if any are accounted for on a prospective basis.

4.2. Intangible Assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses if any.

Intangible assets are amortized over the estimated useful life of three years which reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortizable intangibles is reviewed at the end of each reporting period and change in estimates if any are accounted for on a prospective basis.

4.3. Foreign currency Transaction and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

4.4. Financial Instruments

4.4.1. Financial assets



(a) Classification of financial assets:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and
- those measured at amortised cost. The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(b) Initial measurement:

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

- **Amortised Cost**

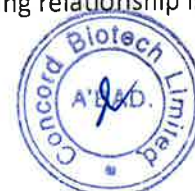
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is



Concord Biotech Limited
Notes to the Standalone financial statements

recognised in profit or loss and presented net in the statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(d) Derecognition of financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(e) Income recognition:

Dividend is accounted when the right to receive payment is established.

(f) Cash and cash equivalents:

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(g) Investments:

Investments in mutual funds are primarily held for the Company's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

(h) Trade receivables:

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its



transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

4.4.2. Financial liabilities

The Company's financial liabilities include trade payables, loans and borrowing and derivative financial instruments.

(a) Classification:

All the Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

(b) Initial measurement:

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method. The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(d) Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Borrowings:

Borrowings are initially recorded at fair value and subsequently measured at amortized costs using effective interest rate method. Transaction costs are charged to statement of profit and loss as financial expenses over the term of borrowing.



(f) Trade payables:

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business

4.4.3. Derivative Financial Instruments:

The Company enters into derivative financial instruments to manage its foreign exchange rate risk. Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

4.5 Leases – Company as lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the Company assesses whether contract involves the use of an identified asset, the Company has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the Company has the right to direct the use of the asset.

At the inception date, right-of-use asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term. When the Company has purchase option available under lease and cost of right-of-use assets reflects that purchase option will be exercised, right-of-use asset is depreciated over the useful life of underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

At the inception date, lease liability is recognised at present value of lease payments that are not made at the commencement of lease. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

Lease payments are discounted using the incremental borrowing rate or interest rate implicit in the lease, if the rate can be determined.

The Company has elected not to apply requirements of Ind AS 116 to leases that has a term of 12 months or less and leases for which the underlying asset is of low value. Lease payments of such lease are recognised as an expense on straight line basis over the lease term.

4.6. Inventories

Inventories are carried at the lower of cost and net realizable value.



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The cost incurred in bringing the inventory to their existing location and conditions are determined as follows:

- (a) Raw Material and Packing Material - Purchase cost of materials on FIFO basis.
- (b) Finished Goods (Manufactured) and work in progress - Cost of purchase, conversion cost, and other costs attributable to inventories.
- (c) Trading goods - Purchase cost on FIFO basis.

The cost of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recovered by the Company from taxing authorities), and transport, handling and other costs directly attributable to the bringing the inventory to their existing location and conditions. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

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

4.7. Impairment of Assets

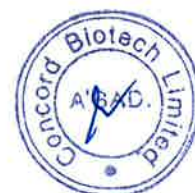
4.7.1. Financial Assets

At each balance sheet date, the company assesses whether a financial asset is to be impaired. Ind AS 109 requires expected credit losses to be measured through loss allowance. The Company measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses.

4.7.2. Non-financial Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.



4.8. Employee Benefits

4.8.1. Short term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in profit and loss account.

4.8.2. Long term employment benefits

Defined Contribution Plans

Contributions to defined contribution plans (provident fund and other social security schemes) are recognized as expense when employees have rendered services entitling them to such benefits.

Defined Benefit Plans

The Company's net obligation in respect of an approved gratuity plan, which is defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and net interest on the net defined benefit liability (asset) is recognized in the statement of profit and loss. Past service cost are immediately recognized in the statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Compensated absences and earned leaves

The Company's current policy permit eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the statement of profit and loss in the period in which they arise.

4.9. Contingent liabilities, contingent assets and provisions

(a) Contingent liabilities:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as Contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

(b) Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not



wholly within the control of the entity. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

(c) Provisions:

A provision is recognized when as a result of a past event, the Company has a present obligation whether legal or constructive that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

4.10. Government Grant

The Company recognises government grants at their fair value only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

Government grants received in relation to assets are recognised directly to respective assets for which it is received. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

4.11. Revenue recognition

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

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

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

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

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

Revenue from services are recognised as the related services are performed, the contractual performance obligations are satisfied and there is no uncertainty related to the collection of the said revenue.



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Profit share earned through a collaboration partners is recognised as the underlying sales are recorded by the collaboration partners.

Export entitlements

Export entitlements are recognised as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recognized using effective interest rate method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to:

- The gross carrying amount of the financial assets; or
- The amortized cost of the financial liabilities

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4.12. Income Taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit or loss, except when they relates to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the standalone financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer



Concord Biotech Limited
Notes to the Standalone financial statements

probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to do the same.

4.13. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.14. Research and development

Revenue expenditure on research and development activities is recognized as expense in the period in which it is incurred.

4.15. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.16. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

4.17. Recent Accounting Pronouncements:

On 31 March 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from 1 April 2023.

- i. Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii Ind AS 102 – Share-based Payment
- iii Ind AS 103 – Business Combinations
- iv Ind AS 107 – Financial Instruments Disclosures
- v Ind AS 109 – Financial Instruments
- vi Ind AS 115 – Revenue from Contracts with Customers



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Notes to the Standalone financial statements

- vii Ind AS 1 – Presentation of Financial Statements
- viii Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix Ind AS 12 – Income Taxes
- x Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.



(₹ in Lakhs, except per share data)

5. (A) Property, Plant and Equipment

As at 31 March 2023

Particulars	Freehold Land	Building	Plant & Equipments	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying amount as at 1 April 2022	5,471.11	22,263.42	35,274.71	4,321.80	489.11	1,724.29	672.49	371.11	70,588.04
Additions during the year	-	2,365.12	3,930.72	616.19	144.66	247.63	56.53	54.74	7,415.59
Deductions during the year	-	-	18.09	-	-	-	-	2.66	20.75
Gross carrying amount as at 31 March 2023	5,471.11	24,628.54	39,187.34	4,937.99	633.77	1,971.92	729.02	423.19	77,982.88
Accumulated depreciation as at 1 April 2022	-	2,003.36	8,470.15	1,747.78	300.59	620.11	463.71	179.29	13,784.99
Depreciation for the year	-	862.57	3,239.19	422.02	68.69	167.95	120.18	73.85	4,954.45
Deductions during the year	-	-	6.39	-	-	-	-	2.43	8.82
Accumulated depreciation as at 31 March 2023	-	2,865.93	11,702.95	2,169.80	369.28	788.06	583.89	250.71	18,730.62
Carrying value as at 31 March 2023	5,471.11	21,762.61	27,484.39	2,768.19	264.49	1,183.86	145.13	172.48	59,252.26
Capital work-in-progress									17,269.71

As at 31 March 2022

Particulars	Freehold Land	Building	Plant & Equipments	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying amount as at 1 April 2021	5,469.93	19,808.13	30,671.48	4,112.69	457.02	1,531.40	613.45	341.59	63,005.69
Additions during the year	1.18	2,455.29	4,611.03	209.11	33.12	192.89	59.04	41.32	7,602.98
Deductions during the year	-	-	7.80	-	1.03	-	-	11.80	20.63
Gross carrying amount as at 31 March 2022	5,471.11	22,263.42	35,274.71	4,321.80	489.11	1,724.29	672.49	371.11	70,588.04
Accumulated depreciation as at 1 April 2021	-	1,232.53	5,491.08	1,354.98	222.63	472.38	355.11	112.20	9,240.91
Depreciation for the year	-	770.83	2,979.50	392.80	78.94	147.73	108.60	77.36	4,555.76
Deductions during the year	-	-	0.43	-	0.98	-	-	10.27	11.68
Accumulated depreciation as at 31 March 2022	-	2,003.36	8,470.15	1,747.78	300.59	620.11	463.71	179.29	13,784.99
Carrying value as at 31 March 2022	5,471.11	20,260.06	26,804.56	2,574.02	188.52	1,104.18	208.78	191.82	56,803.05
Capital work-in-progress									7,415.52

Notes:

(i) Buildings includes ₹100 (Previous year ₹ 100) being cost of shares of Bopal "444" Association.

(ii) Depreciation for the year includes ₹ 182.98 Lakhs (Previous Year - ₹ 183.59 Lakhs) for depreciation on Research & Development assets. (Refer Note 41)

(iii) Additions to Property, Plant & Equipment during the year include capital expenditure on Research & Development related activities amounting to ₹ 231.17 Lakhs (Previous Year ₹ 135.22 Lakhs). The details of the same are as under:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Factory Building	64.95	-
Plant & Machinery	13.98	2.19
Laboratory Equipment	106.84	130.25
Computer	9.31	1.26
Office Equipment	3.28	0.21
Furniture & Fixtures	32.81	1.31
Total	231.17	135.22



Concord Biotech Limited
Notes to the Standalone Financial Statements
for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

5. Property, Plant and Equipment (Continued..)

- (iv) Details of property, plant and equipments which are hypothecated/mortgaged as security for borrowings are disclosed under note 18 (i).
(v) The amount of capital commitments is disclosed in Note 34.
(vi) During the year ended 31 March 2021, the Company has capitalized interest on borrowings used for construction / acquisition of qualifying assets. Further, an amount of ₹ 1430.90 lakhs towards capital subsidy, ₹ 331.09 lakhs towards interest subsidy and ₹ 229.45 lakhs towards re-imbursement of stamp duty charges have been adjusted towards the cost of such assets capitalized during the year ended 31 March 2021.

(B) Capital work in progress:

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Work-In-Progress	17,269.71	7,415.52
Total	17,269.71	7,415.52

(i) Capital work in progress ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	13,549.87	3,325.38	394.46	-	17,269.71
As at 31 March 2023	13,549.87	3,325.38	394.46	-	17,269.71
Projects in Progress	7,021.06	394.46	-	-	7,415.52
As at 31 March 2022	7,021.06	394.46	-	-	7,415.52



Concord Biotech Limited
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for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

6 Intangible Assets

As at 31 March 2023

Particulars	Software	Technical Know-How	Total
Gross carrying amount as at 1 April 2022	117.59	1,042.20	1,159.79
Additions during the year	-	-	-
Deductions during the year	-	-	-
Gross carrying amount as at 31 March 2023	117.59	1,042.20	1,159.79
Accumulated depreciation as at 1 April 2022	97.55	704.53	802.08
Amortisation for the year	13.89	324.05	337.94
Deductions during the year	-	-	-
Accumulated depreciation as at 31 March 2023	111.44	1,028.58	1,140.02
Carrying value as at 31 March 2023	6.15	13.62	19.77

As at 31 March 2022

Particulars	Software	Technical Know-How	Total
Gross carrying amount as at 1 April 2021	102.91	1,001.31	1,104.22
Additions during the year	14.68	40.89	55.57
Deductions during the year	-	-	-
Gross carrying amount as at 31 March 2022	117.59	1,042.20	1,159.79
Accumulated depreciation as at 1 April 2021	82.06	380.48	462.54
Amortisation for the year	15.49	324.05	339.54
Deductions during the year	-	-	-
Accumulated depreciation as at 31 March 2022	97.55	704.53	802.08
Carrying value as at 31 March 2022	20.04	337.67	357.71



7 Right-of use assets

Particulars	As at 31 March 2023	As at 31 March 2022
Right-of use Assets (RoU)	25.99	136.84
Total	25.99	136.84

Lease Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease Liabilities-Current	14.69	159.61
Lease Liabilities- Non Current	16.38	31.07
Total	31.07	190.68

A. The Company has taken Office building and other warehouse on lease. Disclosures as per Ind AS 116 - Leases are as follows:

The changes in the carrying value of ROU assets for the year ended on 31 March 2023 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	97.57	39.27	136.84
Additions during the year	-	-	-
Amortisation	(97.57)	(13.28)	(110.85)
Balance at the end of the year	0.00	25.99	25.99

The changes in the carrying value of ROU assets for the year ended on 31 March 2022 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	195.13	20.20	215.33
Additions during the year	-	31.29	31.29
Deletions/cancellation/modification during the year	-	-	-
Amortisation	(97.56)	(12.22)	(109.78)
Balance at the end of the year	97.57	39.27	136.84

The aggregate amortisation expense on ROU assets is included under amortisation expense in the Statement of Profit and Loss.

B. The movement in lease liabilities for the year ended on 31 March 2023 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	146.14	44.54	190.68
Additions during the year	-	-	-
Deletions/cancellation/modification during the year	-	-	-
Finance cost accrued during the year	14.47	3.72	18.19
Payment of lease liabilities	(160.61)	(17.19)	(177.80)
Balance at the end of the year	0.00	31.07	31.07

The break-up of current and non-current lease liabilities as on 31 March 2023 is as under :

Particulars	Office Building	Warehouse	Total
Current	-	14.69	14.69
Non Current	-	16.38	16.38
Total	-	31.07	31.07

The movement in lease liabilities for the year ended on 31 March 2022 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	269.55	23.90	293.45
Additions during the year	-	31.29	31.29
Deletions during the year	-	-	-
Finance cost accrued during the year	26.69	4.68	31.37
Payment of lease liabilities	(150.10)	(15.33)	(165.43)
Balance at the end of the year	146.14	44.54	190.68



7 Right-of use assets (Continued...):

The break-up of current and non-current lease liabilities as on 31 March 2022 is as under :

Particulars	Office Building	Warehouse	Total
Current	146.14	13.46	159.61
Non Current	0.00	31.07	31.07
Total	146.14	44.53	190.68

C. The details of contractual maturities of lease liabilities as on 31 March 2023 on undiscounted basis are as follows:

Particulars	Office Building	Warehouse	Total
Less than one year	-	17.22	17.22
One to five years	-	18.34	18.34
Total	-	35.56	35.56

The details of contractual maturities of lease liabilities as on 31 March 2022 on undiscounted basis are as follows:

Particulars	Office Building	Warehouse	Total
Less than one year	160.61	17.19	177.80
One to five years	-	35.56	35.56
Total	160.61	52.75	213.36

D. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E. The amount recognised in the statement of profit or loss for the year ended 31 March 2023 are as follows:

Particulars	Office Building	Warehouse	Total
Amortisation expense of RoU (Refer Note 30)	97.57	13.28	110.85
Interest expense on lease liabilities (Refer Note 29)	14.47	3.72	18.19
Rent expense*	0.71	-	0.71
Total	112.75	17.00	129.75

*Rent expenses for short-term leases and leases of low value assets (Refer Note 31)

The amount recognised in the statement of profit or loss for the year ended 31 March 2022 are as follows:

Particulars	Office Building	Warehouse	Total
Amortisation expense of RoU (Refer Note 30)	97.56	12.22	109.78
Interest expense on lease liabilities (Refer Note 29)	26.69	4.68	31.37
Rent expense*	0.15	-	0.15
Total	124.40	16.90	141.30

*Rent expenses for short-term leases and leases of low value assets (Refer Note 31)



(₹ in Lakhs, except per share data)

8 Investments

Particulars	No. of share / units as at 31 March 2023	No. of share / units as at 31 March 2022	As at 31 March 2023	As at 31 March 2022
(a) Non-Current				
(i) Unquoted equity instruments				
In Joint Venture Company at cost: Concord Biotech Japan K.K. [CY. 200 Shares (PY. 200 Shares)]	200	200	66.52	66.52
Total Investment at cost Non current			66.52	66.52
(ii) Investments in Mutual Funds measured at FVTPL				
Aditya Birla Sun Life Credit Risk Fund Growth Regular (Formerly Known as Aditya Birla Sun Life Corporate Bond) Segregated Portfolio 1	-	60,56,568	-	9.85
Franklin India Short Term Income Plan - Retail Plan Segregated Portfolio 2	13,340	17,876	12.46	15.71
Franklin India Short Term Income Plan - Retail Plan Segregated Portfolio 3	21,282	21,282	-	-
Total Investments at FVTPL- Non Current			12.46	25.56
Total Non-current Investments			78.98	92.08
Aggregate carrying value of unquoted investments			66.52	66.52
Aggregate carrying value of quoted investments			12.46	25.56
Aggregate market value of quoted investments			12.46	25.56
(b) Current				
(i) Investments in Mutual Funds measured at FVTPL				
Edelweiss Arbitrage Fund - Regular Plan Growth	-	1,01,67,384	-	1,597.50
Aditya Birla Sun Life Banking & PSU Debt Fund	1,56,941	-	500.00	-
HDFC Banking & PSU Debt Fund	24,97,216	-	500.00	-
Kotak Mahindra Banking & PSU Debt Fund	8,79,152	-	500.00	-
SBI Banking & PSU Fund	18,018	-	500.00	-
Aditya Birla Sun Life Overnight Fund	-	35,043	-	401.20
Nippon India Overnight Fund	-	4,22,073	-	480.11
Axis Strategic Bond Fund - Growth	11,61,353	11,61,353	270.88	259.15
Franklin India Short Term Income Plan - Retail Plan	1,292	1,822	63.89	85.87
ICICI Prudential Saving Fund - Growth	2,96,506	2,96,506	1,365.65	1,292.76
Kotak Low Duration Fund Standard Growth (Regular Plan)	18,324	18,324	523.32	499.43
Reliance Prime Debt Fund - Growth Plan - Growth Option	5,36,413	5,36,413	268.53	256.24
Nippon India Floating Rate Fund	17,71,457	-	700.00	-
Aditya Birla Sun Life Liquid Fund	1,30,887	-	470.93	-
Axis Liquid Fund	13,312	-	330.69	-
ICICI Prudential Liquid Fund	2,93,760	-	971.33	-
Nippon India Money Market Fund	4,036	-	141.78	-
SBI Liquid Fund	38,677	-	1,352.18	-
HDFC Low Duration Fund - Direct Growth	15,90,086	15,90,086	835.12	791.68
HDFC Ultra Short Term Fund -Direct	42,31,052	42,31,052	554.52	525.19
Trust Banking & PSU fund	50,000	50,000	544.19	528.02
SBI Overnight Fund - Growth	-	18,398	-	630.18
Aditya Birla Sun Life Short Term Fund	7,01,471	-	300.00	-
Axis Short Term Fund	21,41,030	-	600.00	-
ICICI Prudential Short Term Fund	11,03,584	-	600.00	-
Kotak Bond Fund Short Term Fund	12,57,245	-	600.00	-
Nippon India Short Term Fund	12,60,923	-	600.00	-
SBI Short Term Debt Fund	21,04,886	-	600.00	-
Total Investments at FVTPL- Current			13,693.01	7,347.33
Aggregate carrying value of quoted investments			13,693.01	7,347.33
Aggregate market value of quoted investments			13,693.01	7,347.33



Concord Biotech Limited
Notes to the Standalone Financial Statements
for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

9 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
<u>Unsecured, considered good unless otherwise stated</u>		
Non- current		
Security deposits	132.81	102.18
Term deposits with maturity more than 12 months (Refer note i below)	796.57	78.20
Interest accrued but not due on deposits	22.74	3.87
Other receivables		
Considered Good	67.39	65.31
Considered Doubtful	226.95	226.95
Less: Provision on other receivables (Refer note ii below)	(226.95)	(226.95)
Net other receivable	67.39	65.31
Total	1,019.51	249.56

Notes:

- (i) Out of total term deposits of ₹ 796.57 lakhs, term deposits amounting to ₹ 16.57 lakhs (as at 31 March 2022 ₹ 78.20 lakhs) are lodged as margin money against Bank Guarantees and other Commitments.
- (ii) Provision of Rs. 226.95 lakhs is made for incentive receivable under Market Access Initiative Scheme(MAI scheme).

10 Other non current assets

Particulars	As at 31 March 2023	As at 31 March 2022
<u>Unsecured, considered good unless otherwise stated</u>		
Capital advances	761.95	2,663.94
Total	761.95	2,663.94



(₹ in Lakhs, except per share data)

11 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
(At lower of Cost and Net Realizable Value)		
(a) Raw materials - Including Goods in transit (C.Y. Nil Lakhs, P.Y. 19.15)	8,042.87	8,080.81
(b) Work-in-progress	11,319.82	9,018.04
(c) Finished goods - Including Goods in transit (C.Y. 115.88 Lakhs, P.Y. 427.99 Lakhs)	548.49	1,027.07
(d) Fuel	78.91	72.74
(e) Stores & Spares	309.68	121.43
(f) Stock in Trade	931.70	1,191.70
Total	21,231.47	19,511.79

(i) Inventories are given as security for borrowings as disclosed under note 18(ii).

