

Annual Report 2021-2022

**Bilcare**  
*Research*





## Vision

Transforming Health Outcomes,  
Touching Lives

## Values

### Speed

Proactive and swift action are our mantras

### Innovation

Our constant approach at all levels  
is to seek better ways of listening,  
thinking and doing - making our offerings  
meaningful and impactful

### Happiness

We are motivated by our customers' success  
and happiness of our stakeholders





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# Corporate Information\*

## Board of Directors

Mr. Mohan Bhandari

Mr. Rajesh Devene

Mr. Ashwani Singh

Ms. Madhuri Vaidya

Ms. Diksha Tomar

Mr. Vijesh Mehra

## Chief Financial Officer

Mr. Nilesh Tiwari

## Company Secretary

Ms. Prabhavi Mungee

## Registered Office and Works

1028, Shirol, Rajgurunagar, Pune – 410 505, India

## Statutory Auditors

M/s. K.R. Miniyar & Associates,  
Practicing Chartered Accountants

## Secretarial Auditors

M/s Ghatpande & Ghatpande Associates.  
Practicing Company Secretaries

## Bankers

Multiple Banking under Security Trust Arrangement

## Registrar and Transfer Agents

Link Intime India Pvt. Ltd. (Unit: Bilcare Limited)

Block No. 202, 2nd Floor, Akshay Complex,

Off Dhole Patil Road,

Pune 411 001, INDIA

Telefax: +91-20-26163503

Email: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

\* As on 27th June, 2022



# Director's Report

The Members,

Your Directors are pleased to present the 35th Annual Report and the Audited Statements of Account for the year ended 31 March 2022.

## Performance of the Company and State of Company's Affairs

The Company's financial performance, for the year ended 31 March 2022 as per Ind AS is summarised below:

Particulars	INR in Crs			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations including other income	445.29	318.39	859.28	641.11
Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional Items	52.24	39.38	75.01	69.34
Profit/ (Loss) before Tax	(23.54)	(17.62)	(4.23)	(24.96)
Tax Expense (incl. Deferred Tax)	(5.76)	(19.39)	0.13	(13.80)
Profit/ (Loss) for the year	(17.78)	1.77	(12.59)	(21.08)
Non-controlling Interest	--	--	8.23	9.91
Profit/ (Loss) for the year	(17.78)	1.77	(4.36)	(11.17)

## Management Discussion and Analysis

As required by Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion and Analysis Report is part of this Report.

The state of the affairs of the business along with the financial and operational developments has been discussed in detail in the Management Discussion and Analysis Report.

## Directors & Key Managerial Personnel (KMP)

The following changes have been made to the Board of Directors of the Company during the year :

Ms. Diksha Tomar & Mr. Vijesh Mehra are appointed as Additional Independent Directors of the Company w.e.f. 30 December 2021. Necessary resolutions seeking approval of members of the Company for regularization of appointment of Ms. Diksha Tomar & Mr. Vijesh Mehra as Independent Directors will be set out in the Notice convening the ensuing Annual General Meeting.

Mr. Rahul Chouhan, Independent Director of the Company has resigned from the Board of Directors w.e.f 30 December 2021, before completion of his term as an Independent Director. He has resigned on account of his pre-occupation & other professional commitments and there being no material reasons other than those mentioned by him for his resignation as the Independent Director from the Board of Directors of the Company, the Board expressed and took on record its deep appreciation of the services rendered by Mr.Rahul Chauhan during his tenure as a Director of the Company.

Mr. Surendranath D. Gupte ceased to be an Independent Director w.e.f 13 February 2022 on account of completion of his term. The Board expressed and took on record its deep appreciation of the services rendered by Mr. Surendranath D. Gupte during his tenure as a Director of the Company.

## Changes in Board Composition and KMP after the Balance Sheet date:

Mr. Mohan Bhandari has successfully shouldered his responsibilities during his term as Chairman & Managing Director of the Company which will be completing on 30<sup>th</sup> June, 2022. The Board expressed and took on record its deep appreciation of the services rendered by him during his tenure as Chairman & Managing Director of the Company. Being the founder of the Company and considering his experience and expertise it is proposed to appoint him as Chief Executive Officer of the Company (CEO) of the Company w.e.f 01st July, 2022.

Shreyans Bhandari is appointed as Chairman & Managing Director of the Company w.e.f. 1st July, 2022. He holds a Masters degree in Industrial & Product Design from Rhode Island School of Design, USA and a Bachelor of Science in Electrical Engineering & Environmental Studies from Jacobs University Germany. He brings knowledge & technology insights for healthcare innovation, product development and marketing to Pharma companies globally.

## Declaration from Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub section (6) of Section 149 of the Companies Act, 2013 and under SEBI (LODR), 2015.

## Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, Annual Return for FY-2021-22 is available on the website of the company at <https://www.bilcare.com/pdf/annual-returns/Annual-Return-2022.pdf>.

## Number of Meetings of the Board

During the Financial Year 2021-22, Eight (8) Board Meetings were held, details of which are given in the Corporate Governance Report section.

## Directors' Responsibility Statement

Pursuant to the requirement under the Section 134(5) of the Companies Act 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts for the financial year ended 31 March 2022, the applicable accounting standards had been followed and there are no material deviations from the same;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the (Loss) of the Company for the year ended on that date;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the accounts for the financial year ended 31 March 2022 have been prepared on a 'going concern' basis;

- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

## Particulars of Loans, Guarantees and Investments under section 186 of the Companies Act, 2013

Particulars of Loans, guarantees and investments form part of the notes to the financial statement provided in this Annual Report.

## Contracts and Arrangements with Related Parties

During the year, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions and in accordance with the relevant provisions of Companies Act, 2013. All contracts/ arrangements/ transactions entered by the Company with related parties were in the ordinary course of business and on an arm's length basis. Such transactions form part of the notes to the financial statements provided in this Annual Report. Accordingly, the disclosure of RPTs as required under the provisions of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable.

The Policy on materiality of related party transactions may be accessed on the Company's website at [www.bilcare.com](http://www.bilcare.com).

## Amount Transfer to Reserves

Your Board of Directors do not propose to transfer any amount to the reserves.

## Dividend

Your Board of Directors do not recommend any Dividend for the financial year ended 31 March 2022.

## Conservation of Energy, Technology Absorption and Foreign exchange earnings & outgo

### A Conservation of Energy

- Steps taken for Conservation of Energy:

Bilcare Focused on Energy conservation measures and successfully implemented as follows:

- The effort to maintain the electrical power factor to unity and TOD tariff Incentive was sustained and this has resulted in savings of **16.88 Lakhs** per annum.
- Using of cooling towers instead of chillers during the winter season has given a saving in electricity consumption of Rs. **8.00 lakhs** per annum.

## B Technology Absorption, Adaptation and Innovation

Company continued its innovations with its R&D activities by providing solutions through new product and process development and also added newer dimensions to its existing offerings. The efforts made towards technology absorption include:

Post immense Interest shown by the pharma companies for converting their existing packaging system, Company has developed customized prototypes of vinyl free Venus Elite for Top 100 Pharma Brands which are currently packed in Alu-strip there by providing value addition in terms of –

- Environmental friendliness
- Enhancement in Brand Image
- Anti-counterfeit Solution
- Improved Barrier
- Compact Package
- Improved Product Performance

Stability studies are in final stage of evaluation with formulations like Antacid, Multivitamin, Antibiotics, Anti-diabetic, Anti-allergy, Anti-inflammatory in Halogen free Venus Elite. Concurrently, discussions are also in progress for product commercialization with various phramacos.

Company developed Image based Embedded printing technology for Venus Elite to promote brand awareness.

Company has also developed variants in Venus Elite for range of barrier requirements of critical formulations.

Company has developed Optra, an alternative to PVC based blister films which is environmentally friendly in terms of zero dioxin emission, there by complying to Customer requirements.

By providing above solutions, Company is helping pharma companies to achieve their goal of sustainable packaging.

Company has developed patient friendly compliance pack for cold form-based products by providing register print which defines daily dose & repurchase pack after exhaust of current pack.

Company has developed improved version of peelable heat seal lacquer for Crispak structures for senior friendly and child resistant packaging system.

Company has designed robust process for printing and lamination of paper-based products for achieving consistency in quality and high productivity.

Company came up with customized range of UV resistant PVC based films for global pharmaceutical customers.

By using advanced technology viz. auto defect detection & GSM measurement system, company has developed unique process for water based heat seal lacquer coating, creating additional capacity for other products.

Company has recently commissioned high speed 6 color gravure printing line having auto registration system and online repeat length monitoring with printing view camera system there by offering unique printing features and enhanced productivity.

During the financial year, 4 new patent applications have been filed and 4 patents applied earlier were granted.

## Expenditure on Research & Development

Particulars	Rs. in Crores
Capital	—
Recurring	2.19
Total	2.19

*R&D expenditure as a percentage of total turnover 0.49%  
On a consolidated basis total R&D expenditure as a percentage of consolidated turnover is 0.35%*

## Foreign Exchange Earnings & Outgo

Particulars	Rs. in Crores
Foreign exchange earned	97.60
Foreign exchange outgo*	139.15

*\*includes CIF value of Raw material imports Rs.132.74 cr*

## Corporate Social Responsibility (CSR)

The Company has Corporate Social Responsibility Policy as per the Provisions of Companies Act, 2013 and Rules made thereunder and is available on the website of the Company.

The Annual Report on CSR acclivities is annexed as Annexure "A".

## Audit Committee

The audit committee comprises of Mr. Rajesh Devene (Chairman of the Committee), Mrs.Madhuri Vaidya and Mr. Mohan H. Bhandari as members. All the recommendations made by the committee were accepted by the Board.

## Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. Performance evaluation has been carried out as per the Nomination and Remuneration Policy.

## Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on 14 February 2022 without the attendance of Non-Independent Directors and Members of the Management.

## Information about Subsidiary/JV/ Associate Company

Consolidated Financial Statements of the Company are inclusive of the results of all the subsidiaries. Further, a statement containing the particulars for each of the subsidiaries is also enclosed. Copies of annual accounts and related information of all the subsidiaries can be sought by any member of the Company by making a written request to the Company at the Registered Office. Above information is available for inspection at the Registered Office & on website of the Company. A statement containing the salient features of the financial statement of the subsidiaries in the prescribed format is presented in a separate section forming part of the financial statement. The Policy for determining 'Material' subsidiaries has been displayed on the Company's website at [www.bilcare.com](http://www.bilcare.com).

During the year, the Company incorporated a step-down subsidiary – Bilcare Inc, USA under Bilcare Mauritius Limited.

The Company has three wholly owned subsidiaries viz. Bilcare Mauritius Ltd., Mauritius, Bilcare Technologies Singapore Pte. Ltd., Singapore and Bilcare GCS Limited, UK. of which Bilcare Technologies Singapore Pte. Ltd. was closed during the year.

Bilcare Inc., USA, Bilcare GCS Inc., USA, Bilcare GCS Ireland Limited and Caprihans India Limited, are the subsidiaries of Bilcare Mauritius Limited.

Bilcare Technologies Italia, Srl, the step-down subsidiary of Bilcare Technologies Singapore Pte Limited was closed during the year.

## Deposits

Given below are the details of deposits, covered under Chapter V of the Companies Act, 2013:

The Company has not invited/accepted deposits from public/ members during the year under review.

As on 31 March 2022, deposits outstanding stood at Rs.126.08 Crores.

Company has been declared as a Relief Undertaking by the State Government vide the notification dated 4th January, 2022. By virtue of this notification, any liabilities accrued or incurred before this date including the repayment of the deposits and all pending proceedings related thereto are stayed till 3rd January, 2023. However, the Company is regular in payment of interest to the deposit holders and has made payment of matured and claimed deposits to the extent permitted by the liquidity.

## Significant and Material Orders

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

## Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## Vigil Mechanism

The Company has in place Whistle Blower Policy, wherein the Employees/ Directors/ Stakeholders of the Company are free to report any unethical or improper activity, actual or suspected fraud or violation of the Company's Code of Conduct. This mechanism provides safeguards against victimization of Employees, who report under the said mechanism. During the year under review, the Company has not received any complaints under the said mechanism. Your Directors hereby affirm that no personnel has been denied access to the audit committee. The Whistle Blower Policy may be accessed on the Company's website at [www.bilcare.com](http://www.bilcare.com)

## Secretarial Standards Of ICSI

The Company is in compliance with relevant provisions of the Secretarial Standards issued by The Institute of Company Secretaries of India.



## Corporate Governance

A report on Corporate Governance is given in this Annual Report. The requisite certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

## Auditors

### Statutory Auditors

M/s. K. R. Miniyar & Associates, Chartered Accountants are the Statutory Auditors of the Company. The observations and comments given by the Statutory Auditors in their report read together with notes thereon are self explanatory & addressed by Board of Directors, wherever required.

### Cost Auditors

At the 34<sup>th</sup> Annual General Meeting (AGM) held on 27 September 2021, M/s. Parkhi Limaye & Co., Cost Accountants (Firm Registration No: 000191) were appointed as Cost Auditors of the Company for the financial year 2021-22 for conducting cost audit of the accounts maintained by the Company in respect of the various products prescribed under the applicable Cost Audit Rules.

### Secretarial Auditor

The Board had appointed Ghatpande & Ghatpande Associates, Company Secretaries, to conduct Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year ended 31 March 2022 is annexed herewith marked as Annexure "B" to this Report.

### Management's explanation to the observations and comments given by the Auditors

Due to the continued financial stress, the Company was not able to repay the deposits on time and could not comply with certain FD compliances, owing to which Registrar of Companies disqualified some of the Company's directors under section 164(2) of the Companies Act, 2013. However, Company is regular in payment of interest to deposit holders and has also made payment of matured & claimed deposit to the extent permitted by the liquidity. With the business environment improving, the Company has planned to repay the deposit holders on priority.

Company has been declared as a Relief Undertaking by the State Government vide the notification dated 4th January, 2022. By virtue of this notification, any liabilities accrued or incurred before this date including the repayment of the deposits and all pending proceedings related thereto are stayed till 3rd January, 2023.

The Company has appointed Mrs. Madhuri Vaidya as the

Woman Independent Director w.e.f 26 April 2021. Mrs. Madhuri Vaidya's appointment is made after complying with due process of law. The Company has also endeavored to file the Form DIR 12 intimating her appointment to the Registrar of Companies in compliance of Section 152(5) of the Companies Act, 2013. Due to technical problems on the website of the Ministry of Corporate Affairs, the Form DIR 12 was not taken on record. Hence, the name of Mrs. Madhuri Vaidya is not reflected on the Master Data of the Company exhibited on the website of the Ministry of Corporate Affairs. However, the Corporate Information segment of the Company on the website of the Bombay Stock Exchange records her appointment as a Woman Independent Director.

The working capital constraints & the cash flows have not supported the repayment of loans to the lenders, hence a default in the amount payable. The Company is already in negotiations with the lenders for re-schedulement of its outstanding dues.

While the financial ratios indicate stress, the Company is in the process of realigning its liabilities by way of reschedulement of the obligations.

In respect of the notice received from SFIO purported to have been issued u/s 212 of the Companies Act, 2013, the Company has approached Hon'ble Bombay High Court by way of a Writ Petition. The matter is Sub-judice.

## Details in respect of fraud reported by auditors

During the year under review, the Statutory Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act details of which needs to be mentioned in this Report.

## Particulars of Employees & Related Disclosures

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as Annexure-C to this Report.

A statement containing particulars of employees as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided as a separate annexure forming part of this Report. However, the Annual Report is being sent to the members excluding the said annexure. The said information is available for electronic inspection during working

hours and any member interested in obtaining such information may write to the Company Secretary or Registrar and Transfer Agent, and the same will be furnished on request.

## General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
3. The Managing Director of the Company does not receive any remuneration or commission from any of its subsidiaries.

### Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace.

Your Directors state that during the year under review, there were no complaints filed & there were no complaints pending at the end of the year pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## Acknowledgement

All other stakeholders

We thank our domestic and international customers, vendors, investors, banking community and investment bankers for their continued support during the year.

Your Directors also wish to place on record their deep sense of appreciation for the committed services of the employees at all levels worldwide.

We thank the Governments of various countries where we have our operations and also thank Central Government, various State Governments and other Government agencies for their positive co-operation and look forward to their continued support in future. Finally, we wish to express our gratitude to the members and shareholders for their trust and support.

For and on behalf of the Board of Directors

Mohan H. Bhandari  
Chairman & Managing Director

Pune : 27 June 2022



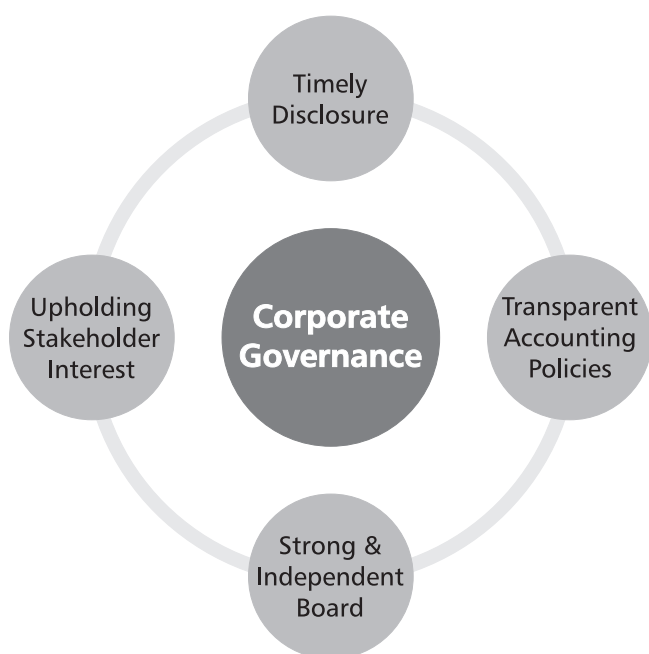
# Corporate Governance

## Company's Philosophy on Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices.

The compliance report on Corporate Governance herein signifies adherence by the Company of all the mandatory requirements of Regulation 34 (3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereon (hereinafter referred to as SEBI Listing Regulations).

Company's Philosophy on Corporate Governance includes:



## Board of Directors

### Composition of the Board

The composition of the Board of Directors of Bilcare Limited is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (hereinafter referred to as Act). The Board comprises of Six (6) Directors, One (1) Executive Director, the Chairman and Managing Director, who is also a Promoter Director, one Woman Director, who is a Non-Executive Independent Director and Four (4) Non-Executive Independent Directors.

As mandated by Regulation 26 of the SEBI Listing Regulations, none of the Directors is a member of more than ten Board level Committees (considering only Audit Committee and Stakeholders' Relationship Committee) or Chairman of more than five Committees across all public limited companies (listed or unlisted) in which he/she is a Director. Further all Directors have informed about their Directorships, Committee memberships/Chairmanships including any changes in their positions as on March 31, 2022.

### Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. As per the requirement of Regulation 30 read with Schedule III, Para A, Clause (7B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Rahul Chouhan (DIN 03307553), Director of the Company has resigned from the Board of Directors w.e.f 30 December 2021, before completion of his term as an Independent Director. He has resigned on account of his pre-occupation & other professional commitments and there is no material reasons other than those mentioned by him for his resignation as the Independent Director from the Board of Directors of the Company.

The terms and conditions for appointment of all Independent Directors are on the Company's website i.e. [www.bilcare.com](http://www.bilcare.com)

## Number of Independent Directorships

In compliance with the SEBI Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed Company, does not hold the position of Independent Director in more than three listed companies.

## Number of Board Meetings

The Board met Eight (8) times during the year. The Meetings were on 26 April, 29 June, 11 August, 26 August, 28 October, 11 November, 30 December 2021 and 14 February 2022. All the meetings were held in such manner that the gap between two consecutive meetings was not more than 120 days.