(ii) Inventory write down are accounted, considering the nature of inventory, ageing and net realisable value ₹ 503.34 Lakhs (March, 2022 ₹ 141.43 Lakhs). The changes in write downs are recognised as an expense in the statement of Profit and loss.

12 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good	27,375.76	23,217.42
Trade receivables Credit impaired	87.30	78.06
Less:- Allowance for doubtful trade receivables	87.30	78.06
Total	27,375.76	23,217.42

(i) The Company's exposure to credit and currency risk, and loss allowances are disclosed in Note 38.

(ii) Includes receivables from related parties [refer note 39 (c)].

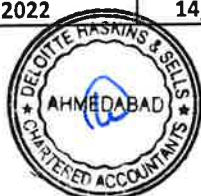
(iii) Trade Receivables are given as security for borrowings as disclosed under note 18(ii).

(iv) Movements in the expected credit loss allowance:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	78.06	112.69
Add / (less) : Provision made / (reversed) during the year	9.24	(34.63)
Less: Provision used during the year	-	-
Closing balance	87.30	78.06

(v) Trade receivables Ageing Schedule:

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	18,434.53	7,203.27	1,331.87	377.59	28.50	-	27,375.76
(ii) Undisputed Trade Receivables - credit Impaired	-	-	-	18.15	6.91	62.24	87.30
As at 31 March 2023	18,434.53	7,203.27	1,331.87	395.74	35.41	62.24	27,463.06
(i) Undisputed Trade receivables - considered good	14,249.45	8,024.98	912.53	30.45	-	-	23,217.42
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	5.81	5.15	67.10	78.06
As at 31 March 2022	14,249.45	8,024.98	912.53	36.26	5.15	67.10	23,295.48



Concord Biotech Limited
Notes to the Standalone Financial Statements
for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

13 Cash and Bank Balances

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash and cash equivalents		
Cash on hand	1.63	1.15
Balance with Banks		
In Current accounts	348.29	65.54
In Exchange Earners' Foreign Currency (EEFC) account	-	-
Total cash and cash equivalents	349.92	66.69
(b) Other bank balances		
Term Deposits with Maturity more than 3 months but less than 12 months [Refer note below]	3,994.77	8,826.48
Total other bank balances	3,994.77	8,826.48

(i) Out of total term deposits of ₹ 3,994.77 Lakhs, Term deposits amounting to ₹ 936.77 Lakhs (P.Y. ₹ 101.48 Lakhs) are lodged as margin money against Bank Guarantees and other Commitments.

14 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good unless otherwise stated		
Current		
Subsidy receivable [Refer Note (i) below]	124.37	1,819.25
Interest Accrued but not due on deposits	78.88	212.17
Derivative financial Instruments	25.00	49.83
Insurance claims	73.89	38.28
Security Deposit	31.65	48.05
Product Linked Incentive Receivable [Refer Note (ii) below]	1,591.17	-
IPO expense reimbursement receivable [Refer Note (iii) below]	1,268.16	-
Other Receivables [Refer Note (iv) below]	466.78	30.64
Total	3,659.90	2,198.22

- (i) Company is eligible to get various incentive namely – Capital subsidy, interest subsidy, power subsidy, employment generation incentive subsidy etc. from GSBTM (Gujarat State Biotechnology Mission) under Biotechnology Policy of Gujarat for establishing new API Plant at Limbasi. Company has received claims of subsidies on timely manner from GSBTM. The Company has received Capital subsidy pertaining for the claim of the GSBTM in FY 2022-2023. As at 31 March 2023, the Company has outstanding receivable on account of various subsidies as follows - Interest Subsidy ₹ 46.12 Lakhs for interest paid on term loan, Power Tariff Subsidy ₹ 65.62 Lakhs, Employment Generation Incentive ₹ 12.62 Lakhs (as at 31 March 2022 Capital Subsidy ₹ 1430.90 lakhs, Interest Subsidy ₹ 140.20 lakhs for interest paid on term loan, Power Tariff Subsidy ₹ 106.53 lakhs, Employment Generation Incentive ₹ 24.48 lakhs and Electricity Duty ₹ 117.14 lakhs)
- (ii) The Company is eligible for claiming benefits under the Production Linked Incentive [PLI] Scheme of the Government of India. Based on the Claims Submitted by PLI department, the Company has recognised the PLI Income.
- (iii) Expenses incurred in relation to IPO that will be recovered by the Company from the selling shareholder upon completion of IPO process as per offer agreement.
- (iv) Other receivable includes Rs. 461.72 lakhs of amount recoverable from customer towards bank guarantees invoked.

15 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good unless otherwise stated		
Advance to Supplier	130.97	251.61
Balances with Indirect tax authorities	1,398.35	736.20
Prepaid expenses	551.85	476.05
Returnable assets	71.16	-
Export Incentive Receivable	306.13	627.06
Advances to Employees	6.72	7.84
Total	2,465.18	2,098.76



16 Equity Share Capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
110,000,000 (Previous Year - 10,000,000) equity shares of ₹ 1/- each and 31 March, 2022 ₹ 10/-) (Refer note below)	1,100.00	1,000.00
	1,100.00	1,000.00
Issued, Subscribed and fully paid-up		
104,616,204 (Previous Period - 9,510,564) equity shares of ₹ 1/- (Previous Period ₹ 10/-) each fully paid up [Refer Note (v) below]	1,046.16	951.06
	1,046.16	951.06

The Authorized Share Capital of the Company was increased from ₹ 10,00,00,000 (consisting of 1,00,00,000 equity shares of face value of ₹ 10 each) to ₹ 11,00,00,000 (consisting of 11,00,00,000 equity shares of face value of ₹ 1 each) through an ordinary resolution passed by the Shareholders of the Company in Extra Ordinary General Meeting of Company held on 8 July 2022.

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	₹ In Lakhs	Number of Shares	₹ In Lakhs
As at the beginning of the year	95,10,564	951.06	95,10,564	951.06
Add: Issued on account of Split off of shares during the period [refer Note (v) below]	8,55,95,076	-		
Add: Issued on account of Bonus shares during the period [refer Note (v) below]	95,10,564	95.10		
Outstanding at the end of the year	10,46,16,204	1,046.16	95,10,564	951.06

(ii) Terms/rights attached to equity shares with voting rights:

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(iii) 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	% Holding	No. of shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Mr. Sudhir Jairam Vaid	3,01,69,524	28.84%	27,42,684	28.84%
Helix Investment Holdings Pte Limited, Singapore	2,09,25,652	20.00%	19,02,332	20.00%
Mrs. Manju Sudhir Vaid	99,87,384	9.55%	9,07,944	9.55%
Nishtha Jhunjhunwal Disc Trust	83,99,732	8.03%	7,63,612	8.03%
Aryavir Jhunjhunwal Disc Trust	83,99,754	8.03%	7,63,614	8.03%
Aryaman Jhunjhunwal Disc Trust	83,99,754	8.03%	7,63,614	8.03%
M/s. Ontario Inc.	56,40,536	5.39%	5,12,776	5.39%

(iv) Shares held by Promoters & Promoters group at the end of the Year:

Particulars	As at 31 March 2023		As at 31 March 2022		% of change during the year
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Promoters					
Mr. Sudhir Vaid	3,01,69,524	28.84%	27,42,684	28.84%	-
Mr. Ankur Vaid	5,86,520	0.56%	53,320	0.56%	-
Promoters Group					
Mrs. Manju Sudhir Vaid	99,87,384	9.55%	9,07,944	9.55%	-
Mrs. Megha Vaid	5,47,008	0.52%	49,728	0.52%	-
Mrs. Sonal Kumra	73,920	0.07%	6,720	0.07%	-
Sudman Consultants LLP	47,52,000	4.54%	4,32,000	4.54%	-

(v) Pursuant to the approval of the shareholders at the Extra Ordinary General Meeting of the Company held on 8 July 2022, each equity share of face value of ₹ 10/- per share was sub-divided into 10 equity shares of face value of ₹ 1/- per share and approved the issuance of 1 bonus shares of face value ₹ 1 each for every 10 existing fully paid-up equity share of face value ₹ 1 each and accordingly 95,10,564 bonus shares were issued and allotted on 20 July 2022 out of securities premium.



17 Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Reserve and Surplus		
Retained Earnings	1,17,032.99	98,550.95
General Reserve	2,921.79	2,921.79
Securities premium [Refer note 16(v)]	8,197.10	8,292.20
Total	1,28,151.88	1,09,764.94

Nature and purpose of reserves:

(i) General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Statement of Profit & Loss.

(ii) Retained Earnings:

Retained Earnings are the profits that the Company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

(iii) Securities Premium:

This reserves represents Security Premium received at the time of issuance of Equity Shares.



18 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Secured		
Term Loan (Refer Note I below)	3,123.56	5,624.86
Less: Current maturities of term Loan	(2,500.00)	(2,500.00)
Total	623.56	3,124.86
Current borrowing		
Secured		
Cash Credit Facility (Refer Note ii below)	-	433.72
Current maturities of long term liabilities	2,500.00	2,500.00
Total	2,500.00	2,933.72

- (i) The Company has availed Term Loan from State Bank of India. Term Loan of ₹ 10,000 lakhs (outstanding amounting as at 31 March 2023 ₹ 3123.56 lakhs 31 March 2022 ₹ 5624.86 lakhs) is secured by first charge on Factory Land & Building and Plant & Machinery of Unit-III at Limbasi, Dist. Kheda, (Survey No. 666,667,668 and 84 at Village Malavada and Survey No. 94A,94B,119,120,126,135 and 136 at Ranasar) and charge on the same has been created. Interest rate is 3 months MCLR + 0.20% p.a and loan is repayable in 16 quarterly instalments of ₹ 625 lakhs each starting from October,2020
- (ii) Short term Borrowings from banks are in nature of working capital facilities which are secured by first pari passu charge on entire current assets of the Company. Interest rate is MCLR + 0.05% and this borrowing is repayable on demand
- (iii) The Company has Fund-based and Non-fund-based limits of Working Capital from Banks. For the said facility, the revised submissions made by the Company to its bankers based on closure of books of accounts at the respective year end, the revised quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors, and other stipulated financial information filed by the Company with such banks or financial Institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

19 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Provisions for compensated absences	229.66	187.41
Total	229.66	187.41
Current		
Provision for Compensated Absences	147.85	81.32
Provision for Sales Return (Refer note 24(c) and i below)	2,542.05	-
Provision for Gratuity (Refer Note : 36)	57.67	93.45
Total	2,747.57	174.77

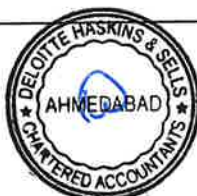
Note:

(i) Provision for Sales Returns:

One of the distributor based out at America has terminated exclusive distribution and supply agreement with effect from the date of 180 days from the letters for products supplied by the Company vide termination notice dated 5 August 2022 and 14 December 2022. As per the Agreement, the Company is required to purchase the remaining unsold inventory based on mutual understanding between the Parties. Provision is made for inventory lying with distributor of all the terminated products. Out of total sales return provision Goods amounting to ₹ 2163.70 lakhs which are expected to be received are primarily in nature of expired or near expiry products. The Company has also made additional provision for expected sales return on the basis of evaluation of the contractual terms with other customers, trade practices with customers, market conditions and historical experience.

Further, the Company has also made additional provision on the basis of evaluation of the contractual terms with the customers, trade practices with customers, market conditions and historical experience.

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance		
Add: Provision made during the period	3,843.54	-
Less: Provision utilised during the period	(1,301.49)	-
Closing Balance	2,542.05	-



20 Income taxes

The major component of income tax expense for the years ended 31 March 2023 and 31 March 2022 are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Statement of Profit and Loss		
Current tax	7,953.00	5,849.00
Short / (excess) provision related to earlier years	1.61	39.40
Deferred tax expense	238.16	370.53
Income tax expense in the Statement of Profit and Loss	8,192.77	6,258.93
Statement to Other comprehensive Income (OCI)		
Tax expense related to items recognised in OCI during the year	8.66	(18.77)
Income tax credit recognised in OCI	8.66	(18.77)

(a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st March, 2023 and 31st March, 2022.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before tax	32,005.41	24,115.71
Tax Rate	25.168%	25.168%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	8,055.12	6,069.44
Adjustment		
Tax impact in income charged under capital gain	(22.35)	(46.82)
(Excess) / Short tax provision related to earlier year	1.61	39.40
Expenditure not deductible under tax	142.15	113.15
Changes in temporary differences of earlier years	12.30	67.68
Others	3.94	16.08
Total income tax expense	8,192.77	6,258.93
Effective tax rate	25.60	25.95

(b) Deferred tax:

The Company has accrued amounts of deferred tax. Components of Deferred tax (assets) & liabilities recognized in the financial statements of the Company as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment and Intangible assets	2,387.06	2,134.76
Fair Valuation of Investments	175.17	156.97
Leases	-	-
Total	2,562.23	2,291.73
Deferred tax assets		
Employee benefit obligations	116.45	88.03
Allowances for doubtful debts & other receivables	79.09	76.76
Other disallowable expenses	21.51	16.31
Leases	1.28	13.55
Total	218.33	194.65
Deferred Tax liabilities (Net)	2,343.90	2,097.08
Total	2,343.90	2,097.08

Movement of deferred tax liabilities / (assets) during the year:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities / (assets) in relation to:		
Property, plant and equipment and Intangible assets	252.29	336.19
Fair Valuation of Investments	18.20	151.54
Leases	12.27	(14.79)
Employee benefit obligations	(28.42)	(46.02)
Allowances for doubtful debts & other receivables	(2.33)	(65.69)
Other disallowable expenses	(5.20)	(9.47)
Deferred tax expense	246.82	351.76

- (i) There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters. Refer note 34 (b).
- (ii) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (iii) The Tax rate used for Financial Year 2022-23 and 2021-22, in reconciliation above is the corporate tax rate of 25.168% payable by corporate entity in India on taxable profits under the Indian Tax Law.

(C) Non-Current tax asset / (Current tax Liabilities)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Income Tax	(19,355.26)	(18,907.40)
Advance payment of Tax	18,721.90	19,267.85
Net Non-Current tax asset / (Current tax Liabilities)	(633.36)	360.45



(₹ in Lakhs, except per share data)

21 Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Due to micro and small enterprise ('MSME') (Refer note 42)	1,702.27	896.88
Due to others	7,677.73	7,413.68
Total	9,380.00	8,310.56

(a) Trade Payables Ageing Schedule:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	1,488.55	213.17	0.33	-	0.22	1,702.27
(ii) Others	5,550.31	1,889.40	141.83	37.83	58.36	7,677.73
As at 31 March 2023	7,038.86	2,102.57	142.16	37.83	58.58	9,380.00
(i) MSME	433.35	432.35	27.30	3.33	0.55	896.88
(ii) Others	2,731.52	3,999.33	400.08	173.76	108.99	7,413.68
As at 31 March 2022	3,164.87	4,431.68	427.38	177.09	109.54	8,310.56

22 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	25.97	36.32
Payables for employee benefits	1,009.21	884.56
Security Deposits	10.00	10.00
Derivative financial instruments	0.00	3.16
Payable on purchase of Property, Plant and Equipment	2,089.17	1,229.85
Total	3,134.35	2,163.89

23 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Payable to Statutory and other authorities	221.17	218.84
Advance from customers	155.51	1,228.02
Total	376.68	1,446.86



(₹ In Lakhs, except per share data)

24 Revenue From Operations

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Sale of products - (Refer Note Below)	83,045.34	70,398.60
Sale of Services	17.88	445.41
	83,063.22	70,844.01
Other Operating Income		
Export benefits	662.43	449.34
Product Linked Incentive Income [Refer note 14 (iii)]	1,591.17	-
	2,253.60	449.34
Total	85,316.82	71,293.35

(a) Disaggregate revenues from contracts with customers based on geography for the year ended 31 March 2023.

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Domestic	43,213.41	33,919.67
Exports	42,103.41	37,373.68
Total	85,316.82	71,293.35

(b) Disaggregate revenues from contracts with customers based on products:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
API	76,131.40	57,490.76
Formulations	9,185.42	13,802.59
Total	85,316.82	71,293.35

(c) Reconciliation of Revenue from operations with contract price:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Contract Price	89,172.52	72,605.47
Less : Adjustment made to contract price on account of:		
Sales Return	(3,843.54)	(1,303.77)
Others - rate difference	(12.16)	(8.35)
Total	85,316.82	71,293.35

25 Other Income

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest Income		
From Bank	444.08	478.74
Net gain on sale of investments	299.36	509.38
Net gain on FV of investments in mutual fund	72.33	13.58
Net foreign exchange gain	1,022.15	635.89
Subsidy Income	832.38	541.82
Insurance claim Received	65.10	30.35
Miscellaneous Income	158.72	97.26
Receivables from Bank Guarantee	461.72	-
Excess provision no longer required written back	175.09	-
Reversal / (Provision) of doubtful debts, net	-	34.63
Total	3,530.93	2,341.65

26 Cost of materials consumed

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Opening Stock	8,080.81	6,463.41
Add: Purchases	16,669.21	17,343.14
	24,750.02	23,806.55
Less: Closing stock	8,042.87	8,080.81
Total	16,707.15	15,725.74



(₹ in Lakhs, except per share data)

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Opening stock		
Finished goods	1,027.07	1,034.38
Stock-in-trade	1,191.70	972.47
Work-in-progress	9,018.04	6,831.95
	11,236.81	8,838.80
Less : Closing stock		
Finished goods	548.49	1,027.07
Stock-in-trade	931.70	1,191.70
Work-in-progress	11,319.82	9,018.04
	12,800.01	11,236.81
Net (Increase) in stock	(1,563.20)	(2,398.01)

28 Employee benefits expense:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Salaries, wages and bonus	10,314.23	8,840.48
Contribution to provident and other funds	523.82	572.43
Staff welfare expenses	189.80	156.54
Total	11,027.85	9,569.45

29 Finance costs

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest expense on borrowings	365.98	516.99
Interest on Income tax	66.86	-
Interest Expense on lease liabilities (Refer Note 7)	18.19	31.37
Total	451.03	548.36

30 Depreciation and amortization

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Depreciation for the year on tangible assets (Refer Note 5)	4,954.45	4,555.76
Amortization for the year on Intangible assets (Refer Note 6)	337.94	339.54
Amortization for the year on right of use assets (Refer Note 7)	110.85	109.78
Total	5,403.24	5,005.08

31 Other expenses

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Power & Fuel Consumed	9,765.37	7,164.47
Consumption of stores and spare parts	1,305.77	919.16
Laboratory Charges & Testing Expenses	2,158.59	1,856.61
Repairs & Maintenance	1,187.48	790.75
Rent Expense (Refer Note 7)	0.71	0.15
Rates & Taxes	589.09	500.74
Royalty Expenses	380.08	472.03
Insurance Expense	295.51	257.36
Bank Charges	67.42	65.06
Travelling and conveyance	897.04	754.01
Communication, IT and Stationery Expenses	243.33	219.33
Payment to Auditors (Refer Note-33)	25.46	28.14
Legal & Professional Fees	485.89	553.32
Directors Sitting Fee	16.70	4.80
Selling, Distribution and Advertisement Expenses	2,369.85	2,143.64
Loss due to Fire	3.05	-
Net loss on sale of Property, plant & equipment	9.40	3.37
Bad Debt written off	-	-
Export Incentive receivables written off	-	645.44
Provision for doubtful debts	9.24	-
Provision against other receivables	-	226.95
Corporate Social Responsibilities Expense (Refer Note-35)	497.30	449.49
Donation	-	0.03
Bank Guarantee Expense (Refer Note 14(iv))	461.72	-
Miscellaneous Expenses	1,170.40	940.48
Total	21,939.40	17,995.33



(₹ In Lakhs, except per share data)

32 Earnings per share (EPS)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Basic and Diluted EPS		
(A) Net profit after tax before other comprehensive income as per standalone statement of profit and loss (₹ In lakhs) (A)	23,812.64	17,856.78
(B) Weighted average number of equity shares considered after split of shares into ₹ 1 each (Refer Note 16)	9,51,05,640	9,51,05,640
(C) Bonus shares issued subsequent to 31 March 2022 (Refer Note 16)	95,10,564	95,10,564
(D) Weighted average number of equity shares considered for calculation of EPS (B + C)	10,46,16,204	10,46,16,204
(E) Basic and Diluted Earning Per Share (₹) (A/D)	22.76	17.07
(F) Nominal Value of equity share (₹)	1.00	1.00

The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

33 Auditors Remuneration

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Audit Fees	18.11	14.00
Certification fees	5.50	9.64
Other fees	-	4.50
Reimbursement of expense	1.85	-
Total	25.46	28.14

Company has paid fees of Rs. 144.20 lakhs for Issuing various reports and certificates in connection with the proposed Initial public offering (IPO). This expenses are recoverable from the selling shareholders and are not Included in the above information.