Name of the Director	Category	Particulars of Attendance		No. of other Directorships*	Committee Memberships / Chairmanships in Public Limited Companies #	
		Board Meetings	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Promoter Executive Director						
Mr. Mohan H. Bhandari	Chairman and Managing Director	8	Present	0	0	0
Independent Directors						
Mr. Surendranath Gupte (Upto 13 February 2022)	Director	7	Present	0	0	0
Mr. Rajesh Devene	Director	8	Present	0	0	0
Mrs. Alka Sagar (Upto 26 April 2021)	Director	1	--	1	1	0
Mr. Rahul Chouhan (Upto 30 December 2021)	Director	5	Present	0	0	0
Mr. Ashwani Singh	Director	7	--	0	0	0
Ms. Madhuri Vaidya (w.e.f. 26 April 2021)	Director	4	--	0	0	0
Ms. Diksha Tomar (w.e.f. 30 December 2021)	Director	2	--	0	0	0
Mr. Vijesh Mehra (w.e.f. 30 December 2021)	Director	2	--	0	0	0
# For the purpose of reckoning the limit, Memberships of Audit Committee and Stakeholders' Relationship Committee in Public Companies excluding Bilcare Limited has been considered.						
* Directorships in Foreign Companies, Private Limited Companies and Section 8 Companies are excluded in the above table						
None of the Director is related to other Director of the Company						
Mrs. Alka Sagar is a Non-Executive - Non Independent Director and Member of Nomination and Remuneration committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee in Flexituff Ventures International Ltd.						



## List of Core Skills/Expertise/Competence identified by Board as required in context of its Business

S. No	Skills/expertise/competence possessed by the board members	Whether available with the Board?	Names of directors with such Skills/expertise/competence
1	Manufacturing Industry knowledge	Yes	Mr. Mohan H. Bhandari Mr. Rajesh S. Devene
2	Business Strategy and Marketing knowledge	Yes	Mr. Mohan H. Bhandari
3	Technical ability in interpreting financial information	Yes	Mr. Mohan H. Bhandari Mr. Rajesh S. Devene Ms. Madhuri Vaidya Mr. Ashwani Singh
4	Behavioural Competencies (Like- Leadership qualities, Interpersonal relations etc)	Yes	Mr. Mohan H. Bhandari Ms. Madhuri Vaidya
5	Talent Managment qualities	Yes	Mr. Mohan H. Bhandari

## Information supplied to the Board

During the year 2021-22, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company.

During the year, meeting of the Independent Directors was held on 14 February 2022. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

The Board periodically reviews the compliance reports of all laws applicable to the Company, prepared by the Company.

The details of the familiarisation programme of the Independent Directors are available on the website of the Company [www.bilcare.com](http://www.bilcare.com).

## CEO/MD and CFO Certification

The Chairman & Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI Listing Regulations. The said certificate is annexed and forms part of the Annual Report.

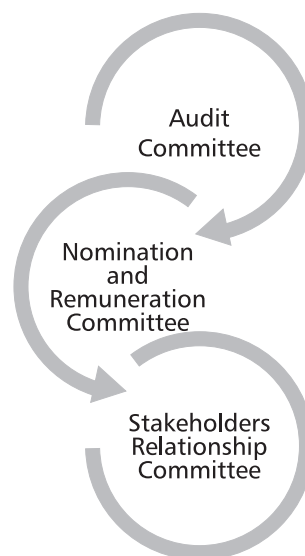
## Code of Conduct

The Company has adopted a Code of Conduct (the Code) for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website at [www.bilcare.com](http://www.bilcare.com).

The Board members and Senior Management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report.

## Committees of the Board

As on 31 March 2022 the Company apart from functional committees, has Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Board Committees are set-up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are applicable to Committee Meetings, as far as may be practicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its work. Minutes of the proceedings of the Committee Meetings are placed before the Board meeting for perusal and noting. The Company Secretary acts as the secretary of all the Committees.



## Audit Committee

The Audit Committee of the Company comprises of three Directors, viz. Mr. Rajesh Devene (Chairman of the Committee), Ms. Madhuri Vaidya and Mr. Mohan H. Bhandari, two-thirds of which are independent directors. All the members of the Audit Committee possess accounting, economic, legal and

financial management expertise. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and SEBI Listing Regulations. Annual General Meeting (AGM) held through Video Conferencing on Tuesday, 27 September 2021 was attended by the Chairman of the Committee, Mr. Surendranath Gupte, to answer shareholders' queries.

The Audit Committee assists the Board in discharging of its responsibility to oversee the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting statements, the appointment, independence, performance and remuneration of the Statutory Auditors, including the Cost Auditors and the performance of Internal Auditors of the Company.

### Terms of reference

The terms of reference of the Committee, inter alia covers all the matters specified under SEBI Listing Regulations as well as those specified in Section 177 of the Companies Act, 2013. In addition to other terms as may be referred by the Board of Directors, the Audit Committee has the power inter alia, to investigate any activity within its terms of reference and to seek information from any employee of the Company, seek legal and professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee met Six times, on 1<sup>st</sup> April, 29 June, 11 August, 26 August, 11 November, 2021 and 14 February 2022.

The composition and attendance Record of Audit Committee Members for 2021-22

Name of Director	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Surendranath Gupte*	Independent	Chairman	5	5
Mr. Rajesh Devene#	Independent	Chairman	6	6
Ms. Madhuri Vaidya	Independent	Member	1	1
Mr. Mohan H. Bhandari	Non Independent	Member	6	6

\* Upto 30<sup>th</sup> December, 2021

# Chairman w.e.f. 30<sup>th</sup> December, 2021

The meetings of the Audit Committee are also attended by the Chief Financial Officer and other Management representatives as special invitees as and when required. The Company Secretary acts as the secretary to the Audit Committee.

## Nomination and Remuneration Committee

The composition and attendance of Nomination and Remuneration Committee Members for 2021-22

Name of Director	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Surendranath Gupte*	Independent	Chairman	3	3
Mr. Rajesh Devene#	Independent	Chairman	3	3
Ms. Alka Sagar**	Independent	Member	1	1
Ms. Madhuri Vaidya##	Independent	Member	2	2
Ms. Diksha Tomar###	Independent	Member	-	-

\* Chairman upto 13 February 2022

# Chairman w.e.f. 14 February 2022

\*\* Member upto 26 April 2021

## Member w.e.f. 26 April 2021

### Member w.e.f. 14 February 2022

During the year under review, the Committee met Three times, i.e. on 26 April, 26 August and 30 December, 2021. The Meeting was attended by the Committee members.

### Terms of reference:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Fixing & reviewing the remuneration of the senior officers of the Company;
- Recommending the remuneration including the perquisite package of key management personnel;

- Recommending to the Board retirement benefits;
- Reviewing the performance of employees and their compensation; and
- Attending to any other responsibility as may be entrusted by the Board.
- Devising the policy on diversity of the Board of Directors Company.

## Nomination & Remuneration Policy

The Company has laid down the policy for determining the remuneration of the Directors/Senior Management/Key Management Personnel and have also specified the criteria for evaluation of the performance of the Board of Directors of the Company. The same is available on the Company's website viz. [www.bilcare.com](http://www.bilcare.com)

## Performance Evaluation Criteria for Independent Directors:

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations etc.

## Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's weblink viz. [www.bilcare.com](http://www.bilcare.com)

## Directors' Remuneration:

The non-executive and independent directors are paid only sitting fees for participating in the Board and various Committee meetings

## Stakeholders Relationship Committee:

The composition and attendance of Stakeholders Relationship Committee Members for 2021-22:

Name of Director	Category	Designation	No. of Meetings	
			Held	Attended
Mr. Rajesh Devene	Independent	Chairman	1	1
Mr. Mohan H. Bhandari	Executive	Member	1	1
Mr. Surendranath Gupte*	Independent	Member	0	0
Ms. Madhuri Vaidya#	Independent	Member	1	1

\* Member upto 30 December 2021

# Member w.e.f. 30 December 2021

The main responsibility of the Committee is to ensure cordial investor relations and supervise the mechanism for redressal of investor grievances pertaining to transfer of shares, non-

receipt of annual report, non-receipt of declared dividends etc. It performs the functions of transfer/transmission/ remat/ demat/ split-up/ sub- division and consolidation of shares, issue of duplicate share certificates and allied matter(s).

During the year in review, the Committee met once, on 14 February 2022. No requests for dematerialization and/or transfer were pending for approval as on 31 March 2022. As of 31 March 2022, there were no unresolved investor complaint pertaining to transfer of shares, non-receipt of annual report, non-receipt of declared dividends etc., pending. Ms. Prabhvai Mungee, Company Secretary & Compliance Officer, acts as the Secretary to the Stakeholders Relationship Committee.

## SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redressed system. The salient features of this system include Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaints and its current status.

## Designated Exclusive Email-ID

The Company has also designated the email-ID [cs@bilcare.com](mailto:cs@bilcare.com) exclusively for servicing Shareholders.

## Remuneration of Directors

The aggregate value of salary and perquisites for the year ended 31 March 2022 to Wholetime Director, Mr.Mohan H. Bhandari is Nil

## Non-executive directors' compensation

The non-executive directors of the Company were paid following sitting fees for meetings of the Board and its Committee thereof:

Name of Non-Executive Director	Sitting Fees* (in Rs.)
Mr. Surendranath Gupte (upto 13 February 2022)	1,90,000
Mr. Rajesh Devene	2,20,000
Ms. Alka Sagar (upto 26 April 2021)	20,000
Mr. Rahul Chouhan (upto 30 December 2021)	1,00,000
Mr. Ashwani Singh	1,40,000
Ms. Madhuri Vaidya (w.e.f. 26 April 2021)	90,000
Ms. Diksha Tomar (w.e.f. 30 December 2021)	40,000
Mr. Vijesh Mehra (w.e.f. 30 December 2021)	40,000

\* Sitting fees include payment for Audit Committee meetings

## Shares held by Non Executive Directors as on 31 March 2022

Name of the Director	Number of shares held Equity Shares of Rs.10/- each
Mr. Rajesh Devene	Nil
Mr. Ashwani Singh	Nil
Ms. Madhuri Vaidya	Nil
Ms. Diksha Tomar	Nil
Mr. Vijesh Mehra	Nil

## General Body Meetings

Location and time for the last Three Annual General Meetings were:

Financial Year	Venue	Date	Time	Special Resolution
2018-19	Registered Office of the Company	26 December 2019	11 a.m.	Approval for continuation of directorship of Mr. Surendranath Gupta
2019-20	Video Conferencing ("VC") Through Instameet Platform	29 September 2020	12 Noon	Nil
2020-21	Video Conferencing ("VC") Through Instameet Platform	27 September 2021	1.30 p.m.	Adoption of new set of Articles of Association of the Company

## Postal Ballot

No resolution was passed through Postal Ballot during the year 2021-22.

At present, no special resolution is proposed to be passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a Special Resolution conducted through Postal Ballot.

## Other Disclosures

The Company has been complying with the mandatory and discretionary requirements under part E of Schedule II of SEBI Listing Regulations.

The Company complies with the requirements of corporate governance as specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

## Related Party Transactions:

Please refer to Note No. 38 of Notes to Accounts for significant related party transactions.

None of the transactions with any of the related parties were in conflict with the interests of the Company. The Board has approved a policy for Related Party Transactions which has been uploaded on the website of the Company at the link: [www.bilcare.com](http://www.bilcare.com)

## Policy on determining "Material" Subsidiaries:

This policy is framed in accordance with the requirement of Regulation 23 of SEBI (LODR) Regulations, 2015 and is intended to identify "Material" Subsidiaries and to establish a governance framework for such subsidiaries. The details of policy on determining "Material" Subsidiaries has been disclosed under Company's website: [www.bilcare.com](http://www.bilcare.com)

## Management Discussion and Analysis

This Annual Report has a detailed chapter on management discussion and analysis.

## Disclosures by the Management to the Board

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussion nor do they vote on such matters.

## Details of Non-compliance

No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market during the last three years.

## Whistle Blower Policy

The Board had framed and approved Whistle Blower Policy / Vigil Mechanism which has been uploaded on the website of the Company at the link: [www.bilcare.com](http://www.bilcare.com) Also, no personnel has been denied access to the Audit Committee.

## Complaints Pertaining to Sexual Harassment :

There were no complaints filed & there were no complaints pending at the end of the year pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## Details of fees Paid to Statutory Auditors

The details of statutory fees to the Statutory Auditor during the FY 2021-22 are provided in the Note No. 30 to the Notes to the Standalone Financial Statements.



## Means of Communication

The Company puts forth vital information about the Company and its performance, including quarterly results, official news releases, and communication to investors, on its website: [www.bilcare.com](http://www.bilcare.com) regularly for the benefit of the public at large. The quarterly results are published in 'Financial Express' and 'Loksatta'.

News releases. Official news and media releases are sent to the Stock Exchanges.

Loans & Advances to Firms/Companies in which Directors are interested (Name & Amount) by Company & its Subsidiaries : NA

## Website

The Company's website contains a separate dedicated section titled "Investors". The basic information about the Company, as called for in terms of SEBI Listing Regulations, is provided on the Company's website: [www.bilcare.com](http://www.bilcare.com) and the same is updated from time to time.

## Shareholders

### Annual Report

Annual Report containing, inter alia, Audited financial statement. Consolidated financial statement, Boards' Report, Independent Auditors' Report and other important information, is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report and is displayed on the Company's website: [www.bilcare.com](http://www.bilcare.com).

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.

## General Shareholder Information

### Company Registration Details

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28939PN1987PLC043953

### Annual General Meeting

Date : Wednesday, 3 August 2022 Time : 11.30 a.m.

Due to the continued COVID-19 pandemic and the need to follow social distancing norms, the Ministry of Corporate Affairs vide its circular no. 02/2021 dated January 13, 2021 and 21/2021 dated December 14, 2021 and General Circular

no. 02/2022 dated May 05, 2022 has permitted to hold the AGM through VC/OAVM. Hence, the meeting will be held through VC/OAVM.

## Financial Calendar

1 April 2021 to 31 March 2022

For the financial year 2021-22, results were announced on-

- First Quarter : 11 August 2021
- Half yearly : 11 November 2021
- Third Quarter : 14 February 2022
- Fourth Quarter and Annual : 23 May 2022

## Key financial reporting dates for the financial year 2022-23

- Quarter ending 30 June 2022 : on or before 14 August 2022
- Quarter ending 30 September 2022 : on or before 14 November 2022
- Quarter ending 31 December 2022 : on or before 14 February 2023
- Audited results for the financial year 2022-23 : on or before 30 May 2023

## Book Closure

The books will be closed from Friday, 29 July 2022 to Wednesday, 3 August 2022 (both days inclusive).

## Credit Rating

There has been no credit rating /revision during the year.

## Share Holding Pattern

The tables below give the pattern of shareholding by ownership and share class respectively.

### Distribution of shareholding as on 31 March 2022

Category	Number of Shares held	Shareholding %
Promoters	70,66,611	30.01
Foreign Portfolio Investors	10,000	0.04
Corporate Bodies (India+ Foreign)	41,07,768	17.45
Non Resident Indians	3,20,936	1.36
Indian Public	1,20,39,916	51.14
<b>Total</b>	<b>2,35,45,231</b>	<b>100.00</b>

## Pattern of shareholding by Share Class as on 31 March 2022

Shareholding Class	Number of Shareholders	Number of Shares	Shareholding %
Up to 500	21,796	20,90,351	8.88
501 - 1,000	1,174	9,48,292	4.03
1,001 - 2,000	567	8,45,684	3.59
2,001 - 3,000	223	5,84,856	2.48
3,001 - 4,000	71	2,53,765	1.08
4,001 - 5,000	89	4,14,317	1.76
5,001 - 10,000	133	9,66,101	4.10
10,001 & above	116	1,74,41,865	74.08
	<b>24,169</b>	<b>2,35,45,231</b>	<b>100.00</b>

## Registrar and Transfer Agents and Share Transfer and Demat System

The Board's Share Transfer Committee generally meets as and when required for dealing with matters concerning securities/ share transfers of the Company. The Company has appointed Link Intime India Pvt. Ltd. as the Registrar and Transfer Agents of the Company, to carry out the share transfer work on behalf of the Company.

### Address of the Registrar and Transfer Agent

Link Intime India Pvt. Ltd., (Unit: Bilcare Limited) Block No. 202, 2nd Floor,  
Akshay Complex Off Dhole Patil Road.  
Pune – 411 001, India  
Telefax : 020 – 26163503

### Listing

The Equity shares of Bilcare Limited are listed on Bombay Stock Exchange Limited.

### Stock Code

BSE : 526853

### Stock Data

Following table gives the monthly high and low prices and volumes of Bilcare Limited at Bombay Stock Exchange Limited, Mumbai (BSE) for the year 2021-22.

Month	Share Price		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April-2021	60.00	49.55	50375.77	47204.50
May-2021	60.00	51.70	52013.22	48028.07
June-2021	70.00	54.40	53126.73	51450.58
July-2021	119.25	62.00	53290.81	51802.73
August-2021	104.00	66.50	57625.26	52804.08
September-2021	79.50	67.05	60412.32	57263.90
October-2021	89.20	64.55	62245.43	58551.14
November-2021	87.90	66.60	61036.56	56382.93
December-2021	86.90	71.65	59203.37	55132.68
January-2022	114.35	73.65	61475.15	56409.63
February-2022	100.00	63.20	59618.51	54383.20
March-2022	77.95	69.60	58890.92	52260.82

## Dematerialization of Shares and Liquidity

The equity shares of Bilcare Limited are under compulsory demat trading. As on 31 March 2022, dematerialized shares accounted for 99.53% of the total equity.

Demat ISIN numbers in NSDL & CDSL for Equity Shares: INE986A01012.

Bilcare Limited shares are actively traded at BSE Limited.

### Plant Location

1028, Shirol, Rajgurunagar, Pune 410 505, India

### Investor Correspondence Address

For transfer / dematerialisation of shares and any other query relating to the shares of the Company:

Link Intime India Pvt. Ltd., (Unit: Bilcare Limited)  
Block No. 202, 2nd Floor, Akshay Complex Off Dhole Patil Road, Pune – 411 001, India  
Telefax : +91-20-26163503  
E-mail : pune@linkintime.co.in

## Deposit holders Correspondence Address

For any query relating to Fixed Deposit :

Company Address

Bilcare Limited

18, D G Chambers,  
1st Floor,  
100-104 Nagindas Master Road,  
Near BSE, Fort,  
Mumbai 400 001

Phone (022) 86559 12999

Email: FD@bilcare.com

Registrar's Address

(Fixed Deposit)

Kisu Corporate Services Pvt. Ltd.

B-9A Mazanon Floor, Supariwala Estate,  
Prasad Chambers Compound,  
Near Roxy Cinema, Opera House,  
Mumbai - 400 004

Phone (022) 49710146/23634607

Email: kisucorporate@gmail.com

## DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, Mohan H. Bhandari, Chairman & Managing Director of Bilcare Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31 March, 2022.

Pune : 27 June 2022

**Mohan H. Bhandari**  
Chairman & Managing Director

## CERTIFICATE ON COMPLIANCE OF REGULATIONS OF CORPORATE GOVERNANCE

To,  
The Members  
Bilcare Limited,  
1028 Shiroli, Rajgurunagar  
Pune 410505

We have examined the compliance of the conditions of Corporate Governance by Bilcare Limited for the Financial Year ended 31<sup>st</sup> March, 2022, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 except that the name of Ms. Madhuri Vaidya the Director appointed by the Company under Regulation 17 (1) (a) is not displayed on the ROC / MCA Portal due to technical reasons. However, her name is duly updated on the BSE Portal where the shares of the Company are listed.