34 (a) Commitments and Contingencies

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for in respect of the Property, Plant & Equipment (Net of Advances)	1,228.39	7,838.46
Total	1,228.39	7,838.46

(b) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the company / disputed liabilities not acknowledged as debts:		
Disputed demand of Excise duty for which an appeal has been preferred - The Company has preferred Appeal to ITAT against order received from Assessing officer in respect of short payment of Excise duty, non reversal of Input credit	376.37	376.37
Disputed demand of Income Tax in which company has preferred Appeal or filed rectification with Department : - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of additional depreciation in A.Y. 2013-14 - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of Penalty imposed u/s 271(1)(C) in A.Y. 2015-16 & 2016-17 - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of Purchase of Raw Material in A.Y. 2016-17 - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of u/s 35(2)(AB) and Rule 8D r.w.s 14A in A.Y. 2018-19 - The Company has filed rectification with Assessing officer against Intimation received from CPC regarding payment of Dividend Distribution Tax for A.Y. 2020-21. The Company has also filed Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of u/s Rule 8D r.w.s 14A in A.Y. 2020-21 and regarding not granting credit of payment of Dividend Distribution Tax.	1,054.56	955.45
Total	1,430.93	1,331.82

- It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending litigations of the respective proceedings.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. These demands are with respect to income tax and service tax matters for which appeals have been filed.



35 Corporate Social responsibilities

Amount spent towards CSR activities during the year are as follows:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
(i) Amount required to be spent by the company during the year	495.46	448.03
(ii) Amount of expenditure incurred	497.30	449.49
(iii) Excess / (Shortfall) at the end of the year	1.84	1.46
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Medical, Educational, Environmental sustainability, Promoting sports, Social, Rural Development	Medical, Educational, Environmental sustainability, Promoting sports, Social, Rural Development
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA



36 Employee benefits plans:

(a) **Defined contribution plans:**

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹ 425.67 Lakhs (Previous Year ₹ 385.90 Lakhs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

(b) **Defined benefit plans:**

The Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 5 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

Characteristics of Defined Benefit Plans and risk associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework, which may vary over time. Thus, Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) **Interest rate risk:**

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

(ii) **Salary escalation risk:**

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan particulars in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) **Demographic risk:**

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

The following table sets out the status of the gratuity plan as required under Ind AS-19 and the amounts recognized in the Company's financial statements as at 31 March 2023:

Particulars	As at 31 March 2023	As at 31 March 2022
I. Reconciliation of Opening and Closing Balances of defined benefit obligation:		
Liability at the beginning of the Year	689.81	493.90
Current Service Cost	122.51	107.44
Interest Cost	47.60	34.33
Benefits paid	(59.84)	(16.71)
Net Actuarial losses / (gain) Recognized	(39.93)	70.85
Liability at the end of the Year	760.15	689.81
II. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets:		
Plan assets at the beginning of the Year, at Fair value	596.36	471.77
Expected return on plan assets	41.13	32.79
Contributions	130.35	112.23
Benefit paid	(59.84)	(16.71)
Actuarial gain/(loss) on plan assets	(5.52)	(3.72)
Plan assets at the end of the Year, at Fair Value	702.48	596.36
III. Present value of defined benefit obligation and Fair value of plan assets:		
Obligations at the end of the Year	760.15	689.81
Plan assets at the end of the Year, at Fair value	702.48	596.36
Liability recognized in balance sheet at the end of the Year	57.67	93.45



36 Employee benefits plans: (Continued...)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
iv. Expense recognised in the statement of profit and loss for the year		
Current Service Cost	122.51	107.44
Interest Cost	47.60	34.33
Expected returns on plan assets	(41.13)	(32.79)
Total	128.98	108.98
v. Expense recognised in the other comprehensive income for the year		
Actuarial (gain)/loss on obligation for the period	(39.93)	70.85
Return on planned asset, excluding Interest Income	5.52	3.72
Total	(34.41)	74.57
vi. Actuarial Assumptions		
Discount Rate (per annum)	7.35%	6.90%
Expected rate of return on plan assets	7.35%	6.90%
Salary Escalation	9.00%	9.00%
Attrition Rate	12.00%	10.00%
Weighted average duration of defined benefit obligation	6 Years	7 Years
Retirement Age	58 Years	58 Years
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

* The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.

** Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.

*** The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.

vii. Sensitivity Analysis for each significant actuarial assumption:

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Projected Benefit Obligation on Current Assumptions	760.14	689.79
Impact of increase in discount rate by 1 %	(37.56)	(39.29)
Impact of decrease in discount rate by 1 %	41.76	44.24
Impact of increase in salary escalation rate by 1 %	38.24	40.30
Impact of decrease in salary escalation rate by 1 %	(35.18)	(36.81)
Impact of increase in employee turnover rate by 1 %	(5.25)	6.54
Impact of decrease in employee turnover rate by 1 %	5.57	7.01

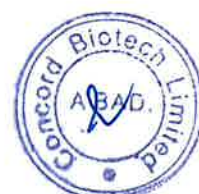
The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

viii. Investment details of plan assets:

The plan assets are managed by Insurance Company viz Life Insurance Corporation of India who has invested the funds substantially as under:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Insurance Fund - investment in LIC policy	702.48	596.36
Total	702.48	596.36



36 Employee benefits plans: (Continued...)

ix. Maturity Profile

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
1st Following Year	99.24	87.26
2nd Following Year	79.27	58.79
3rd Following Year	104.79	72.50
4th Following Year	85.57	82.86
5th Following Year	80.07	65.22
Sum of Years 6 to 10	351.87	305.99
Sum of Years 11 and above	422.00	485.49

x. Expected contribution during the next annual reporting period

The Company's best expected contribution during the next year is ₹ 177.55 Lakhs.

(c) Compensated absences:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made based on leave balances derived as per Company's Rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 144.71 lakhs (Previous Year ₹ 48.98 Lakhs) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.



(₹ in Lakhs, except per share data)

- 37 The Company has taken various derivatives to hedge its risk associated with foreign exchange fluctuations. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets. Forward exchange contracts (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes are entered, which are available at the settlement date of certain payables and receivables.

Particular	As at 31 March 2023		As at 31 March 2022	
	Amount (in Lakhs)	Amount (₹ in Lakhs)	Amount (in Lakhs)	Amount (₹ in Lakhs)
Hedging of Trade Receivables				
Forward Contracts	USD 50.55	4,153.69	USD 80.40	6,093.72

The details of foreign currency exposures not hedged by derivative instruments are as under:

Particular	As at 31 March 2023		As at 31 March 2022	
	Amount (in Lakhs)	Amount (₹ in Lakhs)	Amount (in Lakhs)	Amount (₹ in Lakhs)
Trade Receivables	USD 66.40	5,460.20	USD 47.12	3,572.50
	EURO 6.19	553.93	EURO 6.35	535.52
	JPY 2002.00	1,233.23	JPY 2310.00	1,435.72
Other Current Financial Assets	USD 5.62	461.72	-	-
Trade Payables	USD 41.82	3,436.26	USD 23.40	1,773.54
Other Current Financial Liability	USD 4.50	369.70	-	-



38 Financial Instruments: Fair Value and Risk Management

(i) Categories of Financial instruments: Financial assets and liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Financial Assets :		
Amortised cost		
Trade receivables	27,375.76	23,217.42
Cash and Cash equivalents	349.92	66.69
Term deposits other than cash and cash equivalent	3,994.77	8,826.48
Others	4,654.40	2,397.95
Fair value through profit or loss		
Non-current Investment - Investments in Mutual Funds	12.46	25.56
Current Investment - Investments in Mutual Funds	13,693.01	7,347.33
Derivative instruments	25.00	49.83
Total	50,105.32	41,931.26
Financial Liabilities :		
Amortised cost		
Borrowings (including current maturities)	3,123.56	6,058.58
Lease Liability	31.07	190.68
Trade payables	9,380.00	8,310.56
Other Financial Liabilities	3,134.35	2,160.74
Fair value through profit or loss		
Derivative instruments	0.00	3.16
Total	15,668.98	16,723.72

(ii) Fair value hierarchy :

The fair values of the financial assets and liabilities are determined based on the price that would be received to sell an asset or paid to transfer a liability at the reporting date considering the fair value hierarchy as under:

Level 1: It includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

Fair value hierarchy

The following tables categorise the financial assets and liabilities held at fair value by the valuation methodology applied in determining their fair value.

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial Assets :				
Investment in Mutual Funds	13,705.46	-	-	13,705.46
Derivative financial assets	-	25.00	-	25.00
Financial liability:				
Derivative financial liability	-	0.00	-	0.00
As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial Assets :				
Investment in Mutual Funds	7,372.89	-	-	7,372.89
Derivative financial assets	-	49.83	-	49.83
Financial liability:				
Derivative financial liability	-	3.16	-	3.16



38 Financial Instruments: Fair Value and Risk Management: (Continued..)

Determination of fair values:

Basis of assumptions used to estimated the fair value of financial assets and liabilities that are measured at fair value on recurring basis :

Investment in Mutual Funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Derivative Instruments: For forward contracts, future cash flows are estimated based on forward exchange rates and forward interest rates (from observable forward exchange rates / yield curves at the end of the reporting period) and contract forward exchange rates and forward interest rates, discounted at a rate that reflects the credit risk of various counterparties.

(III) Financial Risk Management

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

A Market Risk :

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates and underlying equity prices.

A1 Foreign currency exchange rate risk :

The Company's foreign currency risk arises from its foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the company.

The overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

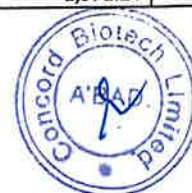
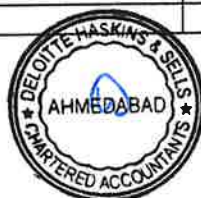
The major foreign currency exposures for the Company are denominated in USD. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Company hedges some trade receivables and future cash flows upto a maximum of 6 months forward based on historical trends, budgets and monthly sales estimates.

The following table sets forth information relating to foreign currency exposure:

	(₹ In Lakhs)		
	US Dollars	Others*	Total
As at 31 March 2023			
Assets :			
Trade and other receivables	10,075.61	1,787.16	11,862.77
Total	10,075.61	1,787.16	11,862.77
Liabilities :			
Trade and other payables	3,805.96	-	3,805.96
Total	3,805.96	-	3,805.96
Net Balance (Assets - Liabilities)	6,269.65	1,787.16	8,056.81

	(₹ In Lakhs)		
	US Dollars	Others*	Total
As at 31 March 2022			
Assets :			
Cash and cash equivalents	-	-	-
Trade and other receivables	9,666.22	1,971.24	11,637.46
Total	9,666.22	1,971.24	11,637.46
Liabilities :			
Trade and other payables	1,773.54	-	1,773.54
Total	1,773.54	-	1,773.54
Net Balance (Assets - Liabilities)	7,892.68	1,971.24	9,863.92

*Others mainly includes currencies namely Euro and Japanese Yen.



38 Financial Instruments: Fair Value and Risk Management: (Continued..)

Foreign currency sensitivity

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

Particulars	Changes in USD rate	Effect on profit and loss
As at 31 March 2023	+2%	93.83
	-2%	(93.83)
As at 31 March 2022	+2%	118.12
	-2%	(118.12)

A2 Interest rate risk :

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to fluctuations in interest rates in respect of term loan carrying a floating rate of interest. In respect of term loan, the Company has outstanding borrowing of ₹ 3123.56 lakhs as at 31 March, 2023 (As at 31 March 2022: ₹ 5624.86 lakhs) The following table demonstrates the sensitivity to a reasonable possible change on interest rates on that position of borrowing affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate of borrowing as follows:

Particulars	Effect on Profit before tax	
	Year Ended 31 March 2023	Year Ended 31 March 2022
Increase by 50 basis points	(15.62)	(28.12)
Decrease by 50 basis points	15.62	28.12

B Credit Risk :

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables. The maximum exposure to credit risk as at reporting date is from trade receivables amounting to ₹ 87.30 Lakhs (March 31, 2022: 78.06 Lakhs). The movement in allowance for impairment in respect of trade receivables during the year was as follows:

Allowance for Impairment	As at 31 March 2023	As at 31 March 2022
Opening Balance	78.06	112.69
Add: Impairment Loss (reversed) / recognised (Net)	9.24	(34.63)
Less: Impairment Loss Recognised	-	-
Closing Balance	87.30	78.06

Receivable from the customer of the Company more than 10 percent of the Company's total trade receivables as at 31 March 2023 is Nil (March 31, 2022 one customer – ₹ 2,585.60 Lakhs). Refer note 12 for ageing of trade receivables.



38 Financial Instruments: Fair Value and Risk Management: (Continued..)

C Liquidity Risk :

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

Contractual maturities of significant financial liabilities are as below:

As at 31 March 2023	Due In Year 0 to 1	Due in Year 1 to 2	Due In Year 2 to 5	Due after Year 5	Total
Borrowings	2,500.00	623.56	-	-	3,123.56
Lease Liabilities	14.69	7.84	8.54	-	31.07
Trade payables	9,380.00	-	-	-	9,380.00
Other financial Liabilities	3,134.35	-	-	-	3,134.35
Total	15,029.04	631.40	8.54	-	15,668.98

As at 31 March 2022	Due in Year 0 to 1	Due In Year 1 to 2	Due In Year 2 to 5	Due after Year 5	Total
Borrowings	2,933.72	2,500.00	624.86	-	6,058.58
Lease Liabilities	159.61	14.69	16.38	-	190.68
Trade payables	8,310.56	-	-	-	8,310.56
Other financial Liabilities	2,163.89	-	-	-	2,163.89
Total	13,567.78	2,514.69	641.24	-	16,723.71

(iv) Capital Management

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

The Company monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance) divided by total capital plus net debt.

Gearing Ratio	As at 31 March 2023	As at 31 March 2022
Particulars		
Total borrowings (refer note 18)	3,123.56	6,058.58
Less: Cash & Bank Balances (refer note 13)	349.92	66.69
Net Debt (A)	2,773.64	5,991.89
Total Equity (B)	1,29,198.04	1,10,716.00
Total Equity & Net Debt (C = A+B)	1,31,971.68	1,16,707.89
Gearing Ratio (D=A/C)	2.10%	5.13%



(₹ in Lakhs, except per share data)

39 Related party transactions

(a) List of related parties and relationship

Key Management Personnel (KMP):	Mr. Sudhir Vaid, Chairman & Managing Director Mr. Ankur Vaid, Joint Managing Director & CEO Mr. Utpal Sheth, Non-executive Director Mr. Amit Sharma, Non-executive Director Mr. Rajiv Ambrish Agarwal, Non-executive Director Mr. Ravi Kapoor, Non-executive Director Mr. Lalit Sethi, Chief Financial Officer (W.e.f. 14 March 2022) Mr. Prakash Sajhani, AVP - Finance & Company Secretary	Mr. Amitabh Thakore, Independent Director Mrs. Bharti Khanna, Independent Director Mr. Anil Katyal, Independent Director Mr. Rajeev Agrawal, Independent Director (Upto 30 May 2022) Mr. Arvind Agarwal, Independent Director (W.e.f. 24 May 2022) Mr. Jayaram Easwaran, Independent Director (W.e.f. 14 June 2022) Mr. Mandayam Chakravarthy Sridaman, Independent Director (W.e.f. 14 June 2022)
Relative of Key Management Personnel:	Mrs. Manju Vaid Col. S. K. Vaid	Mrs. Megha Vaid Mrs. Sonal Kumra
Enterprises controlled by / under significantly influenced by Directors and/or their relatives:	Sudman Consultants LLP	Ravi Kapoor & Associates
Joint Venture:	Concord Biotech Japan K.K.	

(b) Transaction with related parties:

Types of Transactions	Key Management Personnel		Relatives of Key Management Personnel		Joint Venture		Enterprises controlled by / under significantly influenced by Directors and/or their relatives:		Total	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
Remuneration Paid:										
Mr. Sudhir Vaid	501.60	401.28	-	-	-	-	-	-	501.60	401.28
Mr. Ankur Vaid	288.60	161.28	-	-	-	-	-	-	288.60	161.28
Mrs. Megha Vaid	-	-	63.87	47.30	-	-	-	-	63.87	47.30
Mrs. Sonal Kumra	-	-	70.58	52.26	-	-	-	-	70.58	52.26
Mr. Lalit Sethi	54.67	2.65	-	-	-	-	-	-	54.67	2.65
Mr. Prakash Sajhani	37.77	35.97	-	-	-	-	-	-	37.77	35.97
Total	882.64	601.18	134.45	99.56	-	-	1,017.09	700.74		
Professional Fees:										
Ravi Kapoor & Associates	-	-	-	-	-	24.46	24.77	-	24.46	24.77
Col. S. K. Vaid	-	-	48.61	42.27	-	-	48.61	42.27	48.61	42.27
Total	-	-	48.61	42.27	-	-	24.46	24.77	73.07	67.04
Rent paid:										
Mr. Sudhir Vaid	121.60	113.64	-	-	-	-	-	-	121.60	113.64
Mrs. Manju Vaid	-	-	39.01	36.46	-	-	-	-	39.01	36.46
Total	121.60	113.64	39.01	36.46	-	-	-	-	160.61	150.10
Sale of Products:										
Concord Biotech Japan K.K.	-	-	-	-	5,395.70	4,620.26	-	-	5,395.70	4,620.26
Total	-	-	-	-	5,395.70	4,620.26	-	-	5,395.70	4,620.26



Types of Transactions	Key Management Personnel		Relatives of Key Management Personnel		Joint Venture		Enterprises controlled by / under significantly influenced by Directors and/or their relatives:		Total	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
Director Sitting Fees:										
Mr. Ravi Kapoor	2.20	0.80	-	-	-	-	-	-	2.20	0.80
Mr. Utpal Sheth	0.70	0.80	-	-	-	-	-	-	0.70	0.80
Mr. Rajiv Ambrish Agarwal	2.20	0.80	-	-	-	-	-	-	2.20	0.80
Mr. Amitabh Thakore	2.20	0.80	-	-	-	-	-	-	2.20	0.80
Mr. Rajeev Agrawal	-	0.80	-	-	-	-	-	-	-	0.80
Mrs. Bharti Khanna	1.70	0.60	-	-	-	-	-	-	1.70	0.60
Mr. Anil Katyal	2.20	0.20	-	-	-	-	-	-	2.20	0.20
Mr. Mandayam Chakravarthy Sriiraman	1.50	-	-	-	-	-	-	-	1.50	-
Mr. Arvind Agarwal	2.00	-	-	-	-	-	-	-	2.00	-
Mr. Jayaram Easwaran	2.00	-	-	-	-	-	-	-	2.00	-
Total	16.70	4.80	-	-	-	-	-	-	16.70	4.80
Dividend Paid:										
Mr. Sudhir Vaid	1,544.68	2,033.70	-	-	-	-	-	-	1,544.68	2,033.70
Mrs. Manju Vaid	-	-	511.35	673.24	-	-	-	-	511.35	673.24
Mr. Ankur Vaid	30.03	39.54	-	-	-	-	-	-	30.03	39.54
Mrs. Megha Vaid	-	-	28.01	36.87	-	-	-	-	28.01	36.87
Mrs. Sonal Kumra	-	-	3.78	4.98	-	-	-	-	3.78	4.98
Mr. Ravi Kapoor	11.26	14.83	-	-	-	-	-	-	11.26	14.83
Mr. Rajiv Ambrish Agarwal	6.68	8.80	-	-	-	-	-	-	6.68	8.80
Mr. Prakash Sajjani	1.13	1.48	-	-	-	-	-	-	1.13	1.48
Sudman Consultants LLP	-	-	-	-	-	-	243.30	320.33	243.30	320.33
Total	1,593.78	2,098.35	543.14	715.09	-	-	243.30	320.33	2,380.22	3,133.77

(c) Outstanding Balances with related parties

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Joint Venture		Enterprises controlled by / under significantly influenced by Directors and/or their relatives:		Total	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
Payables for employee benefits:										
Mr. Sudhir Vaid	20.70	16.81	-	-	-	-	-	-	20.70	16.81
Mr. Ankur Vaid	12.74	7.52	-	-	-	-	-	-	12.74	7.52
Mrs. Megha Vaid	-	-	3.20	1.66	-	-	-	-	3.20	1.66
Mrs. Sonal Kumra	3.38	2.44	3.62	2.32	-	-	-	-	3.62	2.32
Mr. Lalit Sethi	2.11	0.94	-	-	-	-	-	-	2.11	0.94
Mr. Prakash Sajjani	38.93	27.71	6.82	3.98	-	-	-	-	45.75	31.69
Trade Payables:										
Ravi Kapoor & Associates	-	-	-	-	-	-	1.83	1.83	1.83	1.83
Col. S. K. Vaid	-	-	4.38	3.80	-	-	-	-	4.38	3.80
Total	-	-	4.38	3.80	-	-	1.83	1.83	6.21	5.63
Trade receivables:										
Concord Biotech Japan K.K.	-	-	-	-	1,233.23	1,435.72	-	-	1,233.23	1,435.72
Total	-	-	-	-	1,233.23	1,435.72	-	-	1,233.23	1,435.72

1. Outstanding balance at the year end are unsecured and interest free and settlement occurs through bank.

2. Company has not provided any commitment to the related party as at 31 March 2023 (p.Y -Nil)

3. The Company has neither made any provision nor written off / written back any balances pertaining to related parties.



40 Segment reporting

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Bulk Drug business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

Geographical segment

Geographical segment is considered based on sales within India and outside India. In outside India, company separately disclosed sales to America and Others.