As on 31<sup>st</sup> March, 2022 none of the Directors on the Board of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India or any such other Statutory Authority. However, except Mr. Rajesh Devene (Date of Appointment – 22<sup>nd</sup> April, 2019), Mr. Ashwani Singh (Date of Appointment – 31<sup>st</sup> August, 2020) Mrs. Madhuri Vaidya (Date of Appointment – 26<sup>th</sup> April, 2021), Mrs. Diksha Tomar (Date of Appointment- 30<sup>th</sup> December, 2021) and Mr. Vijesh Mehra (Date of Appointment- 30<sup>th</sup> December, 2021), all the remaining director/s have been disqualified by The Ministry of Corporate Affairs / The Registrar of Companies u/s 164(2) of the Companies Act, 2013. However, as per the Legal Opinion sought by the Company and relied upon by us, the Board of Directors of the Company is duly constituted and the appointment of all the new Directors is valid and in compliance with the provisions of the Companies Act, 2013.

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

Date: 23 June 2022  
Place: Pune

For Ghatpande & Ghatpande Associates  
Company Secretaries

Shekhar Ghatpande  
Partner  
FCS: 1659 CP No.: 782  
FRN: P2019MH077200  
Peer Review No.: 1503/2021  
UDIN: F001659D000521541



## CERTIFICATION BY CHAIRMAN & MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, the undersigned, in our respective capacities as Chairman & Managing Director and Chief Financial Officer, of Bilcare Limited, ("the Company") to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for 2021-22 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2021-22 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee, wherever applicable:
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Chief Financial Officer  
Pune: 27 June 2022

Chairman & Managing Director

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### Certificate Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,  
The Members of  
Bilcare Limited,  
1028 Shirolji, Rajgurunagar  
Pune 410 505

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bilcare Limited having CIN L28939PN1987PLC043953 and having Registered Office at 1028 Shirolji, Rajgurunagar, Pune 410505 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India or any such other Statutory Authority. However, except Mr. Rajesh Devene (Date of Appointment – 22<sup>nd</sup> April, 2019), Mr. Ashwani Singh (Date of Appointment – 31<sup>st</sup> August, 2020) Mrs. Madhuri Vaidya (Date of Appointment – 26<sup>th</sup> April, 2021), Mrs. Diksha Tomar (Date of Appointment- 30<sup>th</sup> December, 2021) and Mr. Vijesh Mehra (Date of Appointment- 30<sup>th</sup> December, 2021), the remaining director/s have been disqualified by The Ministry of Corporate Affairs / The Registrar of Companies u/s 164(2) of the Companies Act, 2013.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this matter based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ghatpande & Ghatpande Associates  
Company Secretaries

Shekhar Ghatpande  
Partner

Place: Pune  
Date: 23 June 2022

FCS: 1659 CP No.: 782  
FRN: P2019MH077200  
Peer Review No.: 1503/2021  
UDIN: F001659D000521607



# Management Discussion and Analysis

## Industry Outlook

The global blister packaging market reached a value of US\$ 22.7 Billion in 2021. Looking forward, the publisher expects the market to reach US\$ 32.2 Billion by 2027, exhibiting a CAGR of 5.8% during 2022-2027. Blister packaging refers to a pre-formed plastic packaging which comprises of a cavity that is made using a thermoformed plastic and a paper or aluminum foil back. This type of packaging displays a large part of the content to consumers while protecting it from heat, UV rays, humidity and contamination. Due to this, it eliminates the need for cartons and helps in reducing packaging costs.

Speaking about specifically the pharmaceutical packaging market, in 2018, it was valued at approximately \$71.0 billion and is projected to grow at a CAGR of nearly 6% during 2019-2029, leading to an estimated valuation of the market to be \$149.3 billion by 2026. Popular report repository, Research, and Markets forecast the pharmaceutical packaging market growing at an impressive CAGR of 8.75% during the 2017-2026 period.

This impressive growth in the market can be attributed to emerging markets like India, China, Brazil, Russia, and Turkey as healthcare becomes more accessible amidst growing as well as ageing population. Owing to the factors mentioned above, the Packaging Industry In India has a lot to look forward to and is on its way to help the country rise through the ranks globally through cutting-edge research and innovation as well as jobs.

The growing need for convenient and tamper-free packaging has proliferated the demand for blister packaging in the pharmaceutical industry. Moreover, factors like rising demand for unit dose packaging, sales of OTC drugs and monitored dosage system for improving patient compliance are providing a thrust to the market growth. Further, technological advancements in the pharmaceutical and food industries have enabled manufacturers to incorporate radio-frequency identification (RFID) tags in blister packs for simplifying supply-chain management. In addition, products like child-resistant packaging with push-through, peelable, pressure-sensitive and anti-lock mechanism are modifying the production methods. Some of the other factors driving the market include rising

prevalence of life style diseases, ageing population, stringent regulatory requirements and increasing demand of generic drugs.

Plastic is the largest material segment in the market with PE, PP, PET, PVC being most widely used for pharmaceutical packaging. North America enjoys the leading position in the industry, on account of the growing shift from plastic bottles to blister packaging in the healthcare sector.

The packaging industry in India is expected to register a CAGR of approximately 26.7% during the period (2022-2027). After the COVID-19 pandemic, most developed countries burned wastepaper or used it in landfills to avoid coronavirus spread. This has resulted in a huge shortage of raw materials for Indian paper mills. The manufacturers of Indian corrugated cardboard boxes are working to keep transport packaging flowing to makers of essential products, including packaging for food and other consumer products, medical and pharmaceutical products, tissue, and hygiene products.

The demand for packaging is growing due to the rising population, increasing income levels, changing lifestyles, increased media penetration through the internet, television, and growing economy. Moreover, it is one of the strongest growing sectors in the country. According to Care Ratings, a prominent credit rating company in India, more than 49% of the paper produced in the country is used for packaging purposes. The rapid growth of the market is primarily driven by the pharmaceuticals and foods and beverages industries.

## Opportunities, Threats & Outlook

India is the second most populated country with 1.34 billion people and is the third-largest economy. Despite significant improvements in healthcare in the past years, the number of chronic disease cases is surging at a rapid pace. According to the WHO report, over 20% of the country's population suffers from at least one of the non-communicable diseases or chronic diseases, such as cancer, heart ailments, respiratory diseases, and diabetes that are estimated to cost India USD 6.2 trillion during the period 2012-2030. Moreover, it reflected that India lost USD 237 billion from 2005 to 2015 due to diabetes, heart

disease, and stroke. To prevent economic burden in the coming years, most of the pharmaceutical companies are researching and developing a novel vaccine that would drive the growth of the pharmaceutical packaging market in India.

Further, the Indian government is providing free health coverage to the poor people with the help of national programs as every year more than six crore people are pushed into poverty because of medical expenses. For instance, Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (AB PM-JAY) is a scheme of the National Health Policy that aims to provide free health coverage to the bottom 40% poor and vulnerable population. It was launched in September 2018, and till February 2020, more than 12 crore e-cards have been generated, and over 86 lakh people have taken benefit under the scheme. As now more people can opt the medical assistance, the manufacturing of drugs is expected to augment the packaging industry in the future.

Earlier, packaging used to be a simple tool that ensured the product was carried from one place to another. As the industry grew, many other applications such as branding, quality control, safety as well as security of the product were brought to the fore.

The pharmaceutical packaging industry, owing to the sensitive nature of products, also faces a lot of challenges. Poor packaging can cause chemical alterations in the product damaging their curative ability and ineffective performance.

Here are the 7 common challenges of the pharmaceutical packaging industry:

1. Safe Transportation of the medicine
2. Retaining efficacy of the medicine
3. Accurate Dosage and Drug Information
4. Newly developed drugs conflicting with packaging material
5. Counterfeit
6. Adhering to Regulatory Standards
7. Awareness and Education of Medical Practitioners and Consumers

Pharmaceutical packaging is already a very advanced market, but there are a few things that the industry is working toward to modernize itself for the benefit of both producers and buyers. These include making packaging more:

- Accessible to patients
- Environmentally friendly
- Easy to produce

## Bilcare Limited

Bilcare with its solitary focus on quality & innovation in pharmaceutical packaging has not only been able to keep up with the dynamic regulations & requirements but also enabled us to be ahead of the curve many times. At Bilcare, every challenge is looked at as an opportunity. Hence, there is a continuous series of opportunities leading to innovations for improving productivity and deliverables of existing solutions and enhancing the value proposition through clinical research, development and commercialization of new products. Bilcare follows a constructive philosophy to address the various challenges of the pharmaceutical industry, which may be broadly classified into the five categories. The 5 C's are – Compliance - direction of dosage administration, Counterfeit – deterring piracy and counterfeit in medicine packaging, Communication - differentiating and brand recall strategies, Convenience - smart and easy to carry/ dispensing & Child resistant & senior friendly - to avoid accidental misuse of medicines by children but convenient for senior citizen to use the packaging.

## Pharma Packaging Innovations

Bilcare is known around the world for only the best in quality Pharma Packaging materials supplies, and stalwart customer service, regardless of the time zone. We offer a wide range of speciality polymer films and aluminium foils mainly used for packaging of solid dosage pharmaceutical products.

“Innovation, our DNA, Patient Care our Mission” has been the motto of the company ever since its advent into the highly competitive and innovation pharm-focused packaging industry.

Our core material strength is:-

1. Barrier against moisture, light, gases in flat as well formed film & foil
2. Machinability of materials
3. Compatibility with various machines
4. Printability of complex designs
5. Embedded security features

Bilcare being a pioneer of innovative ideas in the Industry has an edge as a solutions provider for many pharma companies globally.

Bilcare firmly believes in Moving with the Times and this is the culture of Innovation that goes beyond the Research labs to touch every business function and activity, benefitting our customers and impacting the Patient health outcomes

## Polymer based Packaging Films

A wide range of polymer based packaging films with special features of color, laminates, overt and covert print and anti-counterfeit features for the pharma product brand enhancement, safety and security, Patented and Trademark Branded products suiting to pharma needs and offers one stop solutions.

## Aluminum based Packaging Foils

One of the best ultra-high barrier packaging materials gets a facelift and uniqueness with Bilcare Value added Packaging to address and overcome the challenges of Communication, Brand Safety and Counterfeit.

Bilcare is working on the compact primary pack Mission and Bilcare's innovative products are in stability for various ultra-sensitive formulations.

### Salient Points

- The entire human race is passing through a very tough time because of the spread of the pandemic where the various mutations are always putting to test the known avenues of containment and treatment.
- Team Bilcare supported and continue to support with clinical supplies for many global and Indian trials on Covid-19 trials on fast track basis.
- Bilcare implemented the quality management system standards to the latest version ISO 9001:2015 and Environmental Management Systems standards to ISO 14001:2015 version.
- All necessary internal audits and management reviews and recertification by TUV SUD South Asia as well as the Good Manufacturing Practices (GMP) Systems standards for Primary packaging components for pharmaceuticals documented and aligned to ISO 15378:2017 standards and certified by TUV SUD.
- Environmental Concern towards use of PVC in Blisters- The Dioxin emission arising out of incineration of PVC is being taken up by various Environmental Protection Groups with the Government. Bilcare used this opportunity for developing a Barrier Film that will be having a significantly lower Dioxin Emission levels.
- A similar environmentally friendly trend was noticeable in the use of solvent free lacquer in the lidding foil segment.
- Bilcare's Zeon Aqua has been appreciated across the Globe and being a Drug Contact Material is under evaluation with the Pharmaceutical Companies across the Globe.

## Global Clinical Supplies

Majorly in the current year, Bilcare has handled domestic and global manufacturing of IMPs and Placebos, Primary and secondary packaging with various innovative blinding techniques, IWRS, Storage at variable temperatures along with distribution on global depots/ sites having about 30+ depots spread worldwide with equivalent capabilities to facilitate storage and distribution, handling of returns and destruction.

Bilcare GCS is also honored to have handled **Covid-19** clinical projects in year 2022 on provision of the clinical supplies for domestic as well as global clients through India, USA, UK and Ireland Entities on a very fast track basis maintaining quality and compliance at every level.

### Services:

- Comparator Procurement
- Temperature controlled Logistics
- Analytical & Regulatory

Global clinical trial supplies market expected to generate revenue of around USD 2,092.5 million by end of 2024, growing at a CAGR of around 7.20% between 2018 and 2024. The clinical trial supplies market is segmented on the basis of product/services into manufacturing, packaging and labeling, and storage and distribution.

Rising adoption of supply chain management system is due to rising pressure to cut down R&D cost and increase the operational efficiency as the supplies contribute significantly to the total R&D expense of biopharmaceutical companies. To cut down the cost of supplies, biopharmaceutical companies are outsourcing their supplies to global and regional supply players, which in turn is helping them to focus more on trial process.

Regulatory changes have brought clinical research in India "back on track" – with the market expected to grow at a CAGR of approximately 12%. The changes have been focused on transparency with clear specific guidelines on various aspects like medical and compensation management and efficiency by reducing timelines for regulatory approvals. A positive turn of events for Bilcare GCS division.

Developing economies such as India, clinical trials market is expected to prove attractive markets owing to increasing availability of expert practitioners, growing government support with regards to development of the outsourcing hubs. Growing prevalence of metabolic disorders with rising number of patients suffering from obesity, metabolic disorders and are insulin resistant continues to offer growth opportunities for APAC clinical trials market.



Lesser insurance coverage and growing medical expenses due to increasing presence of private hospitals is leading to rapidly increasing need for clinical trials for accessing free-of-cost high-quality healthcare. Reduced labor cost for the clinical operations personnel, lower recruitment costs, low costs related to handling of clinical trial supplies and growing focus on multiple orphan drugs further drives the growth of APAC clinical trials market. Sponsors and service providers—like CROs face challenges in understanding and effectively managing the clinical supply aspect of their studies. Many sponsors struggle to understand and effectively manage various aspects of the clinical supply chain, including increased pressure from government regulators like the US FDA and European Medicines Agency on quality requirements, and how to move clinical supplies between countries.

Considering the growing market demand in the CTMS Market, Bilcare GCS has already aligned its resources.

During the year Bilcare GCS had few key achievements to its credit - We supported Pharma companies and CRO'S by successfully attending the Investigator Meets; supported our clients in USFDA audit; Expanded global depot partners to thirty locations. With this, Bilcare GCS is poised to regain its market share and looks forward to maximize profits by providing innovative, compliant and faster services to its clients.

The Comparator Sourcing is a fast-growing industry within clinical trials that has doubled within the last three years. A recent report published by the Institute for Healthcare Informatics forecasts that the surge in cancer drug innovation is projected to continue over the next five years, with oncology currently already making up 25% of the global late-stage pipeline. As the majority of drug candidates are being studied against the existing standard of care, the need for secure and transparent sourcing of comparator drugs and non-investigational medicinal products (NIMPs) on a global scale is likely to rise significantly. Sourcing optimization is by and large achieved via gradual transition from centralized to local comparator suppliers. Global sourcing companies are beginning to assess local market capabilities for availability of quality certificates and actively export drugs for QP release. Bilcare is becoming formidable player in this market as well.

## **Internal Control System and Adequacy**

The Company has a well-placed and adequate Internal Financial Control system, which ensures that all the transactions are authorized, recorded and reported correctly as well as is compliant with the Company's policies and Standard Operating Procedures (SOP's). The Internal Auditors independently evaluate the adequacy of the internal controls and report to the Audit Committee of any major deviations. The Statutory auditors have made a mention that the internal audit methodology can be applied more effectively. The

Company will take steps to strengthen the same.

## **Financial Performance**

The Company has been through a restructuring phase over the last few years. There has been an improvement in the performance and despite the working capital constraints. The support of the customers and suppliers have enabled the Company sustain its operations as a going concern. The Company has focused on cost reduction and production efficiency and has achieved large improvements in the various parameters. The turnover has increased to Rs 430 Cr from Rs 304 Cr. The Company expects this trend to continue.

## **Key Change in Financial Ratios – Debt Equity Ratio**

During the Financial Year 2021-22, due to lower interest expenses, there is an improvement in Debt Service coverage ratio and due to higher earnings before interest and taxes, there is an improvement with Return on capital employed.

## **Risks and Concern**

The Company is subjected to various risks affecting its financial health, both in terms of external environment and internal operations. Raw material input prices; crude price hike, currency fluctuations and financial costs are some of the major risks. Industry curve with PVDC market going through stress is also a major concern for product substitution.

## **Cautionary Statement**

Statements in this Management Discussion and Analysis describing the Company's objective, projection, estimates, and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual outcome may differ substantially or material from those expressed or implied. Important developments that could affect the Company's operation include significant changes in the political and economic environment in India or overseas in key markets, applicable statutes, litigation, labor relations, exchange rate fluctuation, interest and other costs.

## ANNEXURE - A

### ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the weblink for the same is: <a href="http://www.bilcare.com">www.bilcare.com</a>
2	The Composition of the CSR Committee	N.A.
3	Average net profit of the company for last three financial years	—
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	—
5	Details of CSR spent during the financial year.	N.A.
	a) Total amount to be spent for the financial year;	
	b) Amount unspent , if any;	
	c) Manner in which the amount spent during the financial year is detailed below:	

### The Responsibility Statement

"The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company."

Mohan H. Bhandari  
Chairman & Managing Director

## ANNEXURE - B

### (FORM MR-3)

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Bilcare Limited  
1028 Shirol, Rajgurunagar  
Pune 410505

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good Corporate Practices by Bilcare Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4) issued by the Institute of Company Secretaries of India and made applicable w.e.f. 1<sup>st</sup> April, 2021 and in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and opinions sought by the Company and which are relied upon by us 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 31<sup>st</sup> March, 2022 (Audit Period) 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 (Excluding the Books of Accounts whether maintained Physically or Electronically), papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (\*)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014 and, The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (\*)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (\*)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (\*)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (\*)
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

(\*) There were no events/ actions occurred during the year under the report which attracts the provisions of these Act/Regulations/Guidelines, hence the same were not applicable.

As informed to us by the Company, no other Laws were specifically applicable to the Company during the Audit Period.

We have also examined compliance with the applicable Clauses of the following and report that:-

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118[10] of the Companies Act, 2013 and revised thereafter from time to time have been complied with.
- (ii) We have also examined the compliance with the applicable clauses of The Listing Agreement entered into by the Company with BSE Ltd.

We report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. except for certain provisions and Rules in respect of Fixed Deposits.

We further report that the Compliance by the Company of applicable financial laws, like Direct and Indirect Tax Laws, including Bank and Financial matters and transactions have not been reviewed in this Audit since the same have been subject to review by Statutory Financial Audit and other Designated Professionals.