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
i) Segment Revenue		
Revenue from Operations		
(a) Within India	43,213.41	33,919.67
(b) Outside India		
(i) America	14,725.14	13,145.04
(ii) Others	27,378.27	24,228.63
Total Revenue from Operations	85,316.82	71,293.34
ii) Non Current operating assets (*):		
(a) Within India	77,329.68	67,737.50
(b) Outside India	-	-
(i) America	-	-
(ii) Others	-	-
(c) Unallocable	66.52	66.52
Total Non Current operating assets	77,396.20	67,804.02

[*] Other than Financial Assets

Information about major customers:

Revenue from major export and domestic customers is Nil (Previous year Nil Lakhs). Revenue from other individual customer is less than 10% of total revenue.

41 Research & Development

The Company's facility is approved for Research & Development by Department of Science & Industrial Research (DSIR). The company has incurred expenditure of revenue nature on Research & Development, details of which are as under:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Cost of Materials Consumed	610.04	381.19
Salaries & Wages	1,046.42	955.51
Power & Fuel	66.18	76.61
Depreciation	182.98	183.59
Others	1,053.28	987.75
Total	2,958.90	2,584.65

42 Disclosure in respect of Micro and Small Enterprises:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
Principal amount due to micro and small enterprise	1,594.47	832.12
Interest due on above	43.04	34.25
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	107.80	64.76
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

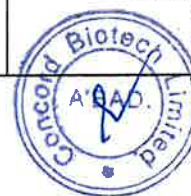


43 Disclosure requirement as per Schedule III

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (viii) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- (ix) The Company doesn't have any co-owned properties or the properties (including properties for which the lease agreement executed and disclosed as 'Right-of-Use Assets' in restated consolidated financial information) title deed of which are held by the others.
- (x) The Company has not granted any Loans or Advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (xi) The Company has used the borrowings from the banks for its intended purpose during the financial year.
- (xii) The Company did not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.

(xiii) Ratio Analysis

Name	Numerator	Denominator	Year Ended 31 March 2023	Year Ended 31 March 2022	% Variance	Reason
(a) Current Ratio (in times)	Total current assets	Total current liabilities	3.82	4.17	-8.30%	NA
(b) Debt-Equity Ratio (in times)	Debt consists of borrowings	Total equity	0.02	0.05	-55.82%	Debt reduced as term loan quarterly instalments are paid and increase in other equity
(c) Debt Service Coverage Ratio (DSCR) (in times)	Earning for Debt Service = Net Profit after taxes + Depreciation and Amortisation expenses + Interest	Debt service = Interest and lease payments + Principal repayments	10.25	7.26	41.23%	DSCR increased due to increase in profitability due to increase in revenue from operation which includes incentives
(d) Return on Equity / Return on Networth Ratio (in %)	Profit for the year	Average total equity	19.85%	16.95%	17.11%	NA
(e) Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	0.88	0.94	-5.96%	NA
(f) Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.28	3.46	-5.06%	NA
(g) Trade payables turnover ratio (in times)	Purchases of materials and & purchase of stock-in-trade	Average trade payables	2.21	3.15	-29.92%	Purchases reduced compared to the previous year financial year
(h) Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	1.59	1.48	7.11%	NA
(i) Net profit ratio (in %)	Profit for the year	Revenue from operations	27.91%	25.05%	11.43%	NA
(j) Return on Capital employed (in %)	Profit before tax and finance costs (excl. interest expense on lease liabilities)	Capital employed = Tangible Net worth + Total Borrowings + Deferred tax liabilities	24.09%	20.78%	15.89%	NA
(k) Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	4.41%	6.16%	-28.40%	Negative impact is pertaining to Capital Expenditure at New Facility



(₹ in Lakhs, except per share data)

44 Other Notes:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

45 Events after the reporting period:

The Board of Directors in their meeting held on 1 July 2023, proposed a final equity dividend of ₹ 6.83 per equity share of ₹ 1 each fully paid up for the financial year 2022-23.

46 Previous period figures have been re-grouped/ re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from April 1, 2021.



For and on behalf of board of directors of
Concord Biotech Limited
CIN:U24230GJ1984PLC007440

Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

Ankur Vaid
Joint Managing Director & CEO
DIN: 01857225

Lalit Setti
Chief Financial Officer

Prakash Sajjani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023

INDEPENDENT AUDITOR'S REPORT

To The Members of Concord Biotech Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Concord Biotech Limited** ("the Parent") and the share of profit in its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 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 consolidated state of affairs of the Parent and its joint venture as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity 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. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Parent and its joint venture 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 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- 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, compare with the financial statements of the joint venture furnished to us by the management, to the extent it relates to this entity and 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. Other information so far as it relates to the joint venture, is traced from their unaudited financial statements furnished to us by the management.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Parent and its joint venture 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 Parent and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Parent and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the Board of directors of the Parent and its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Parent and its joint venture are also responsible for overseeing the financial reporting process of the Company and of its joint venture.

Auditor's Responsibility 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 Parent and its joint venture 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 Parent and its joint venture 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 Parent and its joint venture 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 or business activities included in the consolidated financial statements of which we are the independent auditors. 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 consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent 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.

Other Matters

- (a) The consolidated financial statements include the share of net profit of Rs. 195.93 lacs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of a joint venture, whose financial statements have not been audited by us. These financial statements are unaudited 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 disclosures included in respect of this joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable 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 and returns.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity 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 Parent as on March 31, 2023 taken on record by the Board of Directors of the Company, none of the directors of the Parent is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent to whom internal financial controls is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the Parent.



- 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 Parent 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Parent and its joint venture.
 - ii) The Parent and its joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent.
 - iv) (a) The Management of the Parent which is a company 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, as disclosed in the note 43 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management of the Parent which is a company 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, as disclosed in the note 43 to the consolidated financial statements, no funds have been received by the Parent from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent 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 performed 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) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 47 to the consolidated financial statements, the Board of Directors of the Parent, have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meeting. Such 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 w.e.f. April 1, 2023 to the Parent, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us, we report that Order is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the Order report of the Parent.



For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No. 117365W)

H. S. Sutaria

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 23116642BGWGDA5030

Place: Ahmedabad
Date: July 01, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of **Concord Biotech Limited** (hereinafter referred to as "Parent") being the only company to which requirements of the Act are applicable, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the 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 the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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



Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Registration No. 117365W)



H. S. Sutaria

Hardik Sutaria
Partner
(Membership No. 116642)
UDIN: 23116642BGWGDA5030

Place: Ahmedabad
Date: July 01, 2023

(₹ in Lakhs, except per share data)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
I. Non-current assets			
(a) Property, plant and equipment	5 (A)	59,252.26	56,803.05
(b) Capital work-in-progress	5 (B)	17,269.71	7,415.52
(c) Intangible assets	6	19.77	357.70
(d) Right-of use assets	7	25.99	136.84
(e) Financial assets			
(i) Investments	8	12.46	25.56
(ii) Others	9	1,019.51	249.56
(f) Other non-current assets	10	761.95	2,663.94
(g) Non-Current tax assets (Net)	20 (c)	266.52	360.45
Total non-current assets (A)		78,628.17	68,012.62
II. Current assets			
(a) Inventories	11	21,231.47	19,511.79
(b) Financial assets			
(i) Investments	8	13,693.01	7,347.33
(ii) Trade receivables	12	27,375.76	23,217.42
(iii) Cash and cash equivalents	13 (a)	349.92	66.69
(iv) Other bank balances	13 (b)	3,994.77	8,826.48
(v) Others	14	3,659.90	2,198.22
(c) Other current assets	15	2,465.18	2,098.76
Total current assets (B)		72,770.01	63,266.69
TOTAL ASSETS (A) + (B)		1,51,398.18	1,31,279.31
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,046.16	951.06
(b) Other equity	17	1,27,954.09	1,09,371.22
Total equity (A)		1,29,000.25	1,10,322.28
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	623.56	3,124.86
(ii) Lease liabilities	7	16.38	31.07
(b) Provisions	19	229.66	187.41
(c) Deferred tax liabilities (net)	20 (b)	2,343.90	2,097.08
Total non-current liabilities (B)		3,213.50	5,440.42
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	2,500.00	2,933.72
(ii) Lease liabilities	7	14.69	159.61
(iii) Trade payables	21		
Due to micro and small enterprise		1,702.27	896.88
Due to other than micro and small enterprise		7,677.73	7,413.68
(iv) Others	22	3,134.35	2,163.89
(b) Provisions	19	2,747.57	174.77
(c) Other current liabilities	23	507.95	1,774.06
(d) Liabilities for Current tax	20 (c)	899.87	-
Total current liabilities (C)		19,184.43	15,516.61
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		1,51,398.18	1,31,279.31
See accompanying notes forming part of the Consolidated Financial Statements	1 to 48		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

H. S. Sutaria

Hardik Sutaria
Partner

For and on behalf of board of directors of
Concord Biotech Limited
CIN: U24230GJ1984PLC007440

Sudhir Vaid
Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

Lalit Saxena
Lalit Saxena
Chief Financial Officer

Ankur Vaid

Ankur Vaid
Joint Managing Director & CEO
DIN: 01857225

Prakash Lalchand
Prakash Sajani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023

Place: Ahmedabad
Date: 1st July, 2023

Concord Biotech Limited
Consolidated Statement of Profit and loss for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

Particulars	Notes	Year Ended 31 March 2023	Year Ended 31 March 2022
Income			
Revenue from operations	24	85,316.82	71,293.35
Other income	25	3,530.93	2,341.65
Total Income		88,847.75	73,635.00
Expenses			
Cost of materials consumed	26	16,707.15	15,725.74
Purchases of stock-in-trade		2,876.87	3,073.34
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(1,563.20)	(2,398.01)
Employee benefits expense	28	11,027.85	9,569.45
Finance costs	29	451.03	548.36
Depreciation and amortization expense	30	5,403.24	5,005.08
Other expenses	31	21,939.40	17,995.33
Total Expenses		56,842.34	49,519.29
PROFIT BEFORE TAX AND SHARE OF PROFIT / (LOSS) OF JOINT VENTURE		32,005.41	24,115.71
Share of Profit / (loss) of Joint venture accounted using Equity method (Refer note 8 (a) (i))		195.93	(363.77)
Profit before tax		32,201.34	23,751.94
Tax expenses			
Current tax	20 (a)	7,953.00	5,849.00
Deferred tax	20 (b)	238.16	370.53
Short / (excess) provision for tax of earlier years		1.61	39.40
Total tax expenses		8,192.77	6,258.93
Profit for the year		24,008.57	17,493.01
Other Comprehensive Income / (loss)			
Items that will not be reclassified to the statement of Profit or Loss			
Re-measurement gain / (loss) on defined benefit plans		34.41	(74.57)
Income tax relating to re-measurement gain / (loss) on defined benefit plans		(8.66)	18.77
OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR		25.75	(55.80)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		24,034.32	17,437.21
Profit for the year attributable to: Owners of the Company		24,008.57	17,493.01
		24,008.57	17,493.01
Total Other Comprehensive Income / (Expense) for the year attributable to: Owners of the Company		25.75	(55.80)
		25.75	(55.80)
Total Comprehensive Income for the year attributable to: Owners of the Company		24,034.32	17,437.21
		24,034.32	17,437.21
Earnings per share (Nominal value per equity share of ₹ 1 each) Basic and diluted (Refer note 32)		22.95	16.72
See accompanying notes forming part of the Consolidated Financial Statements	1 to 48		

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

H. S. Sutarla

Hardik Sutarla
Partner

For and on behalf of board of directors of
Concord Biotech Limited
CIN/U242305/1984PLC007440

Sudhir Vaid
Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

Ankur Vaid
Ankur Vaid
Joint Managing Director & CEO
DIN: 01857225

Lalit Sethi
Lalit Sethi
Chief Financial Officer

Prakash Sajjani
Prakash Sajjani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023

Place: Ahmedabad
Date: 1st July, 2023

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	32,201.34	23,751.94
Adjustment for:		
Share of Loss/(profit) from Joint Venture	(195.93)	363.77
Depreciation and amortization	5,403.24	5,005.08
Interest Income	(444.08)	(478.74)
Finance Cost	451.03	548.36
Bad Debt Written Off	-	-
(Reversal) / Provision of doubtful debts, net	9.24	(34.63)
Export receivables and other receivables written off	-	645.44
Excess provision no longer required written back	(175.09)	-
Provision for doubtful debts	-	-
Net loss on sale of Property, plant & equipment	9.40	3.37
Net gain on sale of investments	(299.36)	(509.38)
Net gain on financial assets measured at fair value through profit or loss	(72.33)	(13.58)
Net unrealised foreign exchange (gain) / loss	195.35	(183.58)
Loss Due to Fire	3.05	-
Operating Profit before Working Capital Changes	36,856.39	29,031.34
Working Capital Changes:		
(Increase)/Decrease in Inventories	(1,722.73)	(4,151.18)
(Increase)/Decrease in trade receivables	(4,309.71)	(5,276.94)
(Increase)/Decrease in other financial assets	(1,546.67)	(642.76)
(Increase)/Decrease in other assets	(366.43)	3,059.67
Increase/(Decrease) in provisions	2,649.46	11.71
Increase/(Decrease) in trade payables	988.06	3,653.54
Increase/(Decrease) in other financial liabilities	149.66	139.70
Increase/(Decrease) in other liabilities	(1,070.19)	1,000.74
	(5,228.55)	(2,205.52)
Cash generated from operations	31,627.84	26,825.82
Direct Taxes paid (Net of Income Tax refund)	(7,027.66)	(6,078.49)
Net cash generated from operating activities	24,600.18	20,747.33
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant & equipment and Intangible Assets	(14,508.48)	(15,550.41)
Proceeds from disposal of Property, plant & equipment	2.53	5.58
Purchase of Current Investments	(64,309.92)	(48,895.00)
Proceeds from sale of Current Investment	58,349.04	56,143.62
Interest received	558.49	413.96
Net Cashflow from Deposits (Other bank Balances)	4,113.33	(3,296.41)
Net cash used in investing activities	(15,795.01)	(11,178.66)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term borrowings	(2,500.00)	(2,500.14)
Proceeds of Long Term borrowings	-	-
Dividend Paid	(5,356.35)	(7,052.08)
Interest Paid	(377.63)	(531.45)
Interest Subsidy Received	323.56	308.90
Repayment towards Lease Liabilities	(177.80)	(165.43)
Net cash used in financing activities	(8,521.94)	(10,016.40)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	283.23	(447.73)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	66.69	514.42
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	349.92	66.69



Consolidated Cash Flow Statement for the year ended 31 March 2023 (Continued...)
Reconciliation of Cash and cash equivalents with Financial Information

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and Cash Equivalents:		
Cash on hand	1.63	1.15
Balance with Banks	348.29	65.54
Cash and cash equivalents as per Balance Sheet (Refer Note 13)	349.92	66.69

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31, 2023

Particulars	As at 1 April 2022	Cash flows	Non-cash Movement	As at 31 March 2023
Borrowings (including current maturities) (Note - 18)	6,058.58	(2,933.72)	(1.30)	3,123.56
Lease Liability (Note - 7)	190.68	(177.80)	18.19	31.07
Interest accrued but not paid (Note - 22)	36.32	(377.63)	367.28	25.97
Total liabilities from financing activities	6,285.58	(3,489.15)	384.17	3,180.60

Reconciliation between opening and closing balance sheet for liabilities arising from financing activities as at March 31, 2022

Particulars	As at 1 April 2021	Cash flows	Non-cash Movement	As at 31 March 2022
Borrowings (including current maturities) (Note - 18)	8,634.92	(2,576.34)	-	6,058.58
Lease Liability (Note - 7)	293.45	(165.43)	62.66	190.68
Interest accrued but not paid (Note - 22)	50.79	(531.45)	516.98	36.32
Total liabilities from financing activities	8,979.16	(3,273.22)	579.64	6,285.58

The cash flow statement has been prepared under the indirect method as set out in Ind AS 7 statement of cash flows.
See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

H. S. Sutarla..
Hardik Sutarla
Partner

For and on behalf of board of directors of
Concord Biotech Limited
CIN: U24230GJ1984PLC007440

Sudhir Vaid
Sudhir Vaid
Chairman & Managing Director
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Lalit Sethi
Lalit Sethi
Chief Financial Officer

Prakash Sajjani
Prakash Sajjani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023

Place: Ahmedabad
Date: 1st July, 2023

Concord Biotech Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

A. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	951.06	951.06
Changes during the year	95.10	-
Closing Balance	1,046.16	951.06

B. OTHER EQUITY

Particulars	Reserves and Surplus			Total Other Equity
	Retained Earnings	General Reserve	Securities Premium	
Balance as at 1 April, 2021	87,772.10	2,921.79	8,292.20	98,986.09
Profit for the year	17,493.01	-	-	17,493.01
Other comprehensive Income (Net of tax)	(55.80)	-	-	(55.80)
Total Comprehensive Income	17,437.21	-	-	17,437.21
Dividends*	(7,052.08)	-	-	(7,052.08)
Balance as at March 31, 2022	98,157.23	2,921.79	8,292.20	1,09,371.22
Profit for the year	24,008.57	-	-	24,008.57
Other comprehensive Income (Net of tax)	25.75	-	-	25.75
Total Comprehensive Income	24,034.32	-	-	24,034.32
Transfer to equity share capital on account of Bonus	-	-	(95.10)	(95.10)
Dividends**	(5,356.35)	-	-	(5,356.35)
Balance as at March 31, 2023	1,16,835.20	2,921.79	8,197.10	1,27,954.09

* Final Dividend of ₹ 74.15 per equity share for the FY 2020-21.