We further Report that:-

- (i) As on 31<sup>st</sup> March, 2022 none of the Directors on the Board of the Company for the Financial Year ended on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India or any such other Statutory Authority. However, Except Mr. Rajesh Devene (Date of Appointment – 22<sup>nd</sup> April, 2019), Mr. Ashwani Singh (Date of Appointment – 31<sup>st</sup> August, 2020) Mrs. Madhuri Vaidya (Date of Appointment – 26<sup>th</sup> April, 2021), Mrs. Diksha Tomar (Date of Appointment- 30<sup>th</sup> December, 2021) and Mr. Vijesh Mehra (Date of Appointment- 30<sup>th</sup> December, 2021) the remaining Director/s have been disqualified by The Ministry of Corporate Affairs, Registrar of Companies u/s 164(2) of the Companies Act, 2013.
- (ii) Mr. Mohan Bhandari the Managing Director of the Company did not receive any remuneration, commission or Professional Fees from the Company and any of its subsidiaries.
- (iii) The changes in the composition of the Board of Directors, Key Managerial Personnel (KMP) that took place during the Year under review were carried out in compliance with the provisions of the Act.
  - a) On resignation of Ms. Alka Sagar as the Woman Independent Director, the Company has appointed Ms. Madhuri Vaidya as the Woman Independent Director in the meeting of the Board of Directors held on 26<sup>th</sup> April, 2021. The said changes of their appointment and resignation were informed to BSE Ltd, and BSE Website is also updated for the same. Thereafter, in the Annual General Meeting held on 27<sup>th</sup> September, 2021 Ms. Madhuri Vaidya was appointed as the Woman Independent Director by the shareholders of the Company. However, her name could not be updated on ROC / MCA Portal, due to technical reasons.
  - b) The Company has appointed Ms. Diksha Tomar and Mr. Vijesh Mehra as the Additional Directors of the Company in the Independent Category in the meeting of the Board of Directors held on 30<sup>th</sup> December, 2021. The particulars of their appointments were informed to ROC, Pune and BSE, and MCA & BSE Websites are also updated for the same.
  - c) Mr. Rahul Chouhan resigned as the Independent Director of the Company w.e.f. 30<sup>th</sup> December, 2021. The change in the particulars of his resignation was informed to ROC, Pune and BSE, and MCA & BSE Websites are also updated for the same.
  - d) The tenure of Mr. Surendranath Gupte as an Independent Director of the Company was completed on 13<sup>th</sup> February, 2022 and accordingly he ceased to be the Independent Director of the Company w.e.f. 13<sup>th</sup> February, 2022.
  - e) Mr. Rajesh Devene and Mr. Ashwani Singh were appointed as the Additional Directors by the Board of Directors of the Company u/s 161 of the Companies Act, 2013 w.e.f. 22<sup>nd</sup> April, 2019 and 31<sup>st</sup> August, 2020 respectively. They were further appointed as the Directors of the Company u/s 149 & 152 of the Companies Act, 2013 in the Annual General Meetings held on 30<sup>th</sup> September, 2019 and 29<sup>th</sup> September, 2020 respectively. As informed to us the Company tried to file the necessary Form No DIR-12 for change in Designation of these Directors. However the said Forms could not be submitted to The Registrar of Companies, Pune due to Technical reasons. As such their Designation in the MCA-21 Portal is still appearing as 'Additional Director.'
  - f) As per the Legal Opinion sought by the Company and relied upon by us, the Board of Directors of the Company is duly constituted and the appointments of all the new Directors are valid and are in compliance with the provisions of the Companies Act, 2013.
- iv) All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI LODR Regulations, 2015 and Section 149(6) of the Act. As on the date of this Report, the Independent Directors of the Company have registered on the Portal of 'Independent Directors Data Bank' introduced by Indian Institute of Corporate Affairs

In the Meeting of the Board of Directors held on 26<sup>th</sup> April, 2021 Mr. Shreyans Bhandari Son of Mr. Mohan Bhandari Chairman & Managing Director of the Company was appointed as an 'Innovation Consultant' of the Company, with effect from 1<sup>st</sup> April, 2021. He was further appointed in the employment of the Company as 'Chief Innovation Officer', with effect from 1<sup>st</sup> January, 2022. The necessary compliance in this connection are complied with by the Company, by obtaining necessary approvals of the Audit Committee and the Board of Directors

Adequate notices were 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 the decisions in the Board meetings were carried through by the majority. It was informed to us that there were no dissenting views of the Directors and hence not captured and recorded as part of the Minutes of the Board Meetings.

We were informed 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:-

In continuation to our earlier Secretarial Audit Reports dated 13<sup>th</sup> August, 2020 and 19<sup>th</sup> August, 2021 as regards the Letter received from SFIO under Section 212 of the Companies Act, 2013 we have to report that as informed to us by the Company, the matter is sub-judice before the Hon'ble High Court, Mumbai.

For Ghatpande & Ghatpande Associates  
Practicing Company Secretaries

Shekhar Ghatpande  
Partner

Place: Pune  
Date: 23 June 2022

FCS: 1659 CP No.: 782  
FRN: P2019MH077200  
Peer Review No.: 1503/2021  
UDIN: F001659D000521552

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

## **Annexure 'I' to the Secretarial Audit Report of Bilcare Limited**

To,  
The Members  
Bilcare Limited,  
1028 Shiroli  
Rajgurunagar  
Pune 410505

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, followed by us 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. Where ever 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 procedures 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.

For Ghatpande & Ghatpande Associates  
Practicing Company Secretaries

Shekhar Ghatpande  
Partner

Place: Pune  
Date: 23 June 2022

FCS: 1659 CP No.: 782  
FRNP2019MH077200  
Peer Review No.: 1503/2021  
UDIN: F001659D000521552

## ANNEXURE - C

### Statement of Disclosure of Remuneration

Information as required under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Remuneration disclosures for Executive Director for the financial year ended 31 March 2022

Sr. No.	Name of Director and Designation	Remuneration of Director for Financial Year 2021-22	% increase in Remuneration in the Financial Year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mohan H. Bhandari Chairman & Managing Director	Nil	NA	NA

**Note:**

Details of remuneration paid to Independent Directors, Non-Executive Directors and KMPs are provided in the relevant sections of the Annual Report.

- B. The percentage increase in the median remuneration of employees in the financial year is 6.43%
- C. The number of permanent employees on the rolls of company as on 31 March 2022 is 288.
- D. It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



# **STANDALONE IND AS FINANCIAL STATEMENTS**

# INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS

TO THE MEMBERS OF BILCARE LIMITED

## **Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements**

### **Opinion**

We have audited the accompanying standalone financial statements of Bilcare Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the 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 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 the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, 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 specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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.

### **Emphasis of Matter**

We draw attention to Note 37 of the standalone financial statements, which state the impact of Covid-19 on the operations of the Company.

The Company has not provided interest on term loan from bank/s classified as Non-Performing Assets in respect of one bank. Refer Annexure A to the standalone financial statements.

Our opinion is not modified in respect of the above matter.

## Key Audit Matters

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

S No	Key Audit Matters	Auditor's Response
1	<p><b>Provisions and contingent liabilities relating to taxation, litigations, and claims - refer note 35 of the standalone financial statements</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, environmental issues and other eventualities arising in the regular course of business.</p> <p>As at the year ended 31 March 2022, the amounts involved are significant. The computation of a provision or contingent liability requires judgment by the Company because of the inherent complexity in estimating future costs. The amount recognized as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company as it involves judgment and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgments previously made by authorities.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"><li>• Testing the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of development of contingent liabilities.</li><li>• Using our subject matter experts to assess the value of significant provisions and contingent liabilities, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities, if any.</li><li>• Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team. We assessed the assumptions and critical judgments made by the Company which impacted the computation of the provisions and inspected the computation and estimates of outcome and financial effect. We considered the judgment of the Company, supplemented by experience of similar decisions previously made by the authorities and, in some cases, relevant advice given by the Company's consultants.</li><li>• Evaluating agreements, other documentation and judgments made by the Company by comparing the prior years' outstanding to the actual outcome during the year.</li><li>• Assessing the Company's disclosures in the financial statements in respect of provisions and contingent liabilities.</li></ul>

## Other Information

The other information comprises the information included in the financial statements but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information. Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

## Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibility

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 system 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.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- 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 directors as on March 31, 2022 taken on records by Board of Directors, except Mr. Rajesh Devene, Mrs. Madhuri Vaidya, Mrs. Diksha Tomar, Mr. Vijesh Mehra, and Mr. Ashwani Singh, all other Directors of the Company are disqualified u/s 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- g) With respect to the other matters to be included in the Auditor's report in accordance with 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. We further report that no remuneration has been paid during the year to the Managing Director of the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 35 to the financial statements;
  - ii. As informed to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There are no amounts to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. There is no dividend declared or paid during the year by the Company and hence compliance with Section 123 of the Act is not applicable.
2. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India, in terms of section 143 (11) of the Act, we give in "Annexure B" a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For K.R.Miniyar & Associates  
Chartered Accountants  
Firm Registration No. 124806W

Date: May 23, 2022  
Place: Aurangabad

K.R. Miniyar  
Proprietor  
(Membership No.108015)  
UDIN: 22108015AJLXVU6132

**'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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

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

We have audited the internal financial controls over financial reporting of Bilcare Limited ("the Company") as of March 31, 2022 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. However, the internal audit methodology can be applied more effectively for compliance of various laws and regulations, corporate governance and internal financial control, risk management and reliability of financial and management reporting.

For K.R.Miniyar & Associates  
Chartered Accountants  
Firm Registration No. 124806W

K.R. Miniyaar  
Proprietor  
(Membership No.108015)  
UDIN: 22108015AJLXVU6132

Date: May 23, 2022  
Place: Aurangabad



## 'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company,

- i. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b. The Property, Plant and Equipment were physically verified by the Management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. The title deeds, comprising all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- d. The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets or both during the year.
- e. There are no proceedings against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The inventory has been physically verified in a phased manner at reasonable intervals during the year by the Management and no material discrepancies were noticed that were more than 10% in the aggregate of each class of inventory on such physical verification.  
(b) The Company has not been sanctioned any working capital limits during the year, in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii. The Company has not made investments in, 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. Accordingly, the sub-clauses (a),(b),(c), (d), (e) and (f) are not applicable.
- iv. The Company has not granted any loans, made any investments, provided guarantees or security and hence provisions of sections 185 and 186 of the Companies Act is not applicable.
- v. The Company has not complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder. As informed to us and reported in earlier years, the matter is sub-judicious at NCLT as on March 31, 2022.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods by the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. a. The Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess, and other statutory dues with the appropriate authorities.  
  
The undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period more than six months from the date they became payable, are Tax Deducted at Source of ₹ 144.52 lacs.  
  
The Company has a capital advance for purchase of land of ₹ 11,094.66 lacs on which no tax has been deducted at source under section 194-IA of Income Tax Act, 1961.
- b. Details of Income tax, Sales tax, Service tax, Customs Duty, Goods and Service Tax and Cess which have not been deposited as on March 31, 2022 on account of disputes are given below:

(₹. in lacs)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates (Assessment Year)	Gross Amount	Amount paid under protest	Amount Unpaid
Income Tax Act, 1961	Income Tax & Transfer Pricing	Income Tax Appellate Tribunal	A.Y. 2013-14	672.50	150.00	522.50
<b>Total of Income Tax Act 1961 (A)</b>				<b>672.50</b>	<b>150.00</b>	<b>522.50</b>
Finance Act, 1994 (Service Tax)	Service tax - Penalty	CESTAT, Mumbai	November 2012 to May 2015	33.91	33.91	—
<b>Total of Finance Act 1994 (Service Tax) (B)</b>				<b>33.91</b>	<b>*33.91</b>	<b>—</b>
<b>Total C =(A+B)</b>				<b>706.41</b>	<b>183.91</b>	<b>522.50</b>

\*Amount reversed through GSTR -3B

- viii. There were no transactions which were not recorded in the books of account and which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has defaulted in the repayment of loans or other borrowings to lenders. The period and amount of default in respect of term loans towards the principal amount is as under:

Name of lender	Amount not paid on due date (₹ Lacs)	Period of delay
Phoenix ARC	751.78	From Sep 2021
Arcil ARC	535.00	From Dec 2021
Punjab National Bank	2,000.00	From Jun 2020
IDBI Bank	2,651.32	From Sep 2021
Central Bank of India	*1,870.67	From Jun 2018
Canara Bank	*622.81	From Jun 2021
Bank of Baroda	*5,348.00	From Mar 2020
Union Bank of India	4,475.00	From Jan 2013
	18,254.58	

*\*including interest*

*All of the above are under negotiations for reschedulement/s*

- (b) The Company has not been declared wilful defaulter during the year.
- (c) The Company has not obtained any term loans during the year.
- (d) The Company has not raised any short-term funds during the year.
- (e) The Company has not taken any funds from any entity or person to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on pledge of securities held in its subsidiaries.
- x. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- xi. (a) To the best of our knowledge, no fraud by the Company or any fraud to the Company has been noticed or reported during the year.
- (b) No report under sub section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle-blower complaints were received during the year by the Company.
- xii. (a) The Company is not a Nidhi Company.
- Accordingly, clause 3 (xii) (b) and (c) of the Order are not applicable.
- xiii. Transactions with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone financial statements, as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system which is commensurate with the size and nature of its business subject to our Opinion in Annexure A.
- (b) The reports of the internal auditor issued till date for the period under audit were duly considered for the observations therein
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with him and hence section 192 of the Act is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company.
- (b) The certificate of registration from RBI for non-banking financial or housing finance activity is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations by Reserve Bank of India. Accordingly, clause 3 (xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors' during the year.

xix. In our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities and other information accompanying the financial statements, we believe that the 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. However, based on our knowledge of the Board of Directors and Management plans, we believe that the Management is confident of obtaining reschedulement/s of the present liabilities with the lenders and meet its obligations.

We however, state that this is not an assurance nor any guarantee as to the future viability of the Company.

xx. There is no unspent amount under sub section (5) of section 135 of the Companies Act pursuant to any project. Accordingly, clauses 3 (xx) (a) and (b) of the Order are not applicable.

For K.R.Miniyar & Associates  
Chartered Accountants  
Firm Registration No. 124806W

Date: May 23, 2022  
Place: Aurangabad

K.R. Miniyar  
Proprietor  
(Membership No.108015)  
UDIN: 22108015AJLVU6132

# STANDALONE BALANCE SHEET

AS AT 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	43,350.31	45,858.99
Capital work-in-progress	3	—	7.74
Intangible assets	4	1,232.14	1,400.62
Intangible asset under development	4	—	—
Investments in subsidiaries	5	8,049.84	8,948.49
Financial assets	6		
(i) Investments		1.00	1.00
(ii) Other financial assets		126.29	167.15
Non Current tax asset (net)	10	571.62	464.62
Other non-current assets	7	11,326.74	11,169.66
Deferred tax assets (net)	8	11,073.55	10,514.55
<b>Total non-current assets</b>		<b>75,731.49</b>	<b>78,532.82</b>
<b>Current assets</b>			
Inventories	9	5,622.96	4,441.75
Financial assets	6		
(i) Trade receivables		9,263.00	7,228.29
(ii) Cash and cash equivalents		366.19	725.09
(iii) Bank balances other than (ii) above		85.90	56.21
Other current assets	7	1,588.13	1,848.37
<b>Total current assets</b>		<b>16,926.18</b>	<b>14,299.71</b>
<b>TOTAL ASSETS</b>		<b>92,657.67</b>	<b>92,832.53</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	2,354.52	2,354.52
Other equity	12	1,986.30	3,717.33
<b>Total Equity</b>		<b>4,340.82</b>	<b>6,071.85</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	13		
(i) Borrowings		53,685.72	52,988.73
(ii) Other financial liabilities		1,718.40	4,826.24
Provisions	14	609.35	560.15
<b>Total non-current liabilities</b>		<b>56,013.47</b>	<b>58,375.12</b>
<b>Current liabilities</b>			
Financial liabilities	13		
(i) Borrowings		15,306.79	14,853.20
(ii) Trade payables		7,908.83	6,052.19
(iii) Other financial liabilities		7,377.66	5,780.10
Provisions		103.14	103.83
Other current liabilities	15	1,606.96	1,596.24
<b>Total current liabilities</b>		<b>32,303.38</b>	<b>28,385.56</b>
<b>Total liabilities</b>		<b>88,316.85</b>	<b>86,760.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>92,657.67</b>	<b>92,832.53</b>

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**K. R. Miniya & Associates**

Firm Registration Number: 124806W

Chartered Accountants

**CA K.R. Miniya**

Proprietor

Membership No.: 108015

Place: Pune /Aurangabad

Date: 23 May 2022

**Mohan H. Bhandari**

Chairman & Managing Director

**Prabhavi Mungee**

Company Secretary

**Rajesh Devene**

Director

**Nilesh Tiwari**

Chief Financial Officer

# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	16	42,978.56	30,416.20
Other income	17	1,550.15	1,423.19
<b>Total income</b>		<b>44,528.71</b>	<b>31,839.39</b>
<b>EXPENSES</b>			
Cost of materials consumed	18	29,331.68	20,110.85
(Increase) / Decrease in inventories of finished goods and work in progress	19	(509.59)	(1,107.37)
Employee benefits expense	20	3,367.36	3,208.47
Depreciation and amortisation expense	21	3,464.06	3,462.55
Other expenses	22	7,115.11	5,689.33
Finance costs	23	6,819.33	7,471.65
<b>Total expenses</b>		<b>49,587.95</b>	<b>38,835.48</b>
<b>Profit before exceptional items and tax</b>		<b>(5,059.24)</b>	<b>(6,996.09)</b>
Exceptional items gain/(loss)	24	2,705.09	5,235.14
<b>Profit / (loss) before tax</b>		<b>(2,354.15)</b>	<b>(1,760.95)</b>
<b>Tax Expense</b>	25		
Current tax		—	—
Deferred tax		(575.67)	(1,939.29)
<b>Total tax expense</b>		<b>(575.67)</b>	<b>(1,939.29)</b>
<b>Profit / (loss) for the year</b>		<b>(1,778.48)</b>	<b>178.34</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
– Remeasurements of defined benefit obligations		64.12	(31.88)
– Income tax relating to the above items		(16.67)	8.29
<b>Other comprehensive income for the year, net of tax</b>		<b>47.45</b>	<b>(23.59)</b>
<b>Total comprehensive income for the year</b>		<b>(1,731.03)</b>	<b>154.75</b>
Earning per equity share of ₹ 10 each	26		
Basic earning per share		(7.55)	0.75
Diluted earning per share		(7.55)	0.75

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**K. R. Miniyaar & Associates**

Firm Registration Number: 124806W

Chartered Accountants

**CA K.R. Miniyaar**

Proprietor

Membership No.: 108015

Place: Pune /Aurangabad

Date: 23 May 2022

**Mohan H. Bhandari**

Chairman & Managing Director

**Prabhavi Mungee**

Company Secretary

**Rajesh Devene**

Director

**Nilesh Tiwari**

Chief Financial Officer

# STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

A. Equity Share Capital					
	Notes	Amount			
As at April 1, 2020		2,354.52			
Changes in equity share capital during the year	11	—			
As at March 31, 2021		2,354.52			
Changes in equity share capital during the year	11	—			
As at March 31, 2022		2,354.52			
B. Other Equity					
Particulars					
Attributable to owners					
Reserves and Surplus					
	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2020	51,034.41	271.63	11,622.47	(59,365.93)	3,562.58
Profit for the year	—	—	—	178.34	178.34
Other comprehensive income	—	—	—	(23.59)	(23.59)
Total comprehensive income for the year	—	—	—	154.75	154.75
Balance at March 31, 2021	51,034.41	271.63	11,622.47	(59,211.18)	3,717.33
Profit for the year	—	—	—	(1,778.48)	(1,778.48)
Other comprehensive income	—	—	—	47.45	47.45
Total comprehensive income for the year	—	—	—	(1,731.03)	(1,731.03)
Balance at March 31, 2022	51,034.41	271.63	11,622.47	(60,942.21)	1,986.30

As per our report of even date

**K. R. Miniyaar & Associates**  
Firm Registration Number: 124806W  
Chartered Accountants

**CA K.R. Miniyaar**  
Proprietor  
Membership No.: 108015  
Place: Pune /Aurangabad  
Date: 23 May 2022

For and on behalf of the Board of Directors

**Mohan H. Bhandari**  
Chairman & Managing Director

**Rajesh Devene**  
Director

**Prabhavi Mungee**  
Company Secretary

**Nilesh Tiwari**  
Chief Financial Officer



# STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit / (Loss) before exceptional items and tax</b>	(5,059.24)	(6,996.09)
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	3,464.06	3,462.55
Interest and Dividend income from financial assets	(8.70)	(28.88)
(Profit) / Loss on disposal of property, plant and equipment (net)	(650.69)	(219.96)
Liabilities & advances written back/(written off)	(356.78)	2,849.84
Interest expenses - PV unwinding & rear end cost	4,487.53	4,654.17
Interest expenses - others	2,331.81	2,817.48
Provision for doubtful debts, advances, deposits and others	1.16	61.54
	<b>4,209.15</b>	<b>6,600.65</b>
<b>Changes in working capital:</b>		
(Increase)/Decrease in inventories	(1,181.20)	(2,219.81)
(Increase)/Decrease in trade receivables	(2,035.87)	(3,379.93)
(Increase)/Decrease in other financial assets	40.86	1.55
(Increase)/Decrease in other non-current assets	(157.09)	(200.87)
(Increase)/Decrease in other current assets	260.25	510.43
Increase/(Decrease) in trade payables	1,856.63	(357.51)
Increase/(Decrease) in other financial liabilities	1,620.00	(1,309.25)
Increase/(Decrease) in other current liabilities	10.72	69.23
Increase/(Decrease) in provisions	112.63	127.79
<b>Cash generated from / (used in) operations</b>	<b>4,736.08</b>	<b>(157.72)</b>
Income taxes paid	(107.00)	116.42
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>4,629.08</b>	<b>(41.30)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and intangible assets (net)	(131.47)	(204.06)
Proceeds from sale of property, plant and equipment	3.00	315.00
Interest received	8.54	28.38
Dividend received	0.16	0.51
Investment in bank deposits (having original maturity more than 3 months)	(29.69)	(4.63)
Net changes in investment	708.45	8,346.62
(Purchase)/ Redemption of investments in mutual funds	-	20.62
<b>Net cash generated from / (utilised in) investing activities (B)</b>	<b>558.99</b>	<b>8,502.44</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowings (repaid) / taken including interest and gain on restructuring	1,128.13	(1,096.18)
Other borrowings (repaid) / taken including interest and gain on restructuring	144.24	339.77
Interest expenses - PV unwinding & rear end cost	(4,487.53)	(4,654.17)
Interest expenses - others	(2,331.81)	(2,817.48)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(5,546.97)</b>	<b>(8,228.06)</b>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(358.90)	233.08
Cash and cash equivalents at the beginning of the year	725.09	492.01
<b>Cash and cash equivalents at the end of the year</b>	<b>366.19</b>	<b>725.09</b>
<b>Cash and cash equivalents comprise of the following:</b>		
Cash on hand	22.30	14.24
Balances with banks		
In current accounts	343.89	710.85
	<b>366.19</b>	<b>725.09</b>

Previous year's figures have been re-grouped / re-classified wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

**K. R. Miniyaar & Associates**

Firm Registration Number: 124806W

Chartered Accountants

**CA K.R. Miniyaar**

Proprietor

Membership No.: 108015

Place: Pune /Aurangabad

Date: 23 May 2022

**Mohan H. Bhandari**

Chairman & Managing Director

**Prabhavi Mungee**

Company Secretary

**Rajesh Devene**

Director

**Nilesh Tiwari**

Chief Financial Officer

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 1 Corporate information

Bilcare Limited (referred to as Company) is in the business of Pharmaceutical Packaging, Global Clinical Services, R&D services and Anti Counterfeit Technology (nCiD). The Company is a public limited company incorporated and domiciled in India with its manufacturing unit at Rajgurunagar. The address of its corporate office is ICC Tower, B wing, 6th Floor, Senapati Bapat Road, Pune - 411016.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2022 and authorised for issue on May 23, 2022.

### 1.1 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

### 1.2 Basis of preparation

The standalone financial statements have been prepared on a historical cost basis except for the following items:

- Certain financial assets and liabilities which are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

### 1.3 Use of estimates and judgements

The preparation of standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## 2(a) Significant Accounting Policies

The Company uses the following accounting policies in preparation of its standalone financial statements:

### 2.1 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current and non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Operating cycle: Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its Operating cycle.

### 2.2 Foreign currencies

#### (i) Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. The Company determines its own functional currency (the currency of the primary economic environment in which the Company operates) and items included in the standalone financial statements of the Company are measured using that functional currency.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## **(ii) Transactions and balances**

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the company's functional currency of the entity at the rates prevailing on the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at reporting date exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

## **2.3 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

### **(a) Sale of goods**

Revenue is recognised when significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

### **(b) Rendering of services**

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

## **2.4 Income recognition**

### **(a) Interest income**

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original effective interest rate.

### **(b) Dividend income**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

### **(c) Government Grants**

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### **(d) Export Incentives**

Export Incentives under various schemes are recognised as other income in the Statement of profit or loss, if the entitlements can be estimated and conditions precedents to the claim are fulfilled.

## **2.5 Taxes**

### **(a) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). 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.

### **(b) Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of Goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

– When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items outside the statement of profit and loss are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

## 2.6 Leases

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

### (a) Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the same is in line with inflation.

### (b) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## 2.7 Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of the asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets under development are tested for impairment annually.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For Investments, the Company assesses the fair value, if any, at each reporting date and recognizes the impairment loss in the event it is so required.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 2.8 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

## 2.9 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

## 2.10 Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares and loose tools are valued at lower of cost and net realizable value. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at the lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Traded goods are valued at lower of cost are determined on a weighted average basis and net realisable value.

Scrap is valued at net realizable value.

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

## 2.11 Financial instruments

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

### (i) Financial Assets

#### (a) Initial recognition and measurement

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through profit and loss, the transaction costs that are attributable to the acquisition of the financial asset are measured and recognized.

#### (b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

##### 1. Financial assets at amortised cost

Financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

##### 2. Financial assets at fair value through profit and loss (FVTPL)

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR). This category generally applies to trade and other receivables.

##### 3. Equity Investments measured at fair value through other comprehensive income (FVTOCI)

Equity investment is classified as FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI

Equity investments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the movements of interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However the Company may transfer the cumulative gain or loss within the equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

## **(c) Derecognition**

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 or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset to a third party.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## **(d) Impairment**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure to the following financial assets:

- Financial assets that are debt instruments and are measured at amortised cost (e.g., loans, debt securities, deposits, trade receivables and bank balance)
- Lease receivables under Ind AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18
- Financial assets that are measured at FVTOCI

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

The application of 'simplified approach' does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## **(ii) Financial Liabilities**

### **(a) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an ineffective hedge, as appropriate.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### **(b) Subsequent measurement**

The measurement of financial liabilities depends on their classification and the financial liabilities are classified in the following measurement categories:



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Classification

### 1. Financial liabilities to be measured at fair value through profit or loss

All financial liabilities are recognised initially at fair value and are subsequently measured at amortized cost using the EIR method.

### 2. Financial liabilities to be measured at amortised cost

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included as finance costs in the statement of profit and loss. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The EIR is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

This is the category most relevant to the Company and generally applies to borrowings.

### (c) Derecognition

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

### (iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2.12 Investments in Subsidiaries

The Company has accounted for its investment in subsidiaries, at cost less accumulated impairment as per Ind AS 27.

## 2.13 Property, plant and equipment

Property, plant and equipment are stated at cost/deemed cost less accumulated depreciation and impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

### Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases higher and in some cases lower than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The useful lives are based on a technical evaluation and have not undergone a change on account of transition to the Companies Act, 2013.

The useful life of Property, plant and equipment as estimated by the Management is as follows:

Class of asset	Life of the asset
Leasehold Land	79 years
Factory Building	50 years
Buildings (Other than factory building)	60 years
Plant and equipment	20 years
Vehicles	8 years
Electric fittings	15 years
Furniture and fixtures	15 years
Office equipment	5 years
Computers	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in profit and loss account.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 2.14 Intangible assets

### (i) Recognition and measurement

Identifiable intangible assets are recognised when the Company controls the asset and it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### (ii) Amortisation methods and periods

The useful life of Intangible assets as estimated by the Management is as follows:

Class of asset	Life of the asset
Computer software	10 years
Patent	15 years

## 2.15 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

## 2.16 Employee Benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

#### (a) Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## **(b) Defined contribution plan**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## **2.17 Earnings per share**

### **(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial Year, adjusted for bonus elements in equity shares issued during the year.

### **(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## **2.18 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## **2.19 Exceptional items**

When items of income or expense are of such nature, size or incidence that their disclosure is necessary the Company makes a disclosure of the nature and amount of such items separately under the head Exceptional Items.

## **2.20 Provision and contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## **2.21 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Internal Management and the Board of Directors of the Company who are responsible for allocating the resources, assess the financial performance and position of the Company and make strategic decisions. The Company has identified one reportable segment "Pharma Packaging Research Solutions" based on the 'information reviewed by the Internal Management and Board of Directors. Refer Note 36 for segment information presented.

## **2(b) Critical Estimates and Judgements**

The preparation of Standalone Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

### **i) Provisions and contingent liabilities**

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

### **ii) Going Concern**

As at the date of approval of the financial statements, the Company's turnover has increased, the margins have improved. The Company is confident of obtaining reschedulement of its term loans resulting in smooth cash flow in future and thereby eliminating any material uncertainty revolving around the going concern status. As per Ind AS 1, the Management neither intends to liquidate the entity nor to cease its business operations. On this basis, the Board of Directors believe it is appropriate to prepare the financial statements on a going concern basis.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

#### 3. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Leasehold Land	Buildings	Plant and equipment	Vehicles	Electric Fitting	Furniture and fixtures	Office equipment	Total	Capital Work In Progress
<b>Year ended March 31, 2021</b>										
<b>Gross Carrying Amount</b>										
Carrying amount as at April 1, 2020	4,991.13	33.77	7,337.83	73,259.80	59.65	970.07	350.60	105.70	87,108.55	—
Additions	—	—	—	263.22	8.42	—	—	44.96	316.60	7.74
Transfer from CWIP to PPE	—	—	—	—	—	—	—	—	—	—
Disposals	(95.04)	—	—	(120.28)	—	—	—	—	(215.32)	—
<b>At March 31, 2021</b>	<b>4,896.09</b>	<b>33.77</b>	<b>7,337.83</b>	<b>73,402.74</b>	<b>68.07</b>	<b>970.07</b>	<b>350.60</b>	<b>105.66</b>	<b>87,209.83</b>	<b>7.74</b>
<b>Accumulated depreciation and impairment, if any</b>										
As at April 1, 2020	—	9.91	1,042.82	35,786.33	56.67	826.71	285.28	90.31	38,098.03	—
Charge for the year	—	0.43	146.65	3,056.82	0.58	25.12	12.46	10.75	3,252.81	—
Disposals	—	—	—	—	—	—	—	—	—	—
<b>At March 31, 2021</b>	<b>—</b>	<b>10.34</b>	<b>1,189.47</b>	<b>38,843.15</b>	<b>57.25</b>	<b>851.83</b>	<b>297.74</b>	<b>101.06</b>	<b>41,350.84</b>	<b>—</b>
<b>Net Block at March 31, 2021</b>	<b>4,896.09</b>	<b>23.43</b>	<b>6,148.36</b>	<b>34,559.59</b>	<b>10.82</b>	<b>118.24</b>	<b>52.86</b>	<b>49.60</b>	<b>45,858.99</b>	<b>7.74</b>
<b>Year ended March 31, 2022</b>										
<b>Gross Carrying Amount</b>										
Carrying amount as at April 1, 2021	4,896.09	33.77	7,337.83	73,402.74	68.07	970.07	350.60	105.66	87,209.83	7.74
Additions	—	—	—	824.69	—	2.35	—	24.80	851.84	157.97
Transfer from CWIP to PPE	—	—	—	—	—	—	—	—	—	(165.71)
Disposals	—	—	—	(73.48)	(53.43)	—	—	—	(126.91)	—
<b>At March 31, 2022</b>	<b>4,896.09</b>	<b>33.77</b>	<b>7,337.83</b>	<b>74,153.95</b>	<b>14.64</b>	<b>972.42</b>	<b>350.60</b>	<b>175.46</b>	<b>87,934.76</b>	<b>—</b>
<b>Accumulated depreciation and impairment, if any</b>										
As at April 1, 2021	—	10.34	1,189.47	38,843.15	57.25	851.83	297.74	101.06	41,350.84	—
Charge for the year	—	0.43	146.65	3,083.47	1.00	24.38	12.26	17.65	3,285.84	—
Disposals	—	—	—	(1.47)	(50.76)	—	—	—	(52.23)	—
<b>At March 31, 2022</b>	<b>—</b>	<b>10.77</b>	<b>1,336.12</b>	<b>41,925.15</b>	<b>7.49</b>	<b>876.21</b>	<b>310.00</b>	<b>118.71</b>	<b>44,584.45</b>	<b>—</b>
<b>Net Block at March 31, 2022</b>	<b>4,896.09</b>	<b>23.00</b>	<b>6,001.71</b>	<b>32,228.80</b>	<b>7.15</b>	<b>96.21</b>	<b>40.60</b>	<b>56.75</b>	<b>43,350.31</b>	<b>—</b>

Refer Note 13(a) and 13(b) for details of the assets pledged as security.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 4 INTANGIBLE ASSETS

	Patents & trademarks	Softwares	Total	Intangible asset under development
<b>Year ended March 31, 2021</b>				
<b>Gross Carrying Amount</b>				
Carrying amount as at April 1, 2020	1,965.74	949.95	2,915.69	—
Additions	—	—	—	—
Disposals	—	—	—	—
<b>At March 31, 2021</b>	<b>1,965.74</b>	<b>949.95</b>	<b>2,915.69</b>	<b>—</b>
<b>Accumulated depreciation and impairment, if any</b>				
As at April 1, 2020	764.93	540.40	1,305.33	—
Charge for the year	136.07	73.67	209.74	—
Disposals	—	—	—	—
<b>At March 31, 2021</b>	<b>901.00</b>	<b>614.07</b>	<b>1,515.07</b>	<b>—</b>
<b>Net Block at March 31, 2021</b>	<b>1,064.74</b>	<b>335.88</b>	<b>1,400.62</b>	<b>—</b>
<b>Year ended March 31, 2022</b>				
<b>Gross Carrying Amount</b>				
Carrying amount as at April 1, 2021	1,965.74	949.95	2,915.69	—
Additions	—	9.75	9.75	—
Disposals	—	—	—	—
<b>At March 31, 2022</b>	<b>1,965.74</b>	<b>959.70</b>	<b>2,925.44</b>	<b>—</b>
<b>Accumulated depreciation and impairment, if any</b>				
As at April 1, 2021	901.00	614.07	1,515.07	—
Charge for the year	136.07	42.16	178.23	—
Disposals	—	—	—	—
<b>At March 31, 2022</b>	<b>1,037.07</b>	<b>656.23</b>	<b>1,693.30</b>	<b>—</b>
<b>Net Block at March 31, 2022</b>	<b>928.67</b>	<b>303.47</b>	<b>1,232.14</b>	<b>—</b>

## 5 INVESTMENTS IN SUBSIDIARIES

INVESTMENTS IN SUBSIDIARIES					
	Notes	31 Mar 22		31 Mar 21	
Investment in equity shares of subsidiaries (unquoted) (fully paid-up)	See note (a)	8,049.84		8,948.49	
		8,049.84		8,948.49	
(a) Investment in equity shares of subsidiaries (unquoted)					
	Notes	31 Mar 22		31 Mar 21	
		Nos	Amount	Nos	Amount
Bilcare Mauritius Limited (of USD 1000 each)	See note (i)	6,943	8,048.89	7,639	8,947.54
Bilcare GCS Limited, UK (of GBP 1 each)		1,000	0.95	1,000	0.95
Bilcare Technologies Singapore Pte Limited (of SGD 0.01 each)	See note (ii)	-	-	125,000	0.001
		8,049.84		8,948.49	

- (i) During the year, Bilcare Mauritius Limited (BML) has bought back its equity shares at a premium viz. 696 shares for a total cash consideration of ₹ 798.86 lacs and 404.10 shares were reinsated.
- (ii) During the year, Bilcare Technologies Singapore Pte Limited (BTSPL) was closed.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 6 FINANCIAL ASSETS

### (a) Investments

	31 Mar 22	31 Mar 21
<b>Non-Current</b>		
Investment in equity shares (unquoted)	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
1,000 shares of Cosmos Bank having face value of ₹ 100 each.		
Aggregate amount of unquoted investments	1.00	1.00
Aggregate amount of impairment in the value of investments	–	–

### (b) Trade Receivables - Billed - Current

	31 Mar 22	31 Mar 21
<b>Trade receivables - Billed</b>	9,136.99	6,780.35
Less: Allowance for doubtful trade receivables - Billed	(39.09)	(237.88)
<b>Considered good</b>	9,097.90	6,542.47
Trade receivables - Credit impaired	165.11	685.82
	<b>9,263.00</b>	<b>7,228.29</b>

Above balances of trade receivables - billed include balances with related parties (Refer note 38).

There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

### Ageing for trade receivables – Billed - current outstanding as at March 31, 2022:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	5,165.16	2,748.14	495.53	721.49	6.69	-	9,136.99
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	3.52	32.12	19.12	82.45	137.22
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	27.89	27.89
	5,165.16	2,748.14	499.04	753.61	25.81	110.34	9,302.09
Less: Allowance for doubtful trade receivables - Billed							(39.09)
							9,263.00

### Ageing for trade receivables – Billed - current outstanding as at March 31, 2021:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	4,194.40	2,513.32	-	66.57	6.06	-	6,780.35
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	64.32	13.92	59.13	140.66	278.03
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	407.79	407.79
	4,194.40	2,513.32	64.32	80.49	65.19	548.45	7,466.17
Less: Allowance for doubtful trade receivables - Billed							(237.88)
							7,228.29

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## (c) Cash and Cash Equivalents

	31 Mar 22	31 Mar 21
<b>Balances with banks</b>		
In current accounts	343.89	710.85
In deposit accounts (maturity less than 3 months)	—	—
Cash on hand	22.30	14.24
	<b>366.19</b>	<b>725.09</b>

## (d) Other balances with banks

	31 Mar 22	31 Mar 21
Deposit accounts (maturity less than 12 months)	2.40	2.70
Earmarked deposits with banks	83.50	53.51
	<b>85.90</b>	<b>56.21</b>

Earmarked deposits include margin money for guarantees, advance license etc.

## (e) Other financial assets

	31 Mar 22	31 Mar 21
<b>Non-current</b>		
Security deposits	126.29	167.15
	<b>126.29</b>	<b>167.15</b>

## 7 OTHER ASSETS

	31 Mar 22	31 Mar 21
<b>Non-current</b>		
Capital advances	11,326.74	11,169.66
	<b>11,326.74</b>	<b>11,169.66</b>
<b>Current</b>		
Advance to suppliers	1,175.09	1,345.07
Advance to employees	116.76	144.75
Advance to related parties	3.04	2.90
Balance with Government authorities	185.92	261.01
Prepaid expenses	97.81	85.13
Other receivables	9.51	9.51
	<b>1,588.13</b>	<b>1,848.37</b>

	31 Mar 22		31 Mar 21	
<b>Advances</b>				
Type of Borrower	Amount of advance	% to total advances	Amount of advance	% to total advances
Promoters*	11,094.66	85.9%	10,800.66	83.0%
Directors	—	—	—	—
KMPs	—	—	—	—
Related Parties	3.04	0.0%	2.90	0.0%

\*towards purchase of land

## 8 DEFERRED TAX ASSETS (Net)

	Deferred tax assets		Deferred tax liabilities		Net deferred tax asset / (liabilities)	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Property, plant and equipment, including fair valuation	—	—	(7,684.00)	(8,159.00)	(7,684.00)	(8,159.00)
Provision for gratuity & leave encashment	185.00	173.00	—	—	185.00	173.00
Investments	8,145.00	8,073.00	—	—	8,145.00	8,073.00
Receivables and advances	10,427.55	10,427.55	—	—	10,427.55	10,427.55
	<b>18,757.55</b>	<b>18,673.55</b>	<b>(7,684.00)</b>	<b>(8,159.00)</b>	<b>11,073.55</b>	<b>10,514.55</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## (i) Movement in temporary differences for the year ended March 31, 2021

	31-Mar-20	Recognised in			31 Mar 21
		Profit or loss	OCI	Equity	
Property, plant and equipment	(9,314.00)	1,155.00	—	—	(8,159.00)
Provision for gratuity & leave encashment	127.00	37.71	8.29	—	173.00
Investments	7,128.00	945.00	—	—	8,073.00
Receivables and advances	10,625.97	(198.42)	—	—	10,427.55
	<b>8,566.97</b>	<b>1,939.29</b>	<b>8.29</b>	<b>—</b>	<b>10,514.55</b>

## (ii) Movement in temporary differences for the year ended March 31, 2022

	31 Mar 21	Recognised in			31 Mar 22
		Profit or loss	OCI	Equity	
Property, plant and equipment	(8,159.00)	475.00	—	—	(7,684.00)
Provision for gratuity & leave encashment	173.00	28.67	(16.67)	—	185.00
Investments	8,073.00	72.00	—	—	8,145.00
Receivables and advances	10,427.55	—	—	—	10,427.55
	<b>10,514.55</b>	<b>575.67</b>	<b>(16.67)</b>	<b>—</b>	<b>11,073.55</b>

## (iii) Unrecognised deferred tax assets

	31 Mar 22	31 Mar 21
Unabsorbed loss*	98,842.67	1,02,283.45
Unabsorbed depreciation	28,610.71	26,898.72

\*Includes long term capital losses of ₹ 86,656.98 lacs

The losses can be carried forward for a period of 8 years and unabsorbed depreciation without any time limit.