**Final Dividend of ₹ 5.12 per equity share for the FY 2021-22.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

H. S. Sutaria

Hardik Sutaria

Partner

For and on behalf of board of directors of

Concord Biotech Limited

CIN: U24230GJ1984PLC007440

Sudhir Vaid

Sudhir Vaid

Chairman & Managing Director

DIN: 00055967

Lalit Sethi

Lalit Sethi

Chief Financial Officer

Ankur Vaid

Ankur Vaid

Joint Managing Director & CEO

DIN: 01857225

Prakash Sajani

Prakash Sajani

Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad

Date: 1st July, 2023

Place: Ahmedabad

Date: 1st July, 2023

Concord Biotech Limited
Notes to the Consolidated financial statements

1. Corporate Information

Concord Biotech Limited (hereinafter referred to as "the Company" or "Concord"), and the joint venture ('JV') is engaged in research and development, manufacturing, marketing and selling of pharmaceutical products. The Company is a public company incorporated and domiciled in India. The Company's API manufacturing facilities are located at Dholka and Limbasi, and its formulations facility at Valthera in the state of Gujarat, India.

2. Statement of Compliance

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

These Consolidated financial statements have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These Consolidated financial statements were authorised for issuance by the Company's Board of Directors on 1 July 2023.

3. Basis of Preparation of Consolidated financial statements

3.1. Functional and Presentation Currency

The Consolidated financial statements are presented in Indian Rupees, the currency of the primary economic environment in which the Company operates. All the amounts are rounded to the nearest rupee lakhs.

3.2. Basis of Measurement

The Consolidated financial statements have been prepared on the historical cost basis (i.e on accrual basis), except for the following items:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

3.3. Measurement of Fair Value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at



the measurement date. Fair value measurement and/or disclosure purposes in the financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted- prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.4. Basis of Consolidation

The Company's interests in equity accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Company has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in a joint venture is accounted for using the equity method. It is initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial statements include the company's share of profit or loss and other comprehensive income (OCI) of equity - accounted investees until the date on which significant influence or joint control ceases.

The carrying amount of such the Investment is tested for impairment at each reporting date.

3.5. Use of estimates

The preparation of the Consolidated financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Consolidated financial statements.

Key source of estimation of uncertainty at the date of Consolidated financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of:

- Useful lives of property, plant and equipment (Refer note no. 4.1)



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- Leases-Company as a lessee (Refer note no. 4.5)
- Valuation of Inventories (Refer note no. 4.6)
- Employee benefits (refer note no.4.8)
- Provisions & Contingent Liabilities (Refer note no. 4.9)
- Valuation of deferred tax assets (Refer note no. 4.12)

3.6. Current versus non-current classification:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current assets / non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be settled within 12 months after the reporting date; or
- the Company does not have any unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include the current portion of non-current liabilities / non-current financial liabilities. All other liabilities are classified as non-current.

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



Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent. The operating cycle of the Company is less than 12 months.

4. Significant accounting policies

4.1. Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and any accumulated impairment losses. The cost of Plant, Property & Equipment comprises of its purchase price, non-refundable taxes & levies, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing cost attributable to financing of acquisition or construction of the qualifying Property, Plant and Equipment is capitalized to respective assets when the time taken to put the assets to use is substantial.

When major items of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment. The cost of replacement of any property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefit associated with the item will flow to the Company and its cost can be measured reliably.

Capital work-in-progress comprises cost of Property, Plant and Equipment that are not yet installed and ready for their intended use at the Balance sheet date.

Pre-operative expenditure comprising of revenue expenses incurred in connection with project implementation during the period up to commencement of commercial production are treated as part of the project costs and are capitalized. Such expenses are capitalized only if the project to which they relate, involve substantial expansion of capacity or upgradation.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from its use. Difference between the sales proceeds and the carrying amount of the asset is recognized in the consolidated statement of profit and loss.

Freehold land is carried at historical cost and not depreciated. Depreciation on Property, Plant and Equipment is provided using straight line method (except vehicles which have been depreciated based on written down value method) based as per the useful life prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added / disposed off during the year is provided on pro-rata basis with reference to month of addition / disposal. The estimated useful lives, residual values and depreciation method are reviewed at each financial year-end and changes in estimates, if any are accounted for on a prospective basis.

4.2. Intangible Assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Intangible assets are amortized over the estimated useful life of three years which reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortizable



intangibles is reviewed at the end of each reporting period and change in estimates if any are accounted for on a prospective basis.

4.3. Foreign currency Transactions and Translation

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognized as income or expense of the period in which they arise. Monetary assets and liabilities denominated in foreign currency as at the balance sheet date are translated at the closing rate. The resultant exchange rate differences are recognized in the consolidated statement of profit and loss. Non-monetary assets and liabilities are carried at the rates prevailing on the date of transaction.

4.4. Financial Instruments

4.4.1. Financial assets

(a) **Classification of financial assets:**

The Company and its joint venture classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss) and
- those measured at amortised cost. The classification depends on the Company and its joint venture's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

(b) **Initial measurement:**

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in consolidated statement of profit and loss.

(c) **Subsequent measurement:**

- **Amortised Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and



interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in consolidated statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

- **Fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Consolidated statement of profit and loss within other gains / (losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(d) Derecognition of financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the company and its joint venture has transferred an asset, the company and its joint venture evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company and its joint venture has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the company and its joint venture has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the company and its joint venture has not retained control over the financial asset. Where the company and its joint venture retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(e) Income recognition:

Dividend is accounted when the right to receive payment is established.



(f) Cash and cash equivalents:

Cash and cash equivalents consists of cash on hand, short demand deposits and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value. Short term means investments with original maturities / holding period of three months or less from the date of investments. Bank overdrafts that are repayable on demand and form an integral part of the company and its joint venture's cash management are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

(g) Investments:

Investments in mutual funds are primarily held for the company and its joint venture's temporary cash requirements and can be readily convertible in cash. These investments are initially recorded at fair value and classified as fair value through profit or loss.

(h) Trade receivables:

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business. Trade receivables are initially recognized at its transaction price which is considered to be its fair value and are classified as current assets as it is expected to be received within the normal operating cycle of the business.

4.4.2. Financial liabilities

The Company and its joint venture's financial liabilities include trade payables, loans and borrowing and derivative financial instruments.

(a) Classification:

All the Company and its joint venture's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

(b) Initial measurement:

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(c) Subsequent measurement:

Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate Method. The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



(d) Derecognition of financial liabilities:

The Company and its joint venture derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the company and its joint venture and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Borrowings:

Borrowings are initially recorded at fair value and subsequently measured at amortized costs using effective interest rate method. Transaction costs are charged to Consolidated statement of profit and loss as financial expenses over the term of borrowing.

(f) Trade payables:

Trade payables are amounts due to vendors for purchase of goods or services acquired in the ordinary course of business and are classified as current liabilities to the extent it is expected to be paid within the normal operating cycle of the business

4.4.3. Derivative Financial Instruments:

The company and its joint venture enters into derivative financial instruments to manage its foreign exchange rate risk. Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

4.5 Leases – Company as lessee

At inception of a contract, the company and its joint venture assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the company and its joint venture assesses whether contract involves the use of an identified asset, the company and its joint venture has a right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use and the company and its joint venture has the right to direct the use of the asset.

At the inception date, right-of-use asset is recognised at cost which includes present value of lease payments adjusted for any payments made on or before the commencement of lease and initial direct cost, if any. It is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use asset is depreciated using the straight-line method from the commencement date over the earlier of useful life of the asset or the lease term. When the company and its joint venture has purchase option available under lease and cost of right-of-use assets reflects that purchase option will be exercised, right-of-use asset is depreciated over the useful life of underlying asset. Right-of-use assets are tested for impairment



whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Consolidated statement of profit and loss.

At the inception date, lease liability is recognised at present value of lease payments that are not made at the commencement of lease. Lease liability is subsequently measured by adjusting carrying amount to reflect interest, lease payments and remeasurement, if any.

Lease payments are discounted using the incremental borrowing rate or interest rate implicit in the lease, if the rate can be determined.

The company and its joint venture has elected not to apply requirements of Ind AS 116 to leases that has a term of 12 months or less and leases for which the underlying asset is of low value. Lease payments of such lease are recognised as an expense on straight line basis over the lease term.

4.6. Inventories

Inventories are carried at the lower of cost and net realizable value.

The cost incurred in bringing the inventory to their existing location and conditions are determined as follows:

- (a) Raw Material and Packing Material - Purchase cost of materials on FIFO basis.
- (b) Finished Goods (Manufactured) and work in progress - Cost of purchase, conversion cost, and other costs attributable to inventories.
- (c) Trading goods - Purchase cost on FIFO basis.

The cost of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recovered by the company and its joint venture from taxing authorities), and transport, handling and other costs directly attributable to the bringing the inventory to their existing location and conditions. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

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

4.7. Impairment of Assets

4.7.1. Financial Assets

At each balance sheet date, the company and its joint venture assesses whether a financial asset carried at cost is to be impaired. Ind AS 109 – “Financial Instruments” requires expected credit losses to be measured through loss allowance. The company and its joint venture measures the loss allowance for financial assets at an amount equal to lifetime expected credit losses if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the company and its joint venture measures the loss allowance for financial assets at an amount equal to 12-month expected credit losses.



4.7.2. Non-financial Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss to such extent. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, such that the increase in the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

4.8. Employee Benefits

4.8.1. Short term employee benefits

Short term benefits payable before twelve months after the end of the reporting period in which the employees have rendered service are accounted as expense in profit and loss account.

4.8.2. Long term employment benefits

Defined Contribution Plans

Contributions to defined contribution plans (provident fund and other social security schemes) are recognized as expense when employees have rendered services entitling them to such benefits.

Defined Benefit Plans

The company and its joint venture's net obligation in respect of an approved gratuity plan, which is a defined benefit plan, is calculated using the projected unit credit method and the same is carried out by qualified actuary. The current service cost and net interest on the net defined benefit liability (asset) is recognized in the Consolidated statement of profit and loss. Past service cost are immediately recognized in the Consolidated statement of profit and loss. Actuarial gains and losses net of deferred taxes arising from experience adjustment and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

Compensated absences and earned leaves

The company and its joint venture's current policy permits eligible employees to accumulate compensated absences up to a prescribed limit and receive cash in lieu thereof in accordance with the terms of the policy. The company and its joint venture measures the expected cost of



accumulating compensated absences as the additional amount that the company and its joint venture expects to pay as a result of unused entitlement that has accumulated as at the reporting date. The expected cost of these benefits is calculated using the projected unit credit method by qualified actuary every year. Actuarial gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the Consolidated statement of profit and loss in the period in which they arise.

4.9. Contingent liabilities, contingent assets and provisions

(a) **Contingent liabilities:**

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as Contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

(b) **Contingent assets:**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised and disclosed only when an inflow of economic benefits is probable.

(c) **Provisions:**

A provision is recognized when as a result of a past event, the company and its joint venture has a present obligation whether legal or constructive that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the obligation is expected to be settled more than 12 months after the end of reporting date or has no definite settlement date, the provision is recorded as non-current liabilities after giving effect for time value of money, if material. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

4.10. Government Grant

The company and its joint venture recognises government grants at their fair value only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

Government grants received in relation to assets are recognised directly to respective assets for which it is received. Government grants, which are revenue in nature are either recognised as income or deducted in reporting the related expense based on the terms of the grant, as applicable.

4.11. Revenue recognition

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



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

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

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

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

Revenue from services are recognised as the related services are performed, the contractual performance obligations are satisfied and there is no uncertainty related to the collection of the said revenue.

Profit share earned through a collaboration partners is recognised as the underlying sales are recorded by the collaboration partners.

Export entitlements

Export entitlements are recognised as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recognized using effective interest rate method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instrument to:

- The gross carrying amount of the financial assets; or
- The amortized cost of the financial liabilities

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.



4.12. Income Taxes

Income tax expense comprises current and deferred tax expense. Income tax expenses are recognized in statement of profit or loss, except when they relate to items recognized in other comprehensive income or directly in equity, in which case, income tax expenses are also recognized in other comprehensive income or directly in equity respectively.

Current tax is the tax payable on the taxable profit for the year, using tax rates enacted or substantively enacted by the end of reporting period by the governing taxation laws, and any adjustment to tax payable in respect of previous periods. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred taxes arising from deductible and taxable temporary differences between the tax base of assets and liabilities and their carrying amount in the Consolidated financial statements are recognized using substantively enacted tax rates and laws expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax asset are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized.

Deferred tax assets and liabilities are offset when the company and its joint venture has a legally enforceable right to do the same.

4.13. Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the company and its joint venture by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

4.14. Research and development

Revenue expenditure on research and development activities is recognized as expense in the period in which it is incurred.

4.15. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale.



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All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.

4.16. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM of the company and its joint venture is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the Chief Operating Decision Maker (CODM). All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance.

4.17. Recent Accounting Pronouncements:

On 31 March 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from 1 April 2023.

- i. Ind AS 101 – First-time Adoption of Indian Accounting Standards
- ii Ind AS 102 – Share-based Payment
- iii Ind AS 103 – Business Combinations
- iv Ind AS 107 – Financial Instruments Disclosures
- v Ind AS 109 – Financial Instruments
- vi Ind AS 115 – Revenue from Contracts with Customers
- vii Ind AS 1 – Presentation of Financial Statements
- viii Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix Ind AS 12 – Income Taxes
- x Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.



(₹ in Lakhs, except per share data)

5. (A) Property, Plant and Equipment
As at 31 March 2023

Particulars	Freehold Land	Building	Plant & Equipments	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying amount as at 1 April 2022	5,471.11	22,263.42	35,274.71	4,321.80	489.11	1,724.29	672.49	371.11	70,588.04
Additions during the year	-	2,365.12	3,930.72	616.19	144.66	247.63	56.53	54.74	7,415.59
Deductions during the year	-	-	18.09	-	-	-	-	2.66	20.75
Gross carrying amount as at 31 March 2023	5,471.11	24,628.54	39,187.34	4,937.99	633.77	1,971.92	729.02	423.19	77,982.88
Accumulated depreciation as at 1 April 2022	-	2,003.36	8,470.15	1,747.78	300.59	620.11	463.71	179.29	13,784.99
Depreciation for the year	-	862.57	3,239.19	422.02	68.69	167.95	120.18	73.85	4,954.45
Deductions during the year	-	-	6.39	-	-	-	-	2.43	8.82
Accumulated depreciation as at 31 March 2023	-	2,865.93	11,702.95	2,169.80	369.28	788.06	583.89	250.71	18,730.62
Carrying value as at 31 March 2023	5,471.11	21,762.61	27,484.39	2,768.19	264.49	1,183.86	145.13	172.48	59,252.26
Capital work-in-progress									17,269.71

As at 31 March 2022

Particulars	Freehold Land	Building	Plant & Equipments	Laboratory Equipments	Office Equipments	Furniture & Fixtures	Computers	Vehicles	Total
Gross carrying amount as at 1 April 2021	5,469.93	19,808.13	30,671.48	4,112.69	457.02	1,531.40	613.45	341.59	63,005.69
Additions during the year	1.18	2,455.29	4,611.03	209.11	33.12	192.89	59.04	41.32	7,602.98
Deductions during the year	-	-	7.80	-	1.03	-	-	11.80	20.63
Gross carrying amount as at 31 March 2022	5,471.11	22,263.42	35,274.71	4,321.80	489.11	1,724.29	672.49	371.11	70,588.04
Accumulated depreciation as at 1 April 2021	-	1,232.53	5,491.08	1,354.98	222.63	472.38	355.11	112.20	9,240.91
Depreciation for the year	-	770.83	2,979.50	392.80	78.94	147.73	108.60	77.36	4,555.76
Deductions during the year	-	-	0.43	-	0.98	-	-	10.27	11.68
Accumulated depreciation as at 31 March 2022	-	2,003.36	8,470.15	1,747.78	300.59	620.11	463.71	179.29	13,784.99
Carrying value as at 31 March 2022	5,471.11	20,260.06	26,804.56	2,574.02	188.52	1,104.18	208.78	191.82	56,803.05
Capital work-in-progress									7,415.52

Notes:

- Buildings includes ₹100 (Previous year ₹ 100) being cost of shares of Bopal" 444" Association.
- Depreciation for the year includes ₹ 182.98 Lakhs (Previous Year - ₹ 183.59 Lakhs) for depreciation on Research & Development assets. (Refer Note 41)
- Additions to Property, Plant & Equipment during the year include capital expenditure on Research & Development related activities amounting to ₹ 231.17 Lakhs (Previous Year ₹ 135.22 Lakhs). The details of the same are as under:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Factory Building	64.95	-
Plant & Machinery	13.98	2.19
Laboratory Equipment	106.84	130.25
Computer	9.31	1.26
Office Equipment	3.28	0.21
Furniture & Fixtures	32.81	1.31
Total	231.17	135.22



(₹ in Lakhs, except per share data)

5. Property, Plant and Equipment (Continued..)

- (iv) Details of property, plant and equipments which are hypothecated/mortgaged as security for borrowings are disclosed under note 18 (i).
(v) The amount of capital commitments is disclosed in Note 34.
(vi) During the year ended 31 March 2021, the Company has capitalized interest on borrowings aggregating to ₹ 548.09 lakhs in connection with borrowings used for construction / acquisition of qualifying assets. Further, an amount of ₹ 1430.90 lakhs towards capital subsidy, ₹ 331.09 lakhs towards interest subsidy and ₹ 229.45 lakhs towards re-imbursement of stamp duty charges have been adjusted towards the cost of such assets capitalized during the year ended 31 March 2021.

(B) Capital work in progress:

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Work-In-Progress	17,269.71	7,415.52
Total	17,269.71	7,415.52

(i) Capital work in progress ageing schedule:

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years
Projects in Progress	13,549.87	3,325.38	394.46	-
As at 31 March 2023	13,549.87	3,325.38	394.46	17,269.71
Projects in Progress	7,021.06	394.46	-	-
As at 31 March 2022	7,021.06	394.46	-	7,415.52



Concord Biotech Limited
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for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

6 Intangible Assets

As at 31 March 2023

Particulars	Software	Technical Know-How	Total
Gross carrying amount as at 1 April 2022	117.59	1,042.20	1,159.79
Additions during the year	-	-	-
Deductions during the year	-	-	-
Gross carrying amount as at 31 March 2023	117.59	1,042.20	1,159.79
Accumulated depreciation as at 1 April 2022	97.55	704.53	802.08
Amortisation for the year	13.89	324.05	337.94
Deductions during the year	-	-	-
Accumulated depreciation as at 31 March 2023	111.44	1,028.58	1,140.02
Carrying value as at 31 March 2023	6.15	13.62	19.77

As at 31 March 2022

Particulars	Software	Technical Know-How	Total
Gross carrying amount as at 1 April 2021	102.91	1,001.31	1,104.22
Additions during the year	14.68	40.89	55.56
Deductions during the year	-	-	-
Gross carrying amount as at 31 March 2022	117.59	1,042.20	1,159.78
Accumulated depreciation as at 1 April 2021	82.06	380.48	462.54
Amortisation for the year	15.49	324.05	339.54
Deductions during the year	-	-	-
Accumulated depreciation as at 31 March 2022	97.55	704.53	802.08
Carrying value as at 31 March 2022	20.04	337.67	357.70



7 Right-of use assets

Particulars	As at 31 March 2023	As at 31 March 2022
Right-of use Assets (RoU)	25.99	136.84
Total	25.99	136.84

Lease Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease Liabilities-Current	14.69	159.61
Lease Liabilities- Non Current	16.38	31.07
Total	31.07	190.68

A. The Company has taken Office building and other warehouse on lease. Disclosures as per Ind AS 116 - Leases are as follows:

The changes in the carrying value of ROU assets for the year ended on 31 March 2023 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	97.57	39.27	136.84
Additions during the year	-	-	-
Amortisation	(97.57)	(13.28)	(110.85)
Balance at the end of the year	0.00	25.99	25.99

The changes in the carrying value of ROU assets for the year ended on 31 March 2022 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	195.13	20.20	215.33
Additions during the year	-	31.29	31.29
Deletions/cancellation/modification during the year	-	-	-
Amortisation	(97.56)	(12.22)	(109.78)
Balance at the end of the year	97.57	39.27	136.84

The aggregate amortisation expense on ROU assets is included under amortisation expense in the Statement of Profit and Loss.