## 9 INVENTORIES

	31 Mar 22	31 Mar 21
(at lower of cost or net realisable value)		
Raw materials	2,536.40	1,864.52
Stores and consumables	162.50	162.76
Work-in-progress	1,210.38	1,182.20
Finished goods	1,713.68	1,232.27
	<b>5,622.96</b>	<b>4,441.75</b>
Included in inventories goods in transit as follows:		
Finished goods (CIF sales)	1,322.47	958.79
	<b>1,322.47</b>	<b>958.79</b>

## 10 NON CURRENT TAX ASSETS

	31 Mar 22	31 Mar 21
<b>Non-Current</b>		
Opening balance	464.62	581.04
Add: Taxes paid during the year	107.00	65.63
Less: Refund of earlier years	—	(182.05)
Less: Reversal of earlier years	—	—
<b>Closing balance</b>	<b>571.62</b>	<b>464.62</b>

## 11 SHARE CAPITAL

### [a] Authorised share capital

	Equity shares of ₹ 10 each (PY ₹ 10 each)		Redeemable preference shares of ₹ 10 each (PY ₹ 10 each)	
	No. of shares	Amount	No. of shares	Amount
<b>As at 31-Mar-2020</b>	40,000,000	4,000	5,000,000	500
Increase during the year	—	—	—	—
<b>As at 31-Mar-2021</b>	40,000,000	4,000	5,000,000	500
Increase during the year	—	—	—	—
<b>As at 31-Mar-2022</b>	40,000,000	4,000	5,000,000	500



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## [b] Issued equity share capital

	Equity shares of ₹ 10 each (PY ₹ 10 each)	
	No. of shares	Amount
<b>As at 31-Mar-2020</b>	23,545,231	2,354.52
Change during the year	—	—
<b>As at 31-Mar-2021</b>	23,545,231	2,354.52
Change during the year	—	—
<b>As at 31-Mar-2022</b>	23,545,231	2,354.52

## Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. During the year ended 31 March 2022, the amount of per share dividend recognized as distributions to equity shareholders was NIL (31 March 2021 : NIL). In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## [c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

### Equity shares of (face value: ₹ 10 each)

	31 Mar 22		31 Mar 21	
	No. of shares	% of total equity shares	No. of shares	% of total equity shares
Mohan H. Bhandari	5,856,489	24.9%	5,856,489	24.9%
Monument Pte. Ltd.	3,871,428	16.4%	3,871,428	16.4%
Rakesh R. Jhunjhunwala	1,735,425	7.4%	1,735,425	7.4%
Nutan M. Bhandari	1,205,122	5.1%	1,205,122	5.1%

## [d] Disclosure of Shareholding of Promoters

Name of Promoter	31 Mar 22		31 Mar 21		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
Mohan H. Bhandari	58,56,489	24.9%	58,56,489	24.9%	0.0%
Nutan M. Bhandari	12,05,122	5.1%	12,05,122	5.1%	0.0%
Ankita J. Kariya	5,000	0.0%	5,000	0.0%	0.0%
	70,66,611	30.0%	70,66,611	30.0%	0.0%

Name of Promoter	31 Mar 21		31-Mar-20		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
Mohan H. Bhandari	58,56,489	24.9%	58,56,489	24.9%	0.0%
Nutan M. Bhandari	12,05,122	5.1%	12,05,122	5.1%	0.0%
Ankita J. Kariya	5,000	0.0%	5,000	0.0%	0.0%
	70,66,611	30.0%	70,66,611	30.0%	0.0%

## 12 OTHER EQUITY

	31 Mar 22	31 Mar 21
Securities premium reserve	51,034.41	51,034.41
Capital redemption reserve	271.63	271.63
General Reserve	11,622.47	11,622.47
Retained earnings	(60,942.21)	(59,211.18)
	<b>1,986.30</b>	<b>3,717.33</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## (i) Securities premium reserve

Security Premium Reserve has been created in earlier years on issue of shares at a premium and is utilised in accordance with the provisions of the Act.

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	51,034.41	51,034.41
Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>51,034.41</b>	<b>51,034.41</b>

## (ii) Capital redemption reserve

Capital redemption reserve has been created on account of redemption of cumulative preference shares in earlier years.

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	271.63	271.63
Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>271.63</b>	<b>271.63</b>

## (iii) General reserve

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	11,622.47	11,622.47
Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>11,622.47</b>	<b>11,622.47</b>

## (iv) Retained earnings

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	(59,211.18)	(59,365.93)
Net profit/(loss) for the year	(1,778.48)	178.34
<i>Items of other comprehensive income recognised directly in retained earnings</i>		
- Remeasurements of post-employment benefit obligation, net of tax	47.45	(23.59)
<b>Balance at the end of the year</b>	<b>(60,942.21)</b>	<b>(59,211.18)</b>

## 13 FINANCIAL LIABILITIES

### 13 (a) Non Current Borrowings

	Notes	31 Mar 22	31 Mar 21
<b>Secured</b>	See note (i) & (ii)		
(i) Rupee Term loans - From banks		15,170.60	17,087.64
(ii) Rupee Term loans - From financial institutions and others		26,629.95	24,605.01
<b>Unsecured</b>	See note (i)		
(i) Rupee Term loans - From a bank*		4,475.00	4,475.00
(ii) Rupee Term loans - From others		751.97	751.97
(iii) Deferred sales tax loan		265.26	407.47
<b>Non Convertible Debentures (Zero Coupon Bonds)</b>	See note (i) & (ii)	6,392.94	5,661.64
		<b>53,685.72</b>	<b>52,988.73</b>

\* The Company is in negotiation of restructuring the loan with Union Bank of India and based on past experience & in view of the on-going discussions, no interest has been provided and the same has been disclosed as Non- Current Borrowings.

(i) Refer Annexure A to the Notes to the Standalone financial statements

(ii) Term loans are secured by first charge on the immovable and movable properties and second charge on current assets, both present and future, under the Security Trustee Agreement.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 13 (b) Current Borrowings

	Notes	31 Mar 22	31 Mar 21
<b>Secured</b>			
(i) Working capital loans from banks	See note (i) & (ii)	2,698.60	2,102.84
<b>Unsecured</b>			
(i) Fixed deposits from Public (issued in 2012)	See note (iii)	12,608.19	12,652.86
(ii) Inter Corporate deposit from related parties		—	97.50
		<b>15,306.79</b>	<b>14,853.20</b>

(i) The working capital loans from bank include cash credit facility which are renewed annually. This facility carries an interest rate ranging from 10% to 15% p.a.

(ii) The working capital loans are secured by first charge on current assets and second charge on immovable and movable properties, both present and future, under Security Trustee Agreement.

(iii) Fixed deposits from public carries interest @ 9.55% to 11.75% p.a.

## 13 (c) Other Financial Liabilities

	Notes	31 Mar 22	31 Mar 21
<b>Non-current</b>			
Capital creditors		1,718.40	4,826.24
		<b>1,718.40</b>	<b>4,826.24</b>
<b>Current</b>			
Interest accrued on borrowings	See note (i)	513.16	535.62
Share subscription payable for shares in subsidiaries		0.95	0.95
Salaries and wages payable		381.46	433.99
Outstanding liabilities for expenses		486.70	366.01
Other payables and acceptances		5,995.39	4,443.53
		<b>7,377.66</b>	<b>5,780.10</b>

(i) Includes interest accrued on public deposits, ICD, MSME and other borrowings.

## 13 (d) Trade Payables

	Notes	31 Mar 22	31 Mar 21
<b>Current</b>			
Trade Payables		7,704.08	5,831.41
Trade Payables to Micro, Small and Medium Enterprises	See note 34	204.75	220.78
		<b>7,908.83</b>	<b>6,052.19</b>

Trade payables include creditors related to raw material purchase of ₹ 5,636.88 lacs (31 March 2021: ₹ 2,845.72 lacs)

## Ageing for trade payables outstanding as at March 31, 2022:

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
<b>Trade payables</b>						
MSME	83.89	11.37	—	—	—	95.25
Others	4,227.57	3,267.64	43.09	5.73	160.04	7,704.08
Disputed dues - MSME	29.78	78.65	0.16	—	0.91	109.50
Disputed dues - Others	—	—	—	—	—	—
	<b>4,341.24</b>	<b>3,357.66</b>	<b>43.25</b>	<b>5.73</b>	<b>160.95</b>	<b>7,908.83</b>

## Ageing for trade payables outstanding as at March 31, 2021:

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
<b>Trade payables</b>						
MSME	80.01	1.42	—	—	—	81.42
Others	1,931.12	2,377.68	1,125.35	—	397.25	5,831.40
Disputed dues - MSME	42.06	95.94	1.13	—	0.23	139.36
Disputed dues - Others	—	—	—	—	—	—
	<b>2,053.19</b>	<b>2,475.04</b>	<b>1,126.48</b>	<b>—</b>	<b>397.48</b>	<b>6,052.19</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 14 PROVISIONS

	Notes	31 Mar 22	31 Mar 21
<b>Non-current</b>			
Provision for gratuity	See note 29	609.35	560.15
		<b>609.35</b>	<b>560.15</b>
<b>Current</b>			
Provision for leave encashment		103.14	103.83
		<b>103.14</b>	<b>103.83</b>

## 15 OTHER LIABILITIES

	Notes	31 Mar 22	31 Mar 21
<b>Current</b>			
Advance from customers		215.50	374.28
Advance from related parties	See note 38	846.60	853.13
Statutory liabilities		544.86	368.83
		<b>1,606.96</b>	<b>1,596.24</b>

## 16 REVENUE FROM OPERATIONS

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
<b>Revenue from sale of products</b>		
Domestic	30,380.63	19,553.12
Export	10,489.73	8,980.70
	<b>40,870.36</b>	<b>28,533.82</b>
<b>Revenue from rendering services</b>		
Domestic	1,425.05	1,241.20
Export	245.10	344.22
	<b>1,670.15</b>	<b>1,585.42</b>
<b>Other operating income</b>		
Sale of Scrap	438.05	296.96
	<b>438.05</b>	<b>296.96</b>
	<b>42,978.56</b>	<b>30,416.20</b>

## 17 OTHER INCOME

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Interest on deposits and others	8.54	28.38
Rental Income	83.21	83.21
Dividend income	0.16	0.51
Exchange differences (net)	291.67	954.01
Profit on assets sold / disposed	650.69	219.96
Duty drawback	12.31	136.95
Liabilities written back	503.52	0.12
Miscellaneous income	0.05	0.05
	<b>1,550.15</b>	<b>1,423.19</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 18 COST OF CONSUMPTION AND TRADED GOODS SOLD

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Inventory at the beginning of the year	1,864.52	783.10
Add: Purchases	30,003.56	21,192.27
Less: Inventory at the end of the year	(2,536.40)	(1,864.52)
<b>Cost of raw materials consumed</b>	<b>29,331.68</b>	<b>20,110.85</b>

## 19 (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
<b>Inventory at the end of the year</b>		
– Finished goods	1,713.68	1,232.27
– Work-in-progress	1,210.38	1,182.20
	<b>2,924.06</b>	<b>2,414.47</b>
<b>Inventory at the beginning of the year</b>		
– Finished goods	1,232.27	868.55
– Work-in-progress	1,182.20	438.55
	<b>2,414.47</b>	<b>1,307.10</b>
<b>Net (increase) / decrease in inventories</b>	<b>(509.59)</b>	<b>(1,107.37)</b>

## 20 EMPLOYEE BENEFITS EXPENSE

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Salaries, wages and bonus	2,904.90	2,850.36
Contribution to provident and other funds	194.05	126.38
Gratuity expense	115.65	93.57
Staff welfare expenses	152.76	138.16
	<b>3,367.36</b>	<b>3,208.47</b>

## 21 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Depreciation on property, plant and equipment	3,285.84	3,252.81
Amortisation of intangible assets	178.22	209.74
	<b>3,464.06</b>	<b>3,462.55</b>

## 22 OTHER EXPENSES

	Notes	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
<b>Manufacturing Expenses</b>			
Consumables, spares and loose tools		319.68	285.21
Power and fuel		1,312.86	1,184.07
Freight & forwarding charges		1,119.04	832.18
Sub-contracting expenses		747.02	447.27
Job work charges		827.61	731.45
		<b>4,326.21</b>	<b>3,480.18</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Selling and Distribution Expenses

Sales commission	880.55	565.52
Advertising and sales promotion	86.35	22.92
Bad debts / advances written off	1.16	61.54
	<u>968.06</u>	<u>649.98</u>

## Other Expenses

Rent	148.22	126.95
Rates and taxes	9.96	8.42
Repairs		
– Building	32.84	28.99
– Plant and machinery	277.63	266.75
– Others	54.39	52.05
Insurance	124.88	116.91
Communication expenses	24.95	26.73
Travelling and conveyance	106.57	73.24
Printing & Stationery	42.45	38.77
Brokerage & Commission	—	8.45
Legal and professional expenses	719.91	481.36
Payment to auditor	See note 30	15.30
License & Registration expenses	61.14	67.05
Donations	1.00	1.25
Miscellaneous expenses	202.01	246.95
	<u>1,820.84</u>	<u>1,559.17</u>
	<b>7,115.11</b>	<b>5,689.33</b>

## 23 FINANCE COSTS

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Interest	2,493.51	3,023.31
Unwinding of present value and effect of changes in discount rate	4,252.85	4,392.05
Bank charges and commission	72.97	56.29
	<b>6,819.33</b>	<b>7,471.65</b>

## 24 EXCEPTIONAL ITEMS GAIN / (LOSS)

	Notes	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Settlement gain on restructuring of loans		—	2,844.16
Present value gain / (loss) on restructured loans		—	(458.86)
Gain on settlement with capital creditors		3,252.08	—
Net fair value changes in Investment (including loss on sale of investment)	See note (a)	(190.21)	—
Liabilities for advances and others written back / (written off)	See note (b)	(356.78)	2,849.84
		<b>2,705.09</b>	<b>5,235.14</b>

- a Net fair value changes in Investment  
Represents the loss on the shares reinstated by Bilcare Mauritius Limited
- b Liabilities for advances and others written off during the year includes  
(i) Capital advances towards land not recoverable  
(ii) Disputed amount of legal case not recoverable

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 25 INCOME TAX

[a] Income tax expense is as follows:

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
<b>Statement of profit and loss</b>		
<b>Current tax:</b>		
Current tax on profits for the year	—	—
<b>Total current tax expense</b>	—	—
<b>Deferred tax:</b>		
Deferred tax expense / (income)	(575.67)	(1,939.29)
<b>Total deferred tax expense / (benefit)</b>	<b>(575.67)</b>	<b>(1,939.29)</b>
<b>Income tax expense</b>	<b>(575.67)</b>	<b>(1,939.29)</b>
<b>Other comprehensive income</b>		
<b>Deferred tax related to OCI items:</b>		
– On loss / (gain) on remeasurements of defined benefit plans	(16.67)	8.29
	<b>(16.67)</b>	<b>8.29</b>
<b>Total Tax expense / (benefit)</b>	<b>(559.00)</b>	<b>(1,947.58)</b>

[b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
Profit/(loss) before exceptional items and tax	(5,059.24)	(6,996.09)
Other comprehensive income before tax	64.12	(31.88)
<b>Total comprehensive income before tax</b>	<b>(4,995.12)</b>	<b>(7,027.97)</b>
Tax rate in India (%)	26.00%	26.00%
Expected Income Tax expense	(1,298.73)	(1,827.27)
Tax effect of adjustments in calculating taxable income:		
Timing difference for effect of tax considered in earlier year	(169.10)	—
Expenses not deductible	1,867.96	1,668.74
Loss in respect of Deferred tax assets not recognised for the year	(383.46)	150.24
Effect of tax rate difference of earlier year temporary difference	(487.00)	15.42
Reversal of deferred tax on account of change in earlier year temporary differences	(72.00)	(1,963.00)
Effect of income tax on OCI	(16.67)	8.29
<b>Income tax expense</b>	<b>(559.00)</b>	<b>(1,947.58)</b>

## 26 EARNING PER SHARE

	For the year ended on 31 Mar 22	For the year ended on 31 Mar 21
<b>Basic earning per share (face value of ₹ 10 each)</b>	<b>(7.55)</b>	<b>0.75</b>
<b>Diluted earning per share (face value of ₹ 10 each)</b>	<b>(7.55)</b>	<b>0.75</b>
– Profit attributable to the equity share holders of the Company used in calculating basic earning per share	(1,778.48)	178.34
– Weighted average number of shares used as denominator in calculating basic earning per share (in Nos.)	23,545,231	23,545,231

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 27 FINANCIAL RISK MANAGEMENT

The Company is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk policy which covers the risks associated with financial assets and liabilities. The Company assesses the unpredictability of the financial environment and focuses to mitigate potential adverse effects on the financial performance of the Company.

### Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

### – Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 579.38 lacs and ₹ 949.46 lacs as at March 31, 2022 and 2021, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments excluding trade receivables.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivable as at March 31, 2022 and March 31, 2021.

The allowance for lifetime expected credit loss on trade receivables for the years ended March 31, 2022 and 2021 was ₹ (197.63) lacs and ₹ 65.88 lacs, respectively. The reconciliation of allowance for doubtful trade receivables is as follows:

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	237.88	233.54
Change during the year	(197.63)	65.88
Bad debts / advances written off	(1.16)	(61.54)
<b>Balance at the end of the year</b>	<b>39.09</b>	<b>237.88</b>

### Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company is under liquidity stress and is not able to meet its obligations in a timely manner. The Company regularly monitors the rolling forecasts to assess its cash flow requirements to meet operational needs.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

	Due in 1 year	Due in 1 to 5 years	Due after 5 years	Total
<b>31 Mar 22</b>				
Non-derivative financial liabilities				
Borrowings	53,409.47	18,363.67	—	71,773.14
Trade payables	7,908.83	—	—	7,908.83
Capital creditors	1,718.40	—	—	1,718.40
<b>Total</b>	<b>63,036.70</b>	<b>18,363.67</b>	<b>—</b>	<b>81,400.37</b>
<b>31 Mar 21</b>				
Non-derivative financial liabilities				
Borrowings	40,320.36	40,230.85	—	80,551.21
Trade payables	6,052.19	—	—	6,052.19
Capital creditors	4,294.51	531.73	—	4,826.24
<b>Total</b>	<b>50,667.06</b>	<b>40,762.58</b>	<b>—</b>	<b>91,429.64</b>

Borrowings do not include the effect of PV unwinding



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, price and other market changes. The Company is not exposed to price risk, since the Company's investment is in equity instruments of subsidiaries and it carries no other external investments. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

### – Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income 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.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Company has a natural hedge as it imports raw material and exports goods. Further, any movement in the functional currency of the various operations of the Company against major foreign currencies may impact the Company's revenue in international business.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Company.