B. The movement in lease liabilities for the year ended on 31 March 2023 are as follows :

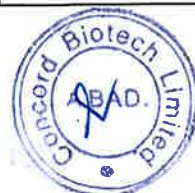
Particulars	Office Building	Warehouse	Total
Opening Balance	146.14	44.54	190.68
Additions during the year	-	-	-
Deletions during the year	-	-	-
Finance cost accrued during the year	14.47	3.72	18.19
Payment of lease liabilities	(160.61)	(17.19)	(177.80)
Balance at the end of the year	0.00	31.07	31.07

The break-up of current and non-current lease liabilities as on 31 March 2023 is as under :

Particulars	Office Building	Warehouse	Total
Current	-	14.69	14.69
Non Current	-	16.38	16.38
Total	-	31.07	31.07

The movement in lease liabilities for the year ended on 31 March 2022 are as follows :

Particulars	Office Building	Warehouse	Total
Opening Balance	269.55	23.90	293.45
Additions during the year	-	31.29	31.29
Deletions during the year	-	-	-
Finance cost accrued during the year	26.69	4.68	31.37
Payment of lease liabilities	(150.10)	(15.33)	(165.43)
Balance at the end of the year	146.14	44.54	190.68



7 Right-of use assets (Continued...):

The break-up of current and non-current lease liabilities as on 31 March 2022 is as under :

Particulars	Office Building	Warehouse	Total
Current	146.14	13.46	159.61
Non Current	0.00	31.07	31.07
Total	146.14	44.53	190.68

C. The details of contractual maturities of lease liabilities as on 31 March 2023 on undiscounted basis are as follows:

Particulars	Office Building	Warehouse	Total
Less than one year	-	17.22	17.22
One to five years	-	18.34	18.34
Total	-	35.56	35.56

The details of contractual maturities of lease liabilities as on 31 March 2022 on undiscounted basis are as follows:

Particulars	Office Building	Warehouse	Total
Less than one year	160.61	17.19	177.80
One to five years	-	35.56	35.56
Total	160.61	52.75	213.36

D. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

E. The amount recognised in the statement of profit or loss for the year ended 31 March 2023 are as follows:

Particulars	Office Building	Warehouse	Total
Amortisation expense of RoU (Refer Note 30)	97.57	13.28	110.85
Interest expense on lease liabilities (Refer Note 29)	14.47	3.72	18.19
Rent expense*	0.71	-	0.71
Total	112.75	17.00	129.75

*Rent expenses for short-term leases and leases of low value assets (Refer Note 31)

The amount recognised in the statement of profit or loss for the year ended 31 March 2022 are as follows:

Particulars	Office Building	Warehouse	Total
Amortisation expense of RoU (Refer Note 30)	97.56	12.22	109.78
Interest expense on lease liabilities (Refer Note 29)	26.69	4.68	31.37
Rent expense*	0.15	-	0.15
Total	124.40	16.90	141.30

*Rent expenses for short-term leases and leases of low value assets (Refer Note 31)



8 Investments

Particulars	No. of share / units as at 31 March 2023	No. of share / units as at 31 March 2022	As at 31 March 2023	As at 31 March 2022
(a) Non-Current				
(i) Investment in Joint Venture				
Concord Biotech Japan K.K. [CY. 200 Shares (PY. 200 Shares)]	200	200	66.52	66.52
Add: Share of (Loss) from Joint Venture			(197.79)	(393.72)
Net Investment / (Deferred Income)			(131.27)	(327.20)
Less: Deferred Income transferred to other current liability (Refer note 23)			131.27	327.20
Net Investment accounted using equity method			-	-
Note: The net loss related to current year is mainly on account of unrealised profit of inventory lying with Concord Biotech Japan K.K.				
Reconciliation of closing balance of cumulative share of profit in Joint venture with Concord Biotech Japan K.K.:				
Opening balance (a)			(393.72)	(29.95)
Share of Profit of current year (b)			166.55	81.11
Add/Less: Unrealised profit on closing stock and reversal of Unrealised profit on opening stock (net) (c)			29.38	(444.88)
Share of Profit/ (loss) of Joint venture as per equity method for the year end (d = b + c)			195.93	(363.77)
Closing balance (e = a + d)			(197.79)	(393.72)
(ii) Investments in Mutual Funds measured at FVTPL				
Aditya Birla Sun Life Credit Risk Fund Growth Regular (Formerly Known as Aditya Birla Sun Life Corporate Bond) Segregated Portfolio 1	-	60,56,568	-	9.85
Franklin India Short Term Income Plan - Retail Plan Segregated Portfolio 2	13,340	17,876	12.46	15.71
Franklin India Short Term Income Plan - Retail Plan Segregated Portfolio 3	21,282	21,282	-	-
Total Investments at FVTPL- Non Current			12.46	25.56
Total Non-current Investments			12.46	25.56
Aggregate carrying value of quoted investments			12.46	25.56
Aggregate market value of quoted investments			12.46	25.56
(b) Current				
(i) Investments in Mutual Funds measured at FVTPL				
Edelweiss Arbitrage Fund - Regular Plan Growth	-	1,01,67,384	-	1,597.50
Aditya Birla Sun Life Banking & PSU Debt Fund	1,56,941	-	500.00	-
HDFC Banking & PSU Debt Fund	24,97,216	-	500.00	-
Kotak Mahindra Banking & PSU Debt Fund	8,79,152	-	500.00	-
SBI Banking & PSU Fund	18,018	-	500.00	-
Aditya Birla Sun Life Overnight Fund	-	35,043	-	401.20
Nippon India Overnight Fund	-	4,22,073	-	480.11
Axis Strategic Bond Fund - Growth	11,61,353	11,61,353	270.88	259.15
Franklin India Short Term Income Plan - Retail Plan	1,292	1,822	63.89	85.87
ICICI Prudential Saving Fund - Growth	2,96,506	2,96,506	1,365.65	1,292.76
Kotak Low Duration Fund Standard Growth (Regular Plan)	18,324	18,324	523.32	499.43
Reliance Prime Debt Fund - Growth Plan - Growth Option	5,36,413	5,36,413	268.53	256.24
Nippon India Floating Rate Fund	17,71,457	-	700.00	-
Aditya Birla Sun Life Liquid Fund	1,30,887	-	470.93	-
Axis Liquid Fund	13,312	-	330.69	-
ICICI Prudential Liquid Fund	2,93,760	-	971.33	-
Nippon India Money Market Fund	4,036	-	141.78	-
SBI Liquid Fund	38,677	-	1,352.18	-
HDFC Low Duration Fund - Direct Growth	15,90,086	15,90,086	835.12	791.68
HDFC Ultra Short Term Fund -Direct	42,31,052	42,31,052	554.52	525.19
Trust Banking & PSU fund	50,000	50,000	544.19	528.02
SBI Overnight Fund - Growth	-	18,398	-	630.18
Aditya Birla Sun Life Short Term Fund	7,01,471	-	300.00	-
Axis Short Term Fund	21,41,030	-	600.00	-
ICICI Prudential Short Term Fund	11,03,584	-	600.00	-
Kotak Bond Fund Short Term Fund	12,57,245	-	600.00	-
Nippon India Short Term Fund	12,60,923	-	600.00	-
SBI Short Term Debt Fund	21,04,886	-	600.00	-
Total Investments at FVTPL- Current			13,693.01	7,347.33
Aggregate carrying value of quoted investments			13,693.01	7,347.33
Aggregate market value of quoted investments			13,693.01	7,347.33



(₹ in Lakhs, except per share data)

9 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
<u>Unsecured, considered good unless otherwise stated</u>		
<u>Non- current</u>		
Security deposits	132.81	102.18
Term deposits with maturity more than 12 months (Refer note i below)	796.57	78.20
Interest accrued but not due on deposits	22.74	3.87
Other receivables		
Considered Good	67.39	65.31
Considered Doubtful	226.95	226.95
Less: Provision on other receivables (Refer note li below)	(226.95)	(226.95)
Net other receivable	67.39	65.31
Total	1,019.51	249.56

Notes:

- Out of total term deposits of ₹ 796.57 lakhs term deposits amounting to ₹ 16.57 lakhs (as at 31 March 2022 ₹ 78.20 lakhs) are lodged as margin money against Bank Guarantees and other Commitments.
- Provision of Rs. 226.95 lakhs is made for incentive receivable under Market Access Initiative Scheme(MAI scheme).

10 Other non current assets

Particulars	As at 31 March 2023	As at 31 March 2022
<u>Unsecured, considered good unless otherwise stated</u>		
Capital advances	761.95	2,663.94
Total	761.95	2,663.94



Concord Biotech Limited
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for the year ended 31 March 2023

(₹ in Lakhs, except per share data)

11 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
(At lower of Cost and Net Realizable Value)		
(a) Raw materials - Including Goods in transit (C.Y. Nil Lakhs, P.Y. 19.15)	8,042.87	8,080.81
(b) Work-in-progress	11,319.82	9,018.04
(c) Finished goods - Including Goods in transit (C.Y. 115.88 Lakhs, P.Y. 427.99 Lakhs)	548.49	1,027.07
(d) Fuel	78.91	72.74
(e) Stores & Spares	309.68	121.43
(f) Stock in Trade	931.70	1,191.70
Total	21,231.47	19,511.79

- (i) Inventories are given as security for borrowings as disclosed under note 18(ii).
(ii) Inventory write down are accounted, considering the nature of inventory, ageing and net realisable value ₹ 503.34 Lakhs (March, 2022 ₹ 141.43 Lakhs). The changes in write downs are recognised as an expense in the statement of Profit and loss.

12 Trade receivables

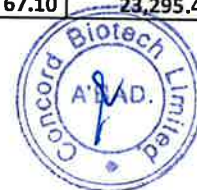
Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered good	27,375.76	23,217.42
Trade receivables Credit impaired	87.30	78.06
Less:- Allowance for doubtful trade receivables	87.30	78.06
Total	27,375.76	23,217.42

- (i) The Company's exposure to credit and currency risk, and loss allowances are disclosed in Note 38.
(ii) Includes receivables from related parties [refer note 39 (c)].
(iii) Trade Receivables are given as security for borrowings as disclosed under note 18(ii).
(iv) Movements in the expected credit loss allowance:

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	78.06	112.69
Add / (less) : Provision made / (reversed) during the year	9.24	(34.63)
Less: Provision used during the year	-	-
Closing balance	87.30	78.06

(v) Trade receivables Ageing Schedule:

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	18,434.53	7,203.27	1,331.87	377.59	28.50	-	27,375.76
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	18.15	6.91	62.24	87.30
As at 31 March 2023	18,434.53	7,203.27	1,331.87	395.74	35.41	62.24	27,463.06
(i) Undisputed Trade receivables - considered good	14,249.46	8,024.98	912.53	30.45	-	-	23,217.42
(ii) Undisputed Trade Receivables - credit impaired	-	-	-	5.81	5.15	67.10	78.06
As at 31 March 2022	14,249.46	8,024.98	912.53	36.26	5.15	67.10	23,295.48



(₹ In Lakhs, except per share data)

13 Cash and Bank Balances

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash and cash equivalents		
Cash on hand	1.63	1.15
Balance with Banks		
In Current accounts	348.29	65.54
In Exchange Earners' Foreign Currency (EEFC) account	-	-
Total cash and cash equivalents	349.92	66.69
(b) Other bank balances		
Term Deposits with Maturity more than 3 months but less than 12 months [Refer note below]	3,994.77	8,826.48
Total other bank balances	3,994.77	8,826.48

(i) Out of total term deposits of ₹ 3,994.77 Lakhs, Term deposits amounting to ₹ 936.77 Lakhs (P.Y. ₹ 101.48 Lakhs) are lodged as margin money against Bank Guarantees and other Commitments.

14 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good unless otherwise stated		
Current		
Subsidy receivable [Refer Note (i) below]	124.37	1,819.25
Interest Accrued but not due on deposits	78.88	212.17
Derivative financial instruments	25.00	49.83
Insurance claims	73.89	38.28
Security Deposit	31.65	48.05
Product Linked Incentive Receivable [Refer Note (ii) below]	1,591.17	-
IPO expense reimbursement receivable [Refer Note (iii) below]	1,268.16	-
Other Receivables [Refer Note (iv) below]	466.78	30.64
Total	3,659.90	2,198.22

- (i) Company is eligible to get various incentive namely – Capital subsidy, interest subsidy, power subsidy, employment generation incentive subsidy etc. from GSBTM (Gujarat State Biotechnology Mission) under Biotechnology Policy of Gujarat for establishing new API Plant at Limbasi. Company has received claims of subsidies on timely manner from GSBTM. The Company has received Capital subsidy pertaining for the claim of the GSBTM in FY. 2022-2023. As at 31 March 2023, the Company has outstanding receivable on account of various subsidies as follows - Interest Subsidy ₹ 46.12 Lakhs for interest paid on term loan, Power Tariff Subsidy ₹ 65.62 Lakhs, Employment Generation Incentive ₹ 12.62 Lakhs (as at 31 March 2022 Capital Subsidy ₹ 1430.90 lakhs, Interest Subsidy ₹ 140.20 lakhs for interest paid on term loan, Power Tariff Subsidy ₹ 106.53 lakhs, Employment Generation Incentive ₹ 24.48 lakhs and Electricity Duty ₹ 117.14 lakhs)
- (ii) The Company is eligible for claiming benefits under the Production Linked Incentive [PLI] Scheme of the Government of India. Based on the Claims Submitted by PLI department, the Company has recognised the PLI Income.
- (iii) Expenses incurred in relation to IPO that will be recovered by the Company from the selling shareholder upon completion of IPO process as per offer agreement.
- (iv) Other receivable includes Rs. 461.72 lakhs of amount recoverable from customer towards bank guarantees invoked.

15 Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good unless otherwise stated		
Advance to Supplier	130.97	251.61
Balances with indirect tax authorities	1,398.35	736.20
Prepaid expenses	551.85	476.05
Returnable assets	71.16	-
Export Incentive Receivable	306.13	627.06
Advances to Employees	6.72	7.84
Total	2,465.18	2,098.76



16 Equity Share Capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
110,000,000 (Previous Year - 10,000,000) equity shares of ₹ 1/- each (as on 31 March, 2022 ₹ 10/-) (Refer note below)	1,100.00	1,000.00
	1,100.00	1,000.00
Issued, Subscribed and fully paid-up		
104,616,204 (Previous Period - 9,510,564) equity shares of ₹ 1/- (Previous Period ₹ 10/-) each fully paid up [Refer Note (v) below]	1,046.16	951.06
	1,046.16	951.06

The Authorized Share Capital of the Company was increased from ₹ 10,00,00,000 (consisting of 1,00,00,000 equity shares of face value of ₹ 10 each) to ₹ 11,00,00,000 (consisting of 11,00,00,000 equity shares of face value of ₹ 1 each) through an ordinary resolution passed by the Shareholders of the Company in Extra Ordinary General Meeting of Company held on 8 July 2022.

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of Shares	₹ In Lakhs	Number of Shares	₹ In Lakhs
As at the beginning of the year	95,10,564	951.06	95,10,564	951.06
Add: Issued on account of Split off of shares during the period [refer Note (v) below]	8,55,95,076	-		
Add: Issued on account of Bonus shares during the period [refer Note (v) below]	95,10,564	95.10		
Outstanding at the end of the year	10,46,16,204	1,046.16	95,10,564	951.06

(ii) Terms/rights attached to equity shares with voting rights:

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(iii) 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	% Holding	No. of shares	% Holding
Equity Shares of ₹ 10 each fully paid				
Mr. Sudhir Jairam Vaid	3,01,69,524	28.84%	27,42,684	28.84%
Hellx Investment Holdings Pte Limited, Singapore	2,09,25,652	20.00%	19,02,332	20.00%
Mrs. Manju Sudhir Vaid	99,87,384	9.55%	9,07,944	9.55%
Nishtha Jhunjhunwal Disc Trust	83,99,732	8.03%	7,63,612	8.03%
Aryavir Jhunjhunwal Disc Trust	83,99,754	8.03%	7,63,614	8.03%
Aryaman Jhunjhunwal Disc Trust	83,99,754	8.03%	7,63,614	8.03%
M/s. Ontario Inc.	56,40,536	5.39%	5,12,776	5.39%

(iv) Shares held by Promoters & Promoters group at the end of the Year:

Particulars	As at 31 March 2023		As at 31 March 2022		% of change during the year
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Promoters					
Mr. Sudhir Vaid	3,01,69,524	28.84%	27,42,684	28.84%	-
Mr. Ankur Vaid	5,86,520	0.56%	53,320	0.56%	-
Promoters Group					
Mrs. Manju Sudhir Vaid	99,87,384	9.55%	9,07,944	9.55%	-
Mrs. Megha Vaid	5,47,008	0.52%	49,728	0.52%	-
Mrs. Sonal Kumra	73,920	0.07%	6,720	0.07%	-
Sudman Consultants LLP	47,52,000	4.54%	4,32,000	4.54%	-

(v) Pursuant to the approval of the shareholders at the Extra Ordinary General Meeting of the Company held on 8 July 2022, each equity share of face value of ₹ 10/- per share was sub-divided into 10 equity shares of face value of ₹ 1/- per share and approved the issuance of 1 bonus shares of face value ₹ 1 each for every 10 existing fully paid-up equity share of face value ₹ 1 each and accordingly 95,10,564 bonus shares were issued and allotted on 20 July 2022 out of securities premium.



(₹ in Lakhs, except per share data)

17 Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Reserve and Surplus		
Retained Earnings	1,16,835.20	98,157.23
General Reserve	2,921.79	2,921.79
Securities premium [Refer note 16(v)]	8,197.10	8,292.20
Total	1,27,954.09	1,09,371.22

Nature and purpose of reserves:

(i) General reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. Items included under General Reserve shall not be reclassified back into the Statement of Profit & Loss.

(ii) Retained Earnings:

Retained Earnings are the profits that the Company has earned till date less any transfer to general reserve, dividends and other distributions to shareholder.

(iii) Securities Premium:

This reserves represents Security Premium received at the time of issuance of Equity Shares.



(₹ in Lakhs, except per share data)

18 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Secured		
Term Loan (Refer Note i below)	3,123.56	5,624.86
Less: Current maturities of term Loan	(2,500.00)	(2,500.00)
Total	623.56	3,124.86
Current borrowing		
Secured		
Cash Credit Facility (Refer Note ii below)	-	433.72
Current maturities of long term liabilities	2,500.00	2,500.00
Total	2,500.00	2,933.72

- (i) The Company has availed Term Loan from State Bank of India. Term Loan of ₹ 10,000 Lakhs (outstanding amounting as at 31 March 2023 ₹ 3123.56 lakhs and 31 March 2022 ₹ 5624.86 lakhs) and is secured by first charge on Factory Land & Building and Plant & Machinery of Unit-III at Limbasi, Dist. Kheda, (Survey No. 666,667,668 and 84 at Village Malavada and Survey No. 94A,94B,119,120,126,135 and 136 at Ranasar) and charge on the same has been created. Interest rate is 3 months MCLR + 0.20% p.a and loan is repayable in 16 quarterly instalments of ₹ 625 Lakhs each starting from October,2020.
- (ii) Short term Borrowings from banks are in nature of working capital facilities which are secured by first pari passu charge on entire current assets of the Company. Interest rate is MCLR + 0.05% and this borrowing is repayable on demand.
- (iii) The Company has Fund-based and Non-fund-based limits of Working Capital from Banks. For the said facility, the revised submissions made by the Company to its bankers based on closure of books of accounts at the respective year end, the revised quarterly returns or statements comprising stock statements, book debt statements, statements on ageing analysis of the debtors, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

19 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Provisions for compensated absences	229.66	187.41
Total	229.66	187.41
Current		
Provision for Compensated Absences	147.85	81.32
Provision for Sales Return [Refer note 24(c) and i below]	2,542.05	-
Provision for Gratuity (Refer Note : 36)	57.67	93.45
Total	2,747.57	174.77

Note:

(i) Provision for Sales Returns:

One of the distributor based out at America has terminated exclusive distribution and supply agreement with effect from the date of 180 days from the letters for products supplied by the Company vide termination notice dated 5 August 2022 and 14 December 2022. As per the Agreement, the Company is required to purchase the remaining unsold inventory based on mutual understanding between the Parties. Provision is made for inventory lying with distributor of all the terminated products. Out of total sales return provision Goods amounting to ₹ 2163.70 lakhs which are expected to be received are primarily in nature of expired or near expiry products. The Company has also made additional provision for expected sales return on the basis of evaluation of the contractual terms with other customers, trade practices with customers, market conditions and historical experience.

Further, the Company has also made additional provision on the basis of evaluation of the contractual terms with the customers, trade practices with customers, market conditions and historical experience.

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance		
Add: Provision made during the period	3,843.54	-
Less: Provision utilised during the period	(1,301.49)	-
Closing Balance	2,542.05	-



20 Income taxes

The major component of income tax expense for the years ended 31 March 2023 and 31 March 2022 are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Statement of Profit and Loss		
Current tax	7,953.00	5,849.00
Short / (excess) provision related to earlier years	1.61	39.40
Deferred tax expense	238.16	370.53
Income tax expense in the Statement of Profit and Loss	8,192.77	6,258.93
Statement to Other comprehensive Income (OCI)		
Tax expense related to Items recognised in OCI during the year	8.66	(18.77)
Income tax credit recognised in OCI	8.66	(18.77)

(a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st March, 2023 and 31st March, 2022.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Accounting profit before tax	32,201.34	23,751.94
Tax Rate	25.168%	25.168%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	8,104.43	5,977.89
Adjustment		
Tax impact in income charged under capital gain	(22.35)	(46.82)
(Excess) / Short tax provision related to earlier year	1.61	39.40
Expenditure not deductible under tax	142.15	204.70
Income not chargeable to tax	(49.31)	-
Changes in temporary differences of earlier years	12.30	67.68
Others	3.94	16.08
Total Income tax expense	8,192.77	6,258.93
Effective tax rate	25.44	26.35

(b) Deferred tax:

The Company has accrued amounts of deferred tax. Components of Deferred tax (assets) & liabilities recognized in the financial statements of the Company as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment and intangible assets	2,387.06	2,134.76
Fair Valuation of Investments	175.17	156.97
Leases	-	-
Total	2,562.23	2,291.73
Deferred tax assets		
Employee benefit obligations	116.45	88.03
Allowances for doubtful debts & other receivables	79.09	76.76
Other disallowable expenses	21.51	16.31
Leases	1.28	13.55
Total	218.33	194.65
Deferred Tax liabilities (Net)	2,343.90	2,097.08
Total	2,343.90	2,097.08

Movement of deferred tax liabilities / (assets) during the year:

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities / (assets) in relation to:		
Property, plant and equipment and intangible assets	252.30	336.19
Fair Valuation of Investments	18.20	151.54
Leases	12.27	(14.79)
Employee benefit obligations	(28.42)	(46.02)
Allowances for doubtful debts & other receivables	(2.33)	(65.69)
Other disallowable expenses	(5.20)	(9.47)
Deferred tax expense	246.82	351.76

- (i) There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters. Refer note 34 (b).
- (ii) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- (iii) The Tax rate used for Financial Year 2022-23 and 2021-22, in reconciliation above is the corporate tax rate of 25.168% payable by corporate entity in India on taxable profits under the Indian Tax Law.

(C) Non-Current tax asset / (Current tax liabilities)

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Income Tax	(19,355.26)	(18,907.40)
Advance payment of Tax	18,721.90	19,267.85
Net Non-Current tax asset / (Current tax liabilities)	(633.36)	360.45



(₹ in Lakhs, except per share data)

21 Trade Payables

Particulars	As at 31 March 2023	As at 31 March 2022
Due to micro and small enterprise ('MSME') (Refer note : 42)	1,702.27	896.88
Due to others	7,677.73	7,413.68
Total	9,380.00	8,310.56

(a) Trade Payables Ageing Schedule:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	1,488.55	213.17	0.33	-	0.22	1,702.27
(ii) Others	5,550.31	1,889.40	141.83	37.83	58.36	7,677.73
As at 31 March 2023	7,038.86	2,102.57	142.16	37.83	58.58	9,380.00
(i) MSME	433.35	432.35	27.30	3.33	0.55	896.88
(ii) Others	2,731.52	3,999.33	400.08	173.76	108.99	7,413.68
As at 31 March 2022	3,164.87	4,431.68	427.38	177.09	109.54	8,310.56

22 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	25.97	36.32
Payables for employee benefits	1,009.21	884.56
Security Deposits	10.00	10.00
Derivative financial instruments	0.00	3.16
Payable on purchase of Property, Plant and Equipment	2,089.17	1,229.85
Total	3,134.35	2,163.89

23 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Payable to Statutory and other authorities	221.17	218.84
Advance from customers	155.51	1,228.02
Deferred Income [Refer note 8 (a) (i)]	131.27	327.20
Total	507.95	1,774.06



(₹ in Lakhs, except per share data)

24 Revenue From Operations

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Sale of products - (Refer Note Below)	83,045.34	70,398.60
Sale of Services	17.88	445.41
	83,063.22	70,844.01
Other Operating Income		
Export benefits	662.43	449.34
Product Linked Incentive Income [Refer note 14 (ii)]	1,591.17	-
	2,253.60	449.34
Total	85,316.82	71,293.35

(a) Disaggregate revenues from contracts with customers based on geography for the year ended 31 March 2023.

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Domestic	43,213.41	33,919.67
Exports	42,103.41	37,373.68
Total	85,316.82	71,293.35

(b) Disaggregate revenues from contracts with customers based on products:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
API	76,131.40	57,490.76
Formulations	9,185.42	13,802.59
Total	85,316.82	71,293.35

(c) Reconciliation of Revenue from operations with contract price:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Contract Price	89,172.52	72,605.47
Less : Adjustment made to contract price on account of:		
Sales Return	(3,843.54)	(1,303.77)
Others - rate difference	(12.16)	(8.35)
Total	85,316.82	71,293.35

25 Other Income

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest income		
From Bank	444.08	478.74
Net gain on sale of investments	299.36	509.38
Net gain on FV of investments in mutual fund	72.33	13.58
Net foreign exchange gain	1,022.15	635.89
Subsidy Income	832.38	541.82
Insurance claim Received	65.10	30.35
Miscellaneous income	158.72	97.26
Receivables from Bank Guarantee	461.72	-
Excess provision no longer required written back	175.09	-
Reversal / (Provision) of doubtful debts, net		34.63
Total	3,530.93	2,341.65

26 Cost of materials consumed

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Opening Stock	8,080.81	6,463.41
Add: Purchases	16,669.21	17,343.14
	24,750.02	23,806.55
Less: Closing stock	8,042.87	8,080.81
Total	16,707.15	15,725.74



(₹ in Lakhs, except per share data)

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Opening stock		
Finished goods	1,027.07	1,034.38
Stock-in-trade	1,191.70	972.47
Work-in-progress	9,018.04	6,831.95
	11,236.81	8,838.80
Less : Closing stock		
Finished goods	548.49	1,027.07
Stock-in-trade	931.70	1,191.70
Work-in-progress	11,319.82	9,018.04
	12,800.01	11,236.81
Net (increase) in stock	(1,563.20)	(2,398.01)

28 Employee benefits expense:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Salaries, wages and bonus	10,314.23	8,840.48
Contribution to provident and other funds	523.82	572.43
Staff welfare expenses	189.80	156.54
Total	11,027.85	9,569.45

29 Finance costs

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Interest expense on borrowings	365.98	516.99
Interest on Income tax	66.86	-
Interest Expense on lease liabilities (Refer Note 7)	18.19	31.37
Total	451.03	548.36

30 Depreciation and amortization

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Depreciation for the year on tangible assets (Refer Note 5)	4,954.45	4,555.76
Amortization for the year on Intangible assets (Refer Note 6)	337.94	339.54
Amortization for the year on right of use assets (Refer Note 7)	110.85	109.78
Total	5,403.24	5,005.08

31 Other expenses

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Power & Fuel Consumed	9,765.37	7,164.47
Consumption of stores and spare parts	1,305.77	919.16
Laboratory Charges & Testing Expenses	2,158.59	1,856.61
Repairs & Maintenance	1,187.48	790.75
Rent Expense (Refer Note 7)	0.71	0.15
Rates & Taxes	589.09	500.74
Royalty Expenses	380.08	472.03
Insurance Expense	295.51	257.36
Bank Charges	67.42	65.06
Travelling and conveyance	897.04	754.01
Communication, IT and Stationery Expenses	243.33	219.33
Payment to Auditors (Refer Note-33)	25.46	28.14
Legal & Professional Fees	485.89	553.32
Directors Sitting Fee	16.70	4.80
Selling, Distribution and Advertisement Expenses	2,369.85	2,143.64
Loss due to Fire	3.05	-
Net loss on sale of Property, plant & equipment	9.40	3.37
Bad Debt written off	-	-
Export incentive receivables written off	-	645.44
Provision for doubtful debts	9.24	-
Provision against other receivables	-	226.95
Corporate Social Responsibilities Expense (Refer Note 35)	497.30	449.49
Donation	-	0.03
Bank Guarantee Expense [Refer Note 14(iv)]	461.72	-
Miscellaneous Expenses	1,170.40	940.48
Total	21,939.40	17,995.33



(₹ In Lakhs, except per share data)

32 Earnings per share (EPS)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Basic and Diluted EPS		
(A) Net profit after tax before other comprehensive income as per consolidated statement of profit and loss (₹ in lakhs) (A)	24,008.57	17,493.01
(B) Weighted average number of equity shares considered after split of shares into ₹ 1 each (Refer Note 16)	9,51,05,640	9,51,05,640
(C) Bonus shares issued subsequent to 31 March 2022 (Refer Note 16)	95,10,564	95,10,564
(D) Weighted average number of equity shares considered for calculation of EPS (B + C)	10,46,16,204	10,46,16,204
(E) Basic and Diluted Earning Per Share (₹) (A/D)	22.95	16.72
(F) Nominal Value of equity share	1.00	1.00

The Impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

33 Auditors Remuneration

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Audit Fees	18.11	14.00
Certification fees	5.50	9.64
Other fees	-	4.50
Reimbursement of expense	1.85	-
Total	25.46	28.14

Company has paid fees Rs. 144.20 lakhs for Issuing various reports and certificates in connection with the proposed initial public offering (IPO). This expenses are recoverable from the selling shareholders and are not included in the above information.

34 (a) Commitments and Contingencies

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for in respect of the Property, Plant & Equipment (Net of Advances)	1,228.39	7,838.46
Total	1,228.39	7,838.46

(b) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the company / disputed liabilities not acknowledged as debts:		
Disputed demand of Excise duty for which an appeal has been preferred - The Company has preferred Appeal to ITAT against order received from Assessing officer in respect of short payment of Excise duty, non reversal of input credit	376.37	376.37
Disputed demand of Income Tax in which company has preferred Appeal or filed rectification with Department : - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of additional depreciation in A.Y. 2013-14 - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of Penalty Imposed u/s 271(1)(C) in A.Y. 2015-16 & 2016-17 - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of Purchase of Raw Material in A.Y. 2016-17 - The Company has preferred Appeal to CIT(A) against order received from Assessing officer in respect of disallowance of u/s 35(2)(AB) and Rule 8D r.w.s 14A in A.Y. 2018-19 - The Company has filed rectification with Assessing officer against intimation received from CPC regarding payment of Dividend Distribution Tax for A.Y. 2020-21. The Company has also filed Appeal to CIT(A) against order received from Assessing officer in respect of disallowance u/s Rule 8D r.w.s 14A in A.Y. 2020-21 and regarding not granting credit of payment of Dividend Distribution Tax.	1,054.56	955.45
Total	1,430.93	1,331.82

- It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending litigations of the respective proceedings.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.
- The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. These demands are with respect to income tax and service tax matters for which appeals have been filed.



(₹ in Lakhs, except per share data)

35 Corporate Social responsibilities

Amount spent towards CSR activities during the year are as follows:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
(i) Amount required to be spent by the company during the year	495.46	448.03
(ii) Amount of expenditure incurred	497.30	449.49
(iii) Excess / (Shortfall) at the end of the year	1.84	1.46
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Medical, Educational, Environmental sustainability, Promoting sports, Social, Rural Development	Medical, Educational, Environmental sustainability, Promoting sports, Social, Rural Development
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	NA	NA



36 Employee benefits plans:

(a) Defined contribution plans:

The Company makes contributions towards provident fund, a defined contribution retirement benefit plan for qualifying employees. The provident fund is operated by the Regional Provident Fund Commissioner. The Company recognized ₹ 425.67 Lakhs (Previous Year ₹ 385.90 Lakhs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the company are at rates specified in the rules of the scheme.

(b) Defined benefit plans:

The Company makes annual contributions to the Employee's Group Gratuity cash accumulation scheme of the LIC, a funded defined benefit plan for qualifying employees. The Scheme provides for payment to vested employees at retirement/death while in employment or on termination of employment as per the provisions of the Gratuity Act, 1972. Vesting occurs on completion of 5 years of service. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method as per actuarial valuation carried out at the balance sheet date.

Characteristics of Defined Benefit Plans and risk associated with them:

Valuation of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework, which may vary over time. Thus, Company is exposed to various risks in providing the above benefit plans which are as follows:

(i) Interest rate risk:

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).

(ii) Salary escalation risk:

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan particulars in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

(iii) Demographic risk:

The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions.

The following table sets out the status of the gratuity plan as required under Ind AS-19 and the amounts recognized in the Company's financial statements as at 31 March 2023:

Particulars	As at 31 March 2023	As at 31 March 2022
I. Reconciliation of Opening and Closing Balances of defined benefit obligation:		
Liability at the beginning of the Year	689.81	493.90
Current Service Cost	122.51	107.44
Interest Cost	47.60	34.33
Benefits paid	(59.84)	(16.71)
Net Actuarial losses / (gain) Recognized	(39.93)	70.85
Liability at the end of the Year	760.15	689.81
II. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets:		
Plan assets at the beginning of the Year, at Fair value	596.36	471.77
Expected return on plan assets	41.13	32.79
Contributions	130.35	112.23
Benefit paid	(59.84)	(16.71)
Actuarial gain/(loss) on plan assets	(5.52)	(3.72)
Plan assets at the end of the Year, at Fair Value	702.48	596.36
III. Present value of defined benefit obligation and Fair value of plan assets:		
Obligations at the end of the Year	760.15	689.81
Plan assets at the end of the Year, at Fair value	702.48	596.36
Liability recognized in balance sheet at the end of the Year	57.67	93.45



(₹ in Lakhs, except per share data)

36 Employee benefits plans: (Continued...)

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
iv. Expense recognised in the statement of profit and loss for the year		
Current Service Cost	122.51	107.44
Interest Cost	47.60	34.33
Expected returns on plan assets	(41.13)	(32.79)
Total	128.98	108.98
v. Expense recognised in the other comprehensive income for the year		
Actuarial (gain)/loss on obligation for the period	(39.93)	70.85
Return on planned asset, excluding Interest Income	5.52	3.72
Total	(34.41)	74.57
vi. Actuarial Assumptions		
Discount Rate (per annum)	7.35%	6.90%
Expected rate of return on plan assets	7.35%	6.90%
Salary Escalation	9.00%	9.00%
Attrition Rate	12.00%	10.00%
Weighted average duration of defined benefit obligation	6 Years	7 Years
Retirement Age	58 Years	58 Years
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

* The discount rate is based on the prevailing market yields of government of India securities as at the balance sheet date for the estimated term of the obligations.

**Expected rate of return on plan assets is determined based on the nature of assets and prevailing economic scenario.

*** The estimate of future salary increases considered, takes into account inflation, seniority, promotion, increments and other relevant factors.

vii. Sensitivity Analysis for each significant actuarial assumption:

The significant actuarial assumptions for the determination of the defined benefit obligations are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Projected Benefit Obligation on Current Assumptions	760.14	689.79
Impact of increase in discount rate by 1 %	(37.56)	(39.29)
Impact of decrease in discount rate by 1 %	41.76	44.24
Impact of increase in salary escalation rate by 1 %	38.24	40.30
Impact of decrease in salary escalation rate by 1 %	(35.18)	(36.81)
Impact of increase in employee turnover rate by 1 %	(5.25)	6.54
Impact of decrease in employee turnover rate by 1 %	5.57	7.01

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

viii. Investment details of plan assets:

The plan assets are managed by Insurance Company viz Life Insurance Corporation of India who has invested the funds substantially as under:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Insurance Fund - investment in LIC policy	702.48	596.36
Total	702.48	596.36



(₹ in Lakhs, except per share data)

36 Employee benefits plans: (Continued...)

ix. Maturity Profile

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
1st Following Year	99.24	87.26
2nd Following Year	79.27	58.79
3rd Following Year	104.79	72.50
4th Following Year	85.57	82.86
5th Following Year	80.07	65.22
Sum of Years 6 to 10	351.87	305.99
Sum of Years 11 and above	422.00	485.49

x. Expected contribution during the next annual reporting period

The Company's best expected contribution during the next year is ₹ 177.55 Lakhs.

(c) Compensated absences:

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made based on leave balances derived as per Company's Rules with corresponding charge to the Statement of Profit and Loss amounting to ₹ 144.71 lakhs (Previous Year ₹ 48.98 Lakhs) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.



(₹ in Lakhs, except per share data)

- 37 The Company has taken various derivatives to hedge its risk associated with foreign exchange fluctuations. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets. Forward exchange contracts (being derivative instruments), which are not intended for trading or speculative purposes but for hedge purposes are entered, which are available at the settlement date of certain payables and receivables.

Particular	As at 31 March 2023		As at 31 March 2022	
	Amount (in Lakhs)	Amount (₹ in Lakhs)	Amount (in Lakhs)	Amount (₹ in Lakhs)
Hedging of Trade Receivables	USD 50.55	4,153.69	USD 80.40	6,093.72
Forward Contracts				

The details of foreign currency exposures not hedged by derivative instruments are as under:

Particular	As at 31 March 2023		As at 31 March 2022	
	Amount (in Lakhs)	Amount (₹ in Lakhs)	Amount (in Lakhs)	Amount (₹ in Lakhs)
Trade Receivables	USD 66.40	5,460.20	USD 47.12	3,572.50
	EURO 6.19	553.93	EURO 6.35	535.52
	JPY 2002.00	1,233.23	JPY 2310.00	1,435.72
Other Current Assets	USD 5.62	461.72	-	-
Trade Payables	USD 41.82	3,436.26	USD 23.40	1,773.54
Other Current Financial Liability	USD 4.50	369.70	-	-



38 Financial Instruments: Fair Value and Risk Management

(i) Categories of Financial Instruments: Financial assets and liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Financial Assets :		
Amortised cost		
Trade receivables	27,375.76	23,217.42
Cash and cash equivalents	349.92	66.69
Term deposits other than cash and cash equivalent	3,994.77	8,826.48
Others	4,654.40	2,397.95
Fair value through profit or loss		
Non-current Investment - Investments in Mutual Funds	12.46	25.56
Current Investment - Investments in Mutual Funds	13,693.01	7,347.33
Derivative instruments	25.00	49.83
Total	50,105.32	41,931.26
Financial Liabilities :		
Amortised cost		
Borrowings (Including current maturities)	3,123.56	6,058.58
Lease Liability	31.07	190.68
Trade payables	9,380.00	8,310.56
Other Financial Liabilities	3,134.35	2,160.74
Fair value through profit or loss		
Derivative instruments	0.00	3.16
Total	15,668.98	16,723.72

(II) Fair value hierarchy :

The fair values of the financial assets and liabilities are determined based on the price that would be received to sell an asset or paid to transfer a liability at the reporting date considering the fair value hierarchy as under:

Level 1: It Includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

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

Fair value hierarchy

The following tables categorise the financial assets and liabilities held at fair value by the valuation methodology applied in determining their fair value.

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial Assets :				
Investment in Mutual Funds	13,705.46	-	-	13,705.46
Derivative financial assets	-	25.00	-	25.00
Financial Liability:				
Derivative financial liability	-	0.00	-	0.00

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial Assets :				
Investment in Mutual Funds	7,372.89	-	-	7,372.89
Derivative financial assets	-	49.83	-	49.83
Financial Liability:				
Derivative financial liability	-	3.16	-	3.16



38 Financial Instruments: Fair Value and Risk Management: (Continued..)

Determination of fair values:

Basis of assumptions used to estimated the fair value of financial assets and liabilities that are measured at fair value on recurring basis :

Investment in Mutual Funds: The fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which Issuers will redeem such units from the investors.

Derivative Instruments: For forward contracts, future cash flows are estimated based on forward exchange rates and forward interest rates (from observable forward exchange rates / yield curves at the end of the reporting period) and contract forward exchange rates and forward interest rates, discounted at a rate that reflects the credit risk of various counterparties.

(III) Financial Risk Management

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

A Market Risk :

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates and underlying equity prices.

A1 Foreign currency exchange rate risk :

The Company's foreign currency risk arises from its foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the company.

The overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance.

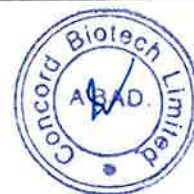
The major foreign currency exposures for the Company are denominated in USD. Additionally, there are transactions which are entered into in other currencies and are not significant in relation to the total volume of the foreign currency exposures. The Company hedges some trade receivables and future cash flows upto a maximum of 6 months forward based on historical trends, budgets and monthly sales estimates.

The following table sets forth information relating to foreign currency exposure:

	(₹ in Lakhs)		
As at 31 March 2023	US Dollars	Others*	Total
Assets :			
Trade and other receivables	10,075.61	1,787.16	11,862.77
Total	10,075.61	1,787.16	11,862.77
Liabilities :			
Trade and other payables	3,805.96	-	3,805.96
Total	3,805.96	-	3,805.96
Net Balance (Assets - Liabilities)	6,269.65	1,787.16	8,056.81

	(₹ in Lakhs)		
As at 31 March 2022	US Dollars	Others*	Total
Assets :			
Trade and other receivables	9,666.22	1,971.24	11,637.46
Total	9,666.22	1,971.24	11,637.46
Liabilities :			
Trade and other payables	1,773.54	-	1,773.54
Total	1,773.54	-	1,773.54
Net Balance (Assets - Liabilities)	7,892.68	1,971.24	9,863.92

*Others mainly Includes currencies namely Euro and Japanese Yen.



38 Financial Instruments: Fair Value and Risk Management: (Continued..)

Foreign currency sensitivity

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

Particulars	Changes in USD rate	Effect on profit and loss
As at 31 March 2023	+2%	93.83
	-2%	(93.83)
As at 31 March 2022	+2%	118.12
	-2%	(118.12)

A2 Interest rate risk :

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to fluctuations in interest rates in respect of term loan carrying a floating rate of interest. In respect of term loan, the Company has outstanding borrowing of ₹ 3123.56 lakhs as at 31 March, 2023 (As at 31 March 2022: ₹ 5624.86 lakhs). The following table demonstrates the sensitivity to a reasonable possible change on interest rates on that position of borrowing affected, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate of borrowing as follows:

Particulars	Effect on Profit before tax	
	Year Ended 31 March 2023	Year Ended 31 March 2022
Increase by 50 basis points	(15.62)	(28.12)
Decrease by 50 basis points	15.62	28.12

B Credit Risk :

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables. The maximum exposure to credit risk as at reporting date is from trade receivables amounting to ₹ 87.30 Lakhs (March 31, 2022: 78.06 Lakhs). The movement in allowance for impairment in respect of trade receivables during the year was as follows:

Allowance for Impairment	As at 31 March 2023	As at 31 March 2022
Opening Balance	78.06	112.69
Add: Impairment Loss (reversed) / recognised (Net)	9.24	(34.63)
Less: Impairment Loss Recognised	-	-
Closing Balance	87.30	78.06

Receivable from the customer of the Company more than 10 percent of the Company's total trade receivables as at 31 March 2023 is Nil (March 31, 2022 one customer – ₹ 2,585.60 Lakhs). Refer note 12 for ageing of trade receivables.



38 Financial Instruments: Fair Value and Risk Management: (Continued..)

C Liquidity Risk :

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity.

Contractual maturities of significant financial liabilities are as below:

As at 31 March 2023	Due in Year 0 to 1	Due in Year 1 to 2	Due in Year 2 to 5	Due after Year 5	Total
Borrowings	2,500.00	623.56	-	-	3,123.56
Lease Liabilities	14.69	7.84	8.54	-	31.07
Trade payables	9,380.00	-	-	-	9,380.00
Other financial Liabilities	3,134.35	-	-	-	3,134.35
Total	15,029.04	631.40	8.54	-	15,668.98

As at 31 March 2022	Due in Year 0 to 1	Due in Year 1 to 2	Due in Year 2 to 5	Due after Year 5	Total
Borrowings	2,933.72	2,500.00	624.86	-	6,058.58
Lease Liabilities	159.61	14.69	16.38	-	190.68
Trade payables	8,310.56	-	-	-	8,310.56
Other financial Liabilities	2,163.89	-	-	-	2,163.89
Total	13,567.78	2,514.69	641.24	-	16,723.71

(iv) Capital Management

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

The Company monitors capital using gearing ratio, which is net debt (total debt less cash and bank balance) divided by total capital plus net debt.

Gearing Ratio

Particulars	As at 31 March 2023	As at 31 March 2022
Total borrowings (refer note 18)	3,123.56	6,058.58
Less: Cash & Bank Balances (refer note 13)	349.92	66.69
Net Debt (A)	2,773.64	5,991.89
Total Equity (B)	1,29,000.25	1,10,322.28
Total Equity & Net Debt (C = A+B)	1,31,773.89	1,16,314.17
Gearing Ratio (D=A/C)	2.10%	5.15%



(₹ in Lakhs, except per share data)

39 Related party transactions

(a) List of related parties and relationship

Key Management Personnel (KMP):	Mr. Sudhir Vaid, Chairman & Managing Director Mr. Ankur Vaid, Joint Managing Director & CEO Mr. Utpal Sheth, Non-executive Director Mr. Amit Varma, Non-executive Director Mr. Rajiv Ambrish Agarwal, Non-executive Director Mr. Ravi Kapoor, Non-executive Director Mr. Lalit Sethi, Chief Financial Officer (W.e.f. 14 March 2022) Mr. Prakash Sajani, AVP - Finance & Company Secretary	Mr. Amitabh Thakore, Independent Director Mrs. Bharti Khanna, Independent Director Mr. Anil Katyal, Independent Director Mr. Rajeev Agrawal, Independent Director (Upto 30 May 2022) Mr. Arvind Agarwal, Independent Director (W.e.f. 24 May 2022) Mr. Jayaram Easwaran, Independent Director (W.e.f. 14 June 2022) Mr. Mandayam Chakravarthy Sriraman, Independent Director (W.e.f. 14 June 2022)
Relative of Key Management Personnel:	Mrs. Manju Vaid Col. S. K. Vaid	Mrs. Megha Vaid Mrs. Sonal Kumra
Enterprises controlled by / under significantly influenced by Directors and/or their relatives:	Sudman Consultants LLP	Ravi Kapoor & Associates
Joint Venture:	Concord Biotech Japan K.K.	

(b) Transaction with related parties:

Types of Transactions	Key Management Personnel		Relatives of Key Management Personnel		Joint Venture		Enterprises controlled by / under significantly influenced by Directors and/or their relatives:		Total	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
Remuneration Paid:										
Mr. Sudhir Vaid	501.60	401.28	-	-	-	-	-	-	501.60	401.28
Mr. Ankur Vaid	288.60	161.28	-	-	-	-	-	-	288.60	161.28
Mrs. Megha Vaid	-	-	63.87	47.30	-	-	-	-	63.87	47.30
Mrs. Sonal Kumra	-	-	70.58	52.26	-	-	-	-	70.58	52.26
Mr. Lalit Sethi	54.67	2.65	-	-	-	-	-	-	54.67	2.65
Mr. Prakash Sajani	37.77	35.97	-	-	-	-	-	-	37.77	35.97
Total	882.64	601.18	134.45	99.56	-	-	1,017.09	700.74		
Professional Fees:										
Ravi Kapoor & Associates	-	-	-	-	-	-	24.46	24.77	24.46	24.77
Col. S. K. Vaid	-	-	48.61	42.27	-	-	-	-	48.61	42.27
Total	-	-	48.61	42.27	-	-	24.46	24.77	73.07	67.04
Rent paid:										
Mr. Sudhir Vaid	121.60	113.64	-	-	-	-	-	-	121.60	113.64
Mrs. Manju Vaid	-	-	39.01	36.46	-	-	-	-	39.01	36.46
Total	121.60	113.64	39.01	36.46	-	-	-	-	160.61	150.10
Sale of Products:										
Concord Biotech Japan K.K.	-	-	-	-	5,395.70	4,620.26	-	-	5,395.70	4,620.26
Total	-	-	-	-	5,395.70	4,620.26	-	-	5,395.70	4,620.26



(₹ in Lakhs, except per share data)

39 Related party transactions: (continued...)

Types of Transactions	Key Management Personnel		Relatives of Key Management Personnel		Joint Venture		Enterprises controlled by / under significantly influenced by Directors and/or their relatives:		Total	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
Director Sitting Fees:										
Mr. Ravi Kapoor	2.20	0.80	-	-	-	-	-	-	2.20	0.80
Mr. Utpal Sheth	0.70	0.80	-	-	-	-	-	-	0.70	0.80
Mr. Rajiv Ambrish Agarwal	2.20	0.80	-	-	-	-	-	-	2.20	0.80
Mr. Amitabh Thakore	2.20	0.80	-	-	-	-	-	-	2.20	0.80
Mr. Rajeev Agrawal	-	0.80	-	-	-	-	-	-	-	0.80
Mrs. Bharti Khanna	1.70	0.60	-	-	-	-	-	-	1.70	0.60
Mr. Anil Katyal	2.20	0.20	-	-	-	-	-	-	2.20	0.20
Mr. Mandayam Chakravarthy Sriraman	1.50	-	-	-	-	-	-	-	1.50	-
Mr. Arvind Agarwal	2.00	-	-	-	-	-	-	-	2.00	-
Mr. Jayaram Easwaran	2.00	-	-	-	-	-	-	-	2.00	-
Total	16.70	4.80	-	-	-	-	-	-	16.70	4.80
Dividend Paid:										
Mr. Sudhir Vaid	1,544.68	2,033.70	-	-	-	-	-	-	1,544.68	2,033.70
Mrs. Manju Vaid	-	-	511.35	673.24	-	-	-	-	511.35	673.24
Mr. Ankur Vaid	30.03	39.54	-	-	-	-	-	-	30.03	39.54
Mrs. Megha Vaid	-	-	28.01	36.87	-	-	-	-	28.01	36.87
Mrs. Sonal Kumra	-	-	3.78	4.98	-	-	-	-	3.78	4.98
Mr. Ravi Kapoor	11.26	14.83	-	-	-	-	-	-	11.26	14.83
Mr. Rajiv Ambrish Agarwal	6.68	8.80	-	-	-	-	-	-	6.68	8.80
Mr. Prakash Sajani	1.13	1.48	-	-	-	-	-	-	1.13	1.48
Sudman Consultants LLP	-	-	-	-	-	-	243.30	320.33	243.30	320.33
Total	1,593.78	2,098.35	543.14	715.09	-	-	243.30	320.33	2,380.22	3,133.77

(c) Outstanding Balances with related parties

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Joint Venture		Enterprises controlled by / under significantly influenced by Directors and/or their relatives:		Total	
	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022	Year Ended 31 March 2023	Year Ended 31 March 2022
Payables for employee benefits:										
Mr. Sudhir Vaid	20.70	16.81	-	-	-	-	-	-	20.70	16.81
Mr. Ankur Vaid	12.74	7.52	-	-	-	-	-	-	12.74	7.52
Mrs. Megha Vaid	-	-	3.20	1.66	-	-	-	-	3.20	1.66
Mrs. Sonal Kumra	-	-	3.62	2.32	-	-	-	-	3.62	2.32
Mr. Lalit Sethi	3.38	2.44	-	-	-	-	-	-	3.38	2.44
Mr. Prakash Sajani	2.11	0.94	-	-	-	-	-	-	2.11	0.94
Total	38.93	27.71	6.82	3.98	-	-	-	-	45.75	31.69
Trade Payables:										
Ravi Kapoor & Associates	-	-	-	-	-	-	1.83	1.83	1.83	1.83
Col. S. K. Vaid	-	-	4.38	3.80	-	-	-	-	4.38	3.80
Total	-	-	4.38	3.80	-	-	1.83	1.83	6.21	5.63
Trade receivables:										
Concord Biotech Japan K.K.	-	-	-	-	1,233.23	1,435.72	-	-	1,233.23	1,435.72
Total	-	-	-	-	1,233.23	1,435.72	-	-	1,233.23	1,435.72

1. Outstanding balance at the year end are unsecured and interest free and settlement occurs through bank.
2. Company has not provided any commitment to the related party as at 31 March 2023 (p-Y -Nil)
3. The Company has neither made any provision nor written off / written back any balances pertaining to related parties.



40 Segment reporting

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Bulk Drug business is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

Geographical segment

Geographical segment is considered based on sales within India and outside India. In outside India, company separately disclosed sales to America and Others.

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
i) Segment Revenue		
Revenue from Operations		
(a) Within India	43,213.41	33,919.67
(b) Outside India		
(i) America	14,725.14	13,145.04
(ii) Others	27,378.27	24,228.63
Total Revenue from Operations	85,316.82	71,293.34
ii) Non Current operating assets [*]:		
(a) Within India	77,329.68	67,737.50
(b) Outside India	-	-
(i) America	-	-
(ii) Others	-	-
(c) Unallocable	-	-
Total Non Current operating assets	77,329.68	67,737.50

[*] Other than Financial Assets

Information about major customers:

Revenue from major export and domestic customers is Nil (Previous year Nil Lakhs). Revenue from other individual customer is less than 10% of total revenue.

41 Research & Development

The Company's facility is approved for Research & Development by Department of Science & Industrial Research (DSIR). The company has incurred expenditure of revenue nature on Research & Development, details of which are as under:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
Cost of Materials Consumed	610.04	381.19
Salaries & Wages	1,046.42	955.51
Power & Fuel	66.18	76.61
Depreciation	182.98	183.59
Others	1,053.28	987.75
Total	2,958.90	2,584.65

42 Disclosure in respect of Micro and Small Enterprises:

Particulars	Year Ended 31 March 2023	Year Ended 31 March 2022
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
Principal amount due to micro and small enterprise	1,594.47	832.12
Interest due on above	43.04	34.25
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	107.80	64.76
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



43 Disclosure requirement as per Schedule III

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (viii) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- (ix) The Company doesn't have any co-owned properties or the properties (including properties for which the lease agreement executed and disclosed as 'Right-of-Use Assets' in restated consolidated financial information) title deed of which are held by the others.
- (x) The Company has not granted any Loans or Advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (xi) The Company has used the borrowings from the banks for its intended purpose during the financial year.
- (xii) The Company did not have any transaction with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the current and previous financial year.



(xlii) Ratio Analysis

Name	Numerator	Denominator	Year Ended 31 March 2023	Year Ended 31 March 2022	% Variance	Reason
(a) Current Ratio (in times)	Total current assets	Total current liabilities	3.79	4.08	-6.97%	NA
(b) Debt-Equity Ratio (in times)	Debt consists of borrowings	Total equity	0.02	0.05	-55.91%	Debt reduced as term loan quarterly instalments are paid and Increase in other equity
(c) Debt Service Coverage Ratio (DSCR) (in times)	Earning for Debt Service = Net Profit after taxes + Depreciation and Amortisation expenses + Interest	Debt service = Interest and lease payments + Principal repayments	10.32	7.14	44.41%	DSCR Increased due to Increase in profitability due to Increase in revenue from Operation which includes Incentives
(d) Return on Equity Ratio/ Return on Networth Ratio (in %)	Profit for the year	Average total equity	20.06%	16.64%	20.58%	NA
(e) Inventory turnover ratio (In times)	Cost of goods sold	Average inventory	0.88	0.94	-5.96%	-
(f) Trade Receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.28	3.46	-5.06%	-
(g) Trade payables turnover ratio (in times)	Purchases of materials and & purchase of stock-in-	Average trade payables	2.21	3.15	-29.92%	Purchases reduced compared to the previous year financial
(h) Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	1.59	1.49	6.64%	NA
(i) Net profit ratio (in %)	Profit for the year	Revenue from operations	28.14%	24.54%	14.69%	NA
(j) Return on Capital employed (in %)	Profit before tax and finance costs (excl. Interest expense on lease liabilities)	Capital employed = Tangible Net worth + Total Borrowings + Deferred tax liabilities	24.27%	20.55%	18.12%	NA
(k) Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	4.41%	6.16%	-28.40%	Negative impact is pertaining to Capital Expenditure at New Facility

44 Other Notes:

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



Concord Biotech Limited
Notes to the Consolidated financial statements
for the year ended 31 March 2022

45 Interest in Joint Venture

Sr No.	Name of Entity	Country of Incorporation	Remarks	Activities	As at 31 March 2023	As at 31 March 2022
1	Joint Venture Concord Biotech Japan K.K.	Japan		Pharmaceutical	50%	50%

*There is no contingent liability in the books of Concord Biotech Japan K.K.

46 Additional information pursuant to Schedule III of Companies Act, 2013

Additional information pursuant to Schedule III of Companies Act, 2013									
Name of Entity	For the financial year ending on / as at 31 March 2023								
	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or (loss)		Share in other Comprehensive Income			Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit / (loss)	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income / (loss)	Amount	
Concord Biotech Ltd	100.00%	1,29,000.25	99.18%	23,812.64	100.00%	25.75	99.18%	23,838.39	
Joint Venture Concord Biotech Japan K.K	0.00%	-	0.82%	195.93	0.00%	-	0.82%	195.93	
Grand Total	100.00%	1,29,000.25	100.00%	24,008.57	100.00%	25.75	100.00%	24,034.32	

Name of Entity	For the financial year ending on / as at 31 March 2022							
	Net Assets i.e. Total Assets		Share in Profit or (loss)		Share in other Comprehensive		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit / (loss)	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income / (loss)	Amount
Concord Biotech Ltd	100.00%	1,10,322.28	102.08%	17,856.78	100.00%	(55.80)	102.09%	17,800.98
Joint Venture Concord Biotech Japan K.K	0.00%	-	(2.08%)	-363.77	0.00%	-	(2.09%)	(363.77)
Grand Total	100.00%	1,10,322.28	100.00%	17,493.01	100.00%	(55.80)	100.00%	17,437.21



47 Events after the reporting period:

The Board of Directors in their meeting held on 1 July 2023, proposed a final equity dividend of ₹ 6.83 per equity share of ₹ 1 each fully paid up for the financial year 2022-23.

48 Previous period figures have been re-grouped/ re-classified wherever necessary, to confirm to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from April 1, 2021.



For and on behalf of board of directors of
Concord Biotech Limited
CIN:U24230GJ1984PLC007440

A blue ink signature of Sudhir Vaid.

Sudhir Vaid
Chairman & Managing Director
DIN: 00055967

A blue ink signature of Ankur Vaid.

Ankur Vaid
Joint Managing Director & CEO
DIN: 01857225

A blue ink signature of Lalit Seth.

Lalit Seth
Chief Financial Officer

A blue ink signature of Prakash Sajani.

Prakash Sajani
Asst. Vice President - Finance &
Company Secretary

Place: Ahmedabad
Date: 1st July, 2023