The following table sets forth information relating to unhedged foreign currency exposure in ₹ Lacs as at March 31, 2022 :

	SGD	USD	EUR	GBP	Others
Financial Assets - Trade and other receivables	—	3,297.55	277.55	39.30	—
Financial Liabilities - Trade and other payables	1,718.40	363.41	364.06	11.49	640.25

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately ₹ 51.68 lacs for the year ended March 31, 2022.

The following table sets forth information relating to unhedged foreign currency exposure in ₹ Lacs as at March 31, 2021 :

	SGD	USD	EUR	GBP	Others
Financial Assets - Trade and other receivables	8.19	4,091.00	56.20	33.49	—
Financial Liabilities - Trade and other payables	4,832.26	2,782.19	262.61	8.84	603.65

10% appreciation / depreciation of the functional currency of the Company with respect to various foreign currencies would result in increase / decrease in the Company's profit before taxes by approximately ₹ 430.07 lacs for the year ended March 31, 2021.

### – Interest rate risk

The Company's borrowings are primarily fixed rate / nil rate borrowings except to the extent of change in the discount rate for the present value. Hence, the Company is not significantly exposed to interest rate risk.

## 28 FAIR VALUE MEASUREMENTS

### (1) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVTOCI)	Amortised Cost	Total carrying value
<b>Financial assets</b>				
Investments (other than in subsidiary)	1.00	—	—	1.00
Other financial assets - Security deposit	—	—	126.29	126.29
Trade receivables - billed	—	—	9,263.00	9,263.00
Cash and cash equivalents	—	—	366.19	366.19
Bank balances	—	—	85.90	85.90
	<b>1.00</b>	<b>—</b>	<b>9,841.38</b>	<b>9,842.38</b>

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Financial liabilities

Borrowings	—	—	68,992.51	68,992.51
Trade payables	—	—	7,908.83	7,908.83
Other financial liabilities	—	—	9,096.06	9,096.06
	—	—	<b>85,997.40</b>	<b>85,997.40</b>

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVTOCI)	Amortised Cost	Total carrying value
<b>Financial assets</b>				
Investments (other than in subsidiary)	1.00	—	—	1.00
Other financial assets - Security deposit	—	—	167.15	167.15
Trade receivables - billed	—	—	7,228.29	7,228.29
Cash and cash equivalents	—	—	725.09	725.09
Bank balances	—	—	56.21	56.21
	<b>1.00</b>	<b>—</b>	<b>8,176.74</b>	<b>8,177.74</b>
<b>Financial liabilities</b>				
Borrowings	—	—	67,841.93	67,841.93
Trade payables	—	—	6,052.19	6,052.19
Other financial liabilities	—	—	10,606.34	10,606.34
	<b>—</b>	<b>—</b>	<b>84,500.46</b>	<b>84,500.46</b>

The carrying value of financial assets other than investments is approximate the fair value due to their nature and carrying value of financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

## (2) Fair Value Hierarchy

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

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

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

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

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

		31 Mar 22	31 Mar 21
<b>Financial assets</b>			
Investments (other than in subsidiary)	Level 1	—	—
	Level 2	1.00	1.00
	Level 3	—	—

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 29 EMPLOYEE BENEFIT OBLIGATIONS

### Defined Contribution plans

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

### Defined Benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides gratuity benefit to its employees which is treated as defined benefit plans.

### Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Employee benefit plans consist of the following:

### Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust and the fair value of the plan assets is deducted from the gross obligation.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

	31 Mar 22	31 Mar 21
<b>Change in benefit obligations</b>		
Present value of obligation as at the beginning of the year	756.92	634.36
Interest expense	49.35	43.85
Current service cost	77.81	62.88
Benefits paid	(62.41)	(16.00)
Remeasurements on obligation - (Gain) / Loss	(64.05)	31.83
Present value of obligation as at the end of the year	757.62	756.92
<b>Change in plan assets</b>		
Fair value of plan assets at the beginning of the year	196.77	189.50
Interest income	11.51	13.16
Contributions	—	9.98
Mortality charges and taxes	(5.02)	(2.97)
Benefits paid	(55.05)	(12.86)
Return on plan assets, excluding amount recognized in interest income - Gain / (Loss)	0.07	(0.05)
Fair value of plan assets at the end of the year	148.27	196.77
Actual return on plan assets	11.58	13.11
<b>Funded status</b>		
Deficit of plan assets over obligations	(609.35)	(560.15)
Surplus of plan assets over obligations	—	—

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Category of assets

Government bonds and securities	—	—
Insurer managed funds	148.27	196.77
Others	—	—
	<u>148.27</u>	<u>196.77</u>

31 Mar 22

31 Mar 21

## Net periodic gratuity cost, included in employee cost consists of the following components:

Service Cost	77.81	62.88
Net interest (Income) / Expense	37.84	30.68
Net periodic benefit cost recognised in the statement of profit & loss at the end of year	<u>115.65</u>	<u>93.56</u>

## Remeasurement of the net defined benefit (asset) / liability:

Actuarial (gains) and losses arising from changes in demographic assumptions	—	—
Actuarial (gains) and losses arising from changes in financial assumptions	(18.05)	11.59
Actuarial (gains) and losses arising from changes in experience adjustments	(46.00)	20.24
<b>Remeasurement of the net defined benefit liability</b>	<b>(64.05)</b>	<b>31.83</b>
Remeasurement - return on plan assets	(0.07)	0.05
	<u>(64.12)</u>	<u>31.88</u>

## The assumptions used in accounting for the defined benefit plan are set out below:

Discount rate	7.10%	6.80%
Rate of increase in compensation levels of covered employees	10.00%	10.00%
Withdrawal rate	5.00%	5.00%
Expected rate of return on plan assets	6.80%	7.00%
Weighted average duration of defined benefit obligations	9-10 years	9-10 years

Future mortality assumptions are taken in accordance with the Indian Assured Lives Mortality (2012-14) ultimate (IALM ult).

## Sensitivity Analysis

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.

If the discount rate increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

Increase by 1%	702.18	701.86
Decrease by 1%	820.66	819.67

If the expected salary growth increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

Increase by 1%	803.31	801.93
Decrease by 1%	714.46	714.50

If the withdrawal rate increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

Increase by 1%	751.33	749.56
Decrease by 1%	764.60	765.06

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.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Expected future benefits payments

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2022. The Company's expected contributions to post-employment benefit plans for the year ending 31 March 2023 is ₹ 10.00 lacs.

The defined benefit obligations shall mature after the year ended March 31, 2022 as follows:

Year ending March 31,	Defined benefit obligations
2023	89.95
2024	42.80
2025	79.85
2026	78.31
2027	79.30
2028-2032	645.11

## 30 PAYMENT TO AUDITOR

	31 Mar 22	31 Mar 21
As auditor*		
– Audit Fee	10.00	10.00
– Tax Audit Fee	2.50	2.50
– Certification and other matters	2.00	2.00
– Reimbursement of expenses	0.39	0.80
	14.89	15.30

\* The amounts are net of GST

## 31 RESEARCH AND DEVELOPMENT EXPENDITURE

	31 Mar 22	31 Mar 21
Revenue expenditure	218.81	191.42

## 32 COMMITMENTS

### Capital commitments

	31 Mar 22	31 Mar 21
The Company has contractually committed (net of advances) for purchase of land	1,013.34	1,307.34

For lease related commitments see note 33

## 33 OPERATING LEASE

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract. During the year, the lease expense recorded in the Statement of Profit and Loss is ₹ 148.22 lacs (31-Mar-2021: ₹ 126.95 lacs).

## 34 MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

	31 Mar 22	31 Mar 21
a) (i) Principal amount remaining unpaid	204.75	220.78
a) (ii) Interest amount remaining unpaid*	15.57	14.11
b) 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	—	—
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006*	—	—
d) Interest accrued and remaining unpaid	—	—
e) 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*	—	—

\*As per the terms of the commercial agreements with micro, small and medium enterprises there is no interest amount to be paid / payable by the Company.

Note: Identification of micro and small enterprises is on the basis of intimation received from vendors

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 35 CONTINGENT LIABILITIES

	31 Mar 22	31 Mar 21
a) Claims against the Company not acknowledged as debts:		
– Disputed Income Tax matters in Appeal	140.96	672.50
– Penal interest on delayed payment of TDS	651.78	587.81
– Service Tax matters	33.91	33.91
– Liabilities written back on account of pending legal cases	3,287.67	3,834.79
– Interest on unclaimed cumulative Fixed Deposits (after maturity date)	1,571.81	1,571.81
b) In view of the terms of settlement, the Company is showing the remission amount as a contingent liability till the final repayment of the outstanding settlement amounts. In the event of a default in payment of the settlement amounts as per the agreed schedule, the Company will be liable to pay the entire original amount of the said outstanding, which is inclusive of interest due there upon for the following:		
– Long term borrowings	53,428.21	53,428.21
– Capital creditor	3,387.86	—
– Trade creditor	1,454.66	—
c) In case of all the present as well as the restructured/settled loans there may be a penal interest charge, which is currently contingent and undeterminable.		

## 36 SEGMENT INFORMATION

The Company is engaged mainly in Pharma Packaging Research Solutions & its products are covered under a one business segment as the primary segment.

The geographical information as per Ind AS 108 of revenues from operations and non current assets other than financial instruments, deferred tax assets, post employment benefit assets is as under:

	31 Mar 22	31 Mar 21
<b>a) Revenue from operation*</b>		
India	32,243.73	21,091.28
Outside India	10,734.83	9,324.92
	<b>42,978.56</b>	<b>30,416.20</b>
<b>b) Non-current assets</b>		
India	56,480.81	58,901.63
Outside India	8,049.84	8,948.49
	<b>64,530.65</b>	<b>67,850.12</b>

\*No single customer represents 10% or more of the Company's total revenue for the years ended March 31, 2022 and 2021.

## 37 COVID-19

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts and investments. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 38 RELATED PARTY DISCLOSURES

### Subsidiaries

Ultimate holding Company	Bilcare Limited
Wholly owned subsidiaries	Bilcare GCS Limited, UK Bilcare Mauritius Limited, Mauritius Bilcare Technologies Singapore Pte. Limited, Singapore (for part of the year)

Step down subsidiaries	Caprihans India Limited Bilcare GCS Inc., USA Bilcare Inc., USA Bilcare GCS Ireland Limited Bilcare Technologies Italia Srl. , Italy (for part of the year)
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### Key Management Personnel

Mohan H. Bhandari (Chairman & Managing Director)  
Nilesh Tiwari (Chief Financial Officer)  
Prabhavi Mungee (Company Secretary)

Non-executive Independent Directors	Rajesh Devene Ashwani Singh Madhuri Vaidya (w.e.f. 26.04.2021) Diksha Tomar (w.e.f. 30.12.2021) Vijesh Mehra (w.e.f. 30.12.2021) Alka Sagar (upto 26.04.2021) Rahul Chouhan (upto 30.12.2021) Surendranath Gupte (upto 13.02.2022)
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Relatives of Key Management Personnel	Ankita J. Kariya Nutan M. Bhandari Kiran H. Bhandari Prakash H. Bhandari Shreyans M. Bhandari
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### Other related parties

Juniper Health LLP

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31st March, 2022:

		31 Mar 22	31 Mar 21
Subsidiaries	Purchase of Property Plant and Equipment	24.32	—
	Investment in subsidiary	(898.65)	(8,347.31)
	Interest expense on Inter corporate deposit	30.33	46.58
	Inter corporate deposit incl interest repaid	160.00	90.00
	Outstanding as at the year end:		
	Inter corporate deposit incl interest payable	246.60	379.31
	Trade payables	1,640.41	2,230.49
	Trade receivables	48.92	104.99
Other related parties	Sale of Goods	407.54	147.20
	Purchase of Goods	14.99	0.78
	Commission paid	217.85	—
	Sales bill discounting availed	5,307.84	—
	Sales bill discounting repaid	3,003.69	—
	Outstanding as at the year end:		
	Trade payables	—	0.79
	Trade receivables	172.04	3.33
Key management personnel	Sales bill discounting payable	2,304.15	—
	Remuneration	86.77	43.39
	Sitting Fees	8.40	6.40
	Capital advances	294.00	180.00
	Outstanding as at the year end:		
	Capital advances	11,094.66	10,800.66



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

### 39 ADDITIONAL REGULATORY INFORMATION

A Ratios	Ratio	Numerator	Denominator	Current year	Previous year
	Current ratio (in times)	Current assets less Cash and Bank balances	Current liabilities including working capital borrowings	1.34	1.37
	Debt-Equity ratio (in times)	Debt = non current borrowings	Total equity (adjusted to one time exceptional items)	3.02	2.72
	Debt service coverage ratio (in times)	Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Interest - Unwinding cost + Principal repayments	0.77	0.45
	Inventory turnover ratio (in times)	Revenue from operations	Inventories	7.64	6.85
	Trade receivables turnover ratio (in times)	Revenue from operations	Trade receivables	4.64	4.21
	Trade payables turnover ratio (in times)	Net purchases	Trade payables	3.79	3.50
	Net capital turnover ratio (in times)	Revenue from operations	Net working capital (Current assets less Cash and Bank balances - Current liabilities less working capital borrowings)	6.27	5.27
	Return on capital employed (%)	Profit before tax and finance costs	Capital employed = Net worth + Non current borrowings	3.0%	0.8%

*Explanation for variance of more than 25% from previous year-  
Debt service coverage ratio - There is an improvement in the ratio due to lower interest expenses.  
Return on capital employed - There is an improvement in the ratio due to higher EBIT*

**B** No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- Crypto Currency or Virtual Currency
- Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- With struck off companies
- Registration of charges or satisfaction with Registrar of Companies
- Surrendered or disclosed as income in the books of account during the year in the tax assessments under the Income Tax Act, 1961
- Relating to borrowed funds:
  - Wilful defaulter
  - Utilisation of borrowed funds & share premium
  - Borrowings obtained on the basis of security of current assets
  - Discrepancy in utilisation of borrowings

**40** Previous year figures have been regrouped / reclassified wherever necessary.

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## ANNEXURE A TO NOTES TO FINANCIAL STATEMENTS

Secured	31 Mar 22	31 Mar 21
<b>Term loans - From banks</b>		
1 Bank of Baroda # (Payable from 31.12.2019 in 10 quarterly installments, rate of interest 8.5% p.a., Maturity date 31 Mar 22) (Default in payment till date, ₹ 5,348.00 lacs)	5,348.00	5,587.63
2 Punjab National Bank (Payable from 31.03.2020 in 11 quarterly installments, rate of interest 9.65% p.a., Maturity date 30-Sept-22) (Default in payment till date, ₹ 2,000.00 lacs)	2,819.09	3,109.41
3 Canara Bank (Payable from 31.03.2021 in 4 quarterly installments, rate of interest 9.70% p.a., Maturity date 31-Dec-21) (Default in payment till date, ₹ 622.81 lacs)	622.81	1,207.19
4 Central Bank of India (Payable from 30.06.2017 in 16 quarterly installments, rate of interest 8.50% p.a., Maturity date 31 Mar 21) (Default in payment till date, ₹ 1,870.67 lacs)	1,870.67	1,977.07
5 Cosmos Bank # (Payable from 30.09.2017 in 24 quarterly installments, rate of interest 11% p.a., Maturity date 30-Jun-23)	1,858.71	1,855.03
6 IDBI Bank # (Payable from 31.07.2021 in 4 quarterly installments, rate of interest 7.75 % p.a., Maturity date 31 Mar 22) (Default in payment till date, ₹ 2,651.32 lacs)	2,651.32	3,351.32
<b>Term loans - From financial institutions and others</b>		
7 Invent Assets Securitisation & Reconstruction Private Limited State Bank of India (Payable from 31.03.2020 in 13 quarterly installments, Maturity date 31-Mar-23)	9,388.03	8,559.87
Karnataka Bank (Payable from 31.03.2020 in 14 quarterly installments, Maturity date 30-Jun-23)	1,958.07	1,797.25
Union Bank of India # (Payable from 31.03.2020 in 16 quarterly installments, Maturity date 31-Dec-23)	1,964.65	1,803.09
Dhanlaxmi Bank # (Payable from 31.03.2020 in 16 quarterly installments, Maturity date 31-Dec-23)	2,064.53	1,895.30
8 Phoenix ARC Private Limited Federal Bank # (Payable from 31.03.2020 in 21 quarterly installments, Maturity date 31-Mar-25) (Default in payment till date, ₹ 152.34 lacs)	2,438.13	2,206.42
Punjab National Bank # (Payable from 31.03.2020 in 21 quarterly installments, Maturity date 31-Mar-25) (Default in payment till date, ₹ 157.84 lacs)	2,518.75	2,278.93
Axis Bank (Payable from 31.03.2020 in 9 quarterly installments, Maturity date 31 Mar 22) (Default in payment till date, ₹ 441.60 lacs)	441.60	699.96
9 Asset Reconstruction Company India Limited South Indian Bank # (Payable from 31.03.2020 in 13 quarterly installments , Maturity date 31-Mar-23) (Default in payment till date, ₹ 535.00 lacs)	5,856.19	5,364.18
<b>Non Convertible Debentures (Zero Coupon Bonds)</b>		
10 Zero Coupon Redeemable Non Convertible Debentures DBS Bank # (Redeemable in 3 equal annual installments from 31.03.2024)	6,392.94	5,661.64

# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

Unsecured	31 Mar 22	31 Mar 21
<b>Term loans - From banks</b>		
11 Union Bank of India# (Payable from 31.01.2013 in 3 installments, rate of interest 13.25% p.a.) (Default in payment till date, ₹ 4,475.00 lacs)*	4,475.00	4,475.00
<b>Term loans - From others</b>		
12 Council of Scientific & Industrial Research (CSIR) (Payable from 01.10.2014 in 10 yearly installments, rate of simple interest 3.00% p.a.) (Default in payment till date, ₹ 573.28 lacs)	751.97	751.97
13 Deferred sales tax loan (Payable in equal annual installments till 2023, interest free)	265.26	407.47
<b>Total</b>	<b>53,685.72</b>	<b>52,988.73</b>

# The Director/s have issued personal guarantee for these loans.

\* The Company is in negotiation of restructuring the loan with Union Bank of India and based on past experience & in view of the on- going discussions, no interest has been provided and the same has been disclosed as Non- Current Borrowings.

# **CONSOLIDATED IND AS FINANCIAL STATEMENTS**

# INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED IND AS FINANCIAL STATEMENTS

**TO,  
THE MEMBERS OF BILCARE LIMITED**

## **Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements**

### **Opinion**

We have audited the accompanying consolidated financial statements of Bilcare Limited (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the 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 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 the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss, 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 consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 consolidated financial statements under the provisions of the Act and Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Emphasis of Matter**

We draw attention to Note 38 of the consolidated financial statements, which state the impact of Covid-19 on the operations of the Company.

Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

S No	Key Audit Matters	Auditor's Response
1	<p><b>Provisions and contingent liabilities relating to taxation, litigations, and claims - refer note 31 of the consolidated financial statements</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, transfer pricing arrangements, claims, general legal proceedings, environmental issues and other eventualities arising in the regular course of business.</p> <p>As at the year ended 31 March 2022, the amounts involved are significant. The computation of a provision or contingent liability requires judgment by the Company because of the inherent complexity in estimating future costs. The amount recognized as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company as it involves judgment and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgments previously made by authorities.</p>	<p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>• Testing the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions and re-assessment of development of contingent liabilities.</li> <li>• Using our subject matter experts to assess the value of significant provisions and contingent liabilities, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities, if any.</li> <li>• Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team. We assessed the assumptions and critical judgments made by the Company which impacted the computation of the provisions and inspected the computation and estimates of outcome and financial effect. We considered the judgment of the Company, supplemented by experience of similar decisions previously made by the authorities and, in some cases, relevant advice given by the Company's consultants.</li> <li>• Evaluating agreements, other documentation and judgments made by the Company by comparing the prior years' outstanding to the actual outcome during the year.</li> <li>• Assessing the Company's disclosures in the financial statements in respect of provisions and contingent liabilities.</li> </ul>
2	<p><b>Receivables from related parties (Caprihans India Ltd) – refer note 6 ( e) of the consolidated financial statements</b></p> <p>Caprihans India Ltd. has receivables from Kalpataru Ltd pertaining to certain non-core assets which were underwritten by Kalpataru Ltd and guaranteed by the Director of the Kalpataru Group of Companies.</p>	<ul style="list-style-type: none"> <li>• This is a key audit matter in the audited standalone financials of Caprihans India Ltd and has been highlighted as part of the consolidated financials of the Company.</li> <li>• The audit procedures followed by the auditor of Caprihans India Ltd as stated in the auditor's report in the financial statements of Caprihans India Ltd are as under: <ul style="list-style-type: none"> <li>• Read the documents relating to guarantee for receivables from Kalpataru Ltd, to understand the terms of the Guarantee.</li> <li>• Traced the amounts to the underlying books of account and to the confirmations.</li> <li>• Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements</li> </ul> </li> </ul>

#### Other Information

The other information comprises the information included in the financial statements but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Company's Board of Directors is responsible for the other information. Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors to the extent it relates to the entity, and in doing so, place reliance on the work of the other auditors and consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary is traced from their financial statements audited by the other auditors.

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

#### Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding

the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 system 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 Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Other matters

- (a) We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets of ₹ 33,442.16 lacs, total revenues of ₹ 41,957.63 lacs and net cash inflows/ (outflows) amounting to ₹ (1,327.29) lacs as considered in the consolidated financial statements. These financial statements have been audited/reviewed by other auditors whose reports 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 these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 0.76 lacs, total revenues of ₹ 320.26 lacs and net cash inflows/ (outflows) amounting to ₹ (0.18) lacs as considered in the consolidated financial statements and one subsidiary which is not considered for consolidation. 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 these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information 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 and on the consideration of report of the other auditors on separate Ind AS financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
  - a) we / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS 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 reports of the other auditors;
  - c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the 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 Indian Accounting Standards prescribed under Section 133 of the Act;
  - e) on the basis of the written representations received from directors as on March 31, 2022 taken on record by Board of Directors, except Mr. Rajesh Devene, Mrs. Madhuri Vaidya, Mrs. Diksha Tomar, Mr. Vijesh Mehra and Mr. Ashwani Singh, all other Directors of the Company are disqualified u/s 164 (2) of the Act. None of the directors of the Group /subsidiaries incorporated in India are disqualified as on March 31, 2022;
  - f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its step-down subsidiary company incorporated in India to whom internal financial controls over financial reporting is applicable;
  - g) in our opinion, the managerial remuneration for the year ended 31 March 2022 has been paid/provided by the Company and its subsidiaries which are incorporated in India to its Directors in accordance with the provisions of section 197 of the Act;
  - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate Ind AS financial statements as also the other financial information of the subsidiaries, as noted in the 'Other Matters' paragraph:
    - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
    - ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India;
    - iv. There is no dividend declared or paid during the year by the Company and its subsidiary companies incorporated in India and hence compliance with Section 123 of the Act is not applicable.



2. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India, in terms of section 143 (11) of the Act, we give in "Annexure B" a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For K.R.Miniyar & Associates  
Chartered Accountants  
Firm Registration No. 124806W

Date: May 23, 2022  
Place: Aurangabad

K.R. Miniyar  
Proprietor  
(Membership No.108015)  
UDIN: 22108015AJLXVU6132

**'ANNEXURE A' TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Bilcare Limited (hereinafter referred to as "the Company") and its step-down subsidiary company, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company and its step down subsidiary company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India. However, the internal audit methodology can be applied more effectively for compliance of various laws and regulations, corporate governance and internal financial control, risk management and reliability of financial and management reporting.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Company, in so far as it relates to one step down subsidiary company, which is a company incorporated in India, is based on the corresponding standalone reports of the auditor as applicable of such step-down subsidiary company incorporated in India.

For K.R.Miniyar & Associates  
Chartered Accountants  
Firm Registration No. 124806W

Date: May 23, 2022  
Place: Aurangabad

K.R. Miniyar  
Proprietor  
(Membership No.108015)  
UDIN: 22108015AJLXVU6132

**'ANNEXURE B' TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

(Refer to in paragraph 2 under 'Report on Other Legal & Regulatory Requirements' of our report of even date)

xxi. According to the information and explanations given to us, in respect of the following company incorporated in India and included in the consolidated financial statements, the CARO report relating to them does not have any qualifications or adverse remark.

Name of the Entity	CIN	Subsidiary
Caprihans India Limited	L29150MH1946PLC004877	51% subsidiary

For K.R.Minियar & Associates  
Chartered Accountants  
Firm Registration No. 124806W

Date: May 23, 2022  
Place: Aurangabad

K.R. Miniyar  
Proprietor  
(Membership No.108015)  
UDIN: 22108015AJLXVU6132

# CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment (net)	3	45,203.29	47,695.58
Capital work-in-progress	3	69.75	49.72
Investment properties	4	60.09	63.11
Other Intangible assets	5	1,275.15	1,606.99
Intangible asset under development		—	—
Financial assets	6		
(i) Investments		1.00	1.00
(ii) Other financial assets		591.69	637.16
Other non-current assets	7	11,417.80	11,259.78
Non-current tax assets		610.65	464.62
Deferred tax assets	8	11,389.70	10,897.98
<b>Total non-current assets</b>		<b>70,619.13</b>	<b>72,675.93</b>
<b>Current assets</b>			
Inventories	9	13,642.37	10,089.77
Financial assets	6		
(i) Trade receivables		22,000.78	15,430.69
(ii) Cash and cash equivalents		1,415.87	3,202.82
(iii) Bank balances other than (ii) above		2,591.33	2,461.06
(iv) Other financial assets		56.97	86.26
Current tax asset, net		2.13	43.14
Other current assets	7	2,352.50	2,423.06
<b>Total current assets</b>		<b>42,061.94</b>	<b>33,736.80</b>
<b>TOTAL ASSETS</b>		<b>1,12,681.06</b>	<b>1,06,412.73</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	10	2,354.52	2,354.52
Other equity		5,159.72	6,276.36
<b>Equity attributable to owners of Bilcare Limited</b>		<b>7,514.24</b>	<b>8,630.88</b>
Non-controlling interests	12	8,616.56	7,788.84
<b>Total Equity</b>		<b>16,130.80</b>	<b>16,419.72</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	13		
(i) Borrowings		53,685.72	52,988.73
(ii) Other financial liabilities		1,718.40	4,826.24
Provisions	14	882.32	828.54
<b>Total non-current liabilities</b>		<b>56,286.44</b>	<b>58,643.51</b>
<b>Current liabilities</b>			
Financial liabilities	13		
(i) Borrowings		15,306.79	14,755.70
(ii) Trade payables		16,810.58	10,412.10
(iii) Other financial liabilities		6,365.16	4,158.79
Provisions	14	274.30	244.93
Other current liabilities	15	924.92	1,216.10
Current tax liabilities		582.05	561.88
<b>Total current liabilities</b>		<b>40,263.81</b>	<b>31,349.50</b>
<b>Total liabilities</b>		<b>96,550.26</b>	<b>89,993.01</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,12,681.06</b>	<b>1,06,412.73</b>

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**K. R. Miniyaar & Associates**

Firm Registration Number: 124806W

Chartered Accountants

**CA K.R. Miniyaar**

Proprietor

Membership No.: 108015

Place: Pune /Aurangabad

Date: 23 May 2022

**Mohan H. Bhandari**

Chairman & Managing Director

**Prabhavi Mungee**

Company Secretary

**Rajesh Devene**

Director

**Nilesh Tiwari**

Chief Financial Officer

# STATEMENT OF CONSOLIDATED PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from operations	16	84,470.30	62,272.26
Other income	17	1,457.91	1,839.14
<b>Total income</b>		<b>85,928.21</b>	<b>64,111.40</b>
<b>EXPENSES</b>			
Cost of materials consumed	18	60,737.46	41,644.25
Change in inventory of finished goods and work in progress	19	(849.34)	(749.36)
Employee benefits expense	20	5,926.81	5,530.32
Depreciation and amortisation expense	21	3,925.16	4,551.09
Other expenses	22	12,612.87	10,752.55
Finance costs	23	6,893.25	7,558.54
<b>Total expenses</b>		<b>89,246.23</b>	<b>69,287.39</b>
<b>Loss before exceptional items and tax</b>		<b>(3,318.02)</b>	<b>(5,175.99)</b>
Exceptional items gain / (loss)	24	2,895.30	2,679.58
<b>Loss before tax</b>		<b>(422.72)</b>	<b>(2,496.42)</b>
<b>Tax Expense</b>	25		
Current tax		539.68	746.13
Adjustment of Tax relating to earlier years		(17.88)	(63.30)
Deferred tax		(508.39)	(2,062.48)
<b>Total tax expense</b>		<b>13.41</b>	<b>(1,379.66)</b>
<b>Loss for the year</b>		<b>(436.13)</b>	<b>(1,116.76)</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
– Remeasurements of defined benefit obligations		77.14	(5.57)
– Income tax relating to the above items	25	(19.95)	1.67
(ii) Items that will be reclassified to profit or loss			
– Exchange difference on Translation of foreign operation		93.88	(76.71)
<b>Other comprehensive income for the year, net of tax</b>		<b>151.08</b>	<b>(80.61)</b>
<b>Total comprehensive income for the year</b>		<b>(285.06)</b>	<b>(1,197.37)</b>
<b>Profit / (Loss) is attributable to:</b>			
Owners of equity		(1,259.08)	(2,107.77)
Non-controlling interests		822.95	991.01
		<b>(436.13)</b>	<b>(1,116.76)</b>
<b>Other comprehensive income is attributable to:</b>			
Owners of equity		146.30	(90.26)
Non-controlling interests		4.77	9.65
		<b>151.08</b>	<b>(80.61)</b>
<b>Total comprehensive income is attributable to:</b>			
Owners of equity		(1,112.78)	(2,198.03)
Non-controlling interests		827.72	1,000.65
		<b>(285.06)</b>	<b>(1,197.37)</b>
<b>Earning per equity share of ₹10 each (PY ₹10 each)</b>			
Basic earnings per share	26	(5.35)	(8.95)
Diluted earnings per share	26	(5.35)	(8.95)

Significant Accounting Policies

2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**K. R. Miniya & Associates**

Firm Registration Number: 124806W

Chartered Accountants

**CA K.R. Miniya**

Proprietor

Membership No.: 108015

Place: Pune /Aurangabad

Date: 23 May 2022

**Mohan H. Bhandari**

Chairman & Managing Director

**Prabhavi Munjee**

Company Secretary

**Rajesh Devene**

Director

**Nilesh Tiwari**

Chief Financial Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## A. Equity Share Capital

	Notes	Amount
<b>As at April 1, 2020</b>		<b>2,354.52</b>
Changes in equity share capital during the year	10	—
<b>As at March 31, 2021</b>		<b>2,354.52</b>
Changes in equity share capital during the year	10	—
<b>As at March 31, 2022</b>		<b>2,354.52</b>

## B. Other Equity

Particulars	Attributable to owners						
	Reserves and Surplus						
	Securities premium reserve	Reserve on consolidation	General Reserve	Retained Earnings	Capital redemption reserve	Exchange difference on foreign exchange translation reserve	Total
<b>Balance as at April 1, 2020</b>	<b>51,034.41</b>	<b>6,084.88</b>	<b>11,748.39</b>	<b>(61,335.76)</b>	<b>271.63</b>	<b>670.84</b>	<b>15,262.58</b>
Profit for the year	—	—	—	(2,107.77)	—	—	(1,116.76)
Other comprehensive income	—	—	—	(13.55)	—	(76.71)	(80.61)
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>(2,121.32)</b>	<b>—</b>	<b>(76.71)</b>	<b>(1,197.37)</b>
<b>Transaction with owners in their capacity as owners</b>							
Transfer to general reserve	—	—	—	—	—	—	—
<b>Balance at March 31, 2021</b>	<b>51,034.41</b>	<b>6,084.88</b>	<b>11,748.39</b>	<b>(63,457.08)</b>	<b>271.63</b>	<b>594.13</b>	<b>14,065.20</b>
Profit for the year	—	—	—	(1,259.08)	—	—	(436.13)
Other comprehensive income	—	—	—	52.42	—	93.88	151.08
Adjustments effected in retained earnings	—	(3,499.71)	—	3,796.18	—	(300.33)	(3.86)
<b>Total comprehensive income for the year</b>	<b>—</b>	<b>(3,499.71)</b>	<b>—</b>	<b>2,589.51</b>	<b>—</b>	<b>(206.45)</b>	<b>(288.92)</b>
<b>Transaction with owners in their capacity as owners</b>							
Transfer to general reserve	—	—	—	—	—	—	—
<b>Balance at March 31, 2022</b>	<b>51,034.41</b>	<b>2,585.18</b>	<b>11,748.39</b>	<b>(60,867.57)</b>	<b>271.63</b>	<b>387.68</b>	<b>13,776.28</b>

As per our report of even date

**K. R. Miniyaar & Associates**

Firm Registration Number: 124806W  
Chartered Accountants

**CA K.R. Miniyaar**

Proprietor  
Membership No.: 108015  
Place: Pune/Aurangabad  
Date: 23 May 2022

For and on behalf of the Board of Directors

**Mohan H. Bhandari**  
Chairman & Managing Director

**Rajesh Devene**  
Director

**Prabhavi Mungee**  
Company Secretary

**Nilesh Tiwari**  
Chief Financial Officer

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>Profit / (Loss) before exceptional items and tax</b>	(3,318.02)	(5,175.99)
<b>Adjustments for:</b>		
Depreciation, amortisation and impairment	3,925.16	4,551.09
Interest and Dividend income from financial assets	(142.84)	(617.38)
Other equity (including retained earnings)	(3.86)	—
Exchange difference on translation of foreign currency	93.88	(76.71)
(Profit)/ Loss on disposal of property, plant and equipment (Net)	(650.69)	(214.82)
Withholding tax payments		
Interest expenses	6,893.25	7,558.54
Liabilities & advances written back/(written off)	(356.78)	294.28
Provision for doubtful debts, advances, deposits and others	11.57	462.14
	<b>6,451.67</b>	<b>6,781.15</b>
<b>Changes in working capital:</b>		
(Increase)/Decrease in inventories	(3,552.60)	(2,392.37)
(Increase)/Decrease in trade receivables	(6,581.65)	(5,109.28)
(Increase)/Decrease in other financial assets	45.58	(1.92)
(Increase)/Decrease in other non-current assets	(158.03)	(204.24)
(Increase)/Decrease in other current assets	70.57	9,105.30
Increase/(Decrease) in trade payables	6,398.48	(533.78)
Increase/(Decrease) in other financial liabilities	2,193.63	(456.70)
Increase/(Decrease) in other current liabilities	(291.18)	(187.04)
Increase/(Decrease) in provisions	160.30	193.20
<b>Cash generated from / (used in) operations</b>	<b>4,736.77</b>	<b>7,194.32</b>
Income taxes paid	(609.93)	(15.20)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>4,126.84</b>	<b>7,179.12</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment and intangible assets (net)	(470.36)	(601.85)
Proceeds from sale of property, plant and equipment	3.00	315.00
Interest received	171.87	605.93
Dividend received	0.16	0.51
Investment in bank deposits (having original maturity more than 3 months)	(130.27)	(174.97)
Changes in non current investments	—	—
(Purchase)/ Redemption of investments in mutual funds	—	20.62
<b>Net cash generated from / (utilised in) investing activities (B)</b>	<b>(425.60)</b>	<b>165.23</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowings (repaid) / taken including interest and gain on restructuring	1,260.83	(1,049.27)
Other borrowings (repaid) / taken including interest and gain on restructuring	144.24	339.77
Interest expenses	(6,893.25)	(7,558.54)
Dividend paid to non controlling interest	—	—
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(5,488.19)</b>	<b>(8,268.04)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>(1,786.95)</b>	<b>(923.69)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,202.82</b>	<b>4,126.51</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,415.87</b>	<b>3,202.82</b>
<b>Cash and cash equivalents comprise of the following:</b>		
Cash on hand	26.70	17.25
Balances with banks		
In current accounts	804.32	2,135.38
In deposit accounts (maturity less than 3 months)	579.84	1,049.86
Remittances in transit	5.00	0.33
	<b>1,415.87</b>	<b>3,202.82</b>

Previous year's figures have been re-grouped / re-classified wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

**K. R. Miniyaar & Associates**

Firm Registration Number: 124806W

Chartered Accountants

**CA K.R. Miniyaar**

Proprietor

Membership No.: 108015

Place: Pune /Aurangabad

Date: 23 May 2022

**Mohan H. Bhandari**

Chairman & Managing Director

**Prabhavi Mungee**

Company Secretary

**Rajesh Devene**

Director

**Nilesh Tiwari**

Chief Financial Officer



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 1 Corporate information

Bilcare Limited and its subsidiaries (collectively referred to as “the Group”) is in the business of Pharmaceutical Packaging, Global Clinical Services, R& D facilities and Anti Counterfeit Technology (nCid). Bilcare Limited is a public limited company incorporated and domiciled in India with its manufacturing unit at Rajgurunagar. The address of its corporate office is ICC Tower, B wing, 6th Floor, Senapati Bapat Road, Pune - 411016.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2022 and authorised for issue on May 23, 2022.

### 1.1 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

### 1.2 Basis of preparation

The financial statement has been prepared on a historical cost basis except for the following items:

- Certain financial assets and liabilities which are measured at fair value.
- Assets held for sale measured at lower of carrying amount or fair value less cost to sell
- Defined benefit plans - plan assets measured at fair value.

### 1.3 Use of estimates and judgements

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenses for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### 1.4 Basis of Consolidation

#### (a) Subsidiaries

- Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Consolidation of a subsidiary and assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.
- The Group combines the financial statements of the Parent and its subsidiaries, line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.
- The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the subsidiary's separate financial statements. If, however, any subsidiary uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to ensure conformity with the Group's accounting policies.
- The excess of cost to the Company of its investment in the subsidiary is recognised in the financial statements as goodwill, which has been amortised over a period.
- If the difference of the aggregate of the consideration transferred, the amount recognised for noncontrolling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed is a deficit then the said deficit is recognized as a capital reserve.

#### (b) Consolidation procedure

i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

iii) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements.

iv) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

## (c) Changes in ownership interests

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in the statement of profit and loss
- Reclassifies the parent's share of components previously recognised in OCI to the statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

## 2(a) Significant Accounting Policies

The Company uses the following accounting policies in preparation of its consolidated financial statements:

### 2.1 Current versus non-current classification

The Group presents its assets and liabilities in the Balance Sheet based on current and non-current classification.

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

Operating cycle: Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its Operating cycle.

### 2.2 Foreign currencies

#### (i) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional and presentation currency. The Group determines its own functional currency (the currency of the primary economic environment in which the Group operates) and items included in the consolidated financial statements of the Group are measured using that functional currency.

#### (ii) Transactions and balances

Transactions in foreign currencies are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the Group's functional currency of the entity at the rates prevailing on the reporting date. Exchange differences that arise are recognised as income or expenses in the Statement of Profit and Loss.

#### (iii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements) including goodwill and fair value adjustments arising on acquisition, and on disposal, are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 2.3 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

### (a) Sale of goods

Revenue is recognised when significant risk and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales agreement.

### (b) Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

### (c) Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability.

## 2.4 Income recognition

### (a) Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate, which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original effective interest rate.

### (b) Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

### (c) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

## 2.5 Taxes

### (a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). 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.

### (b) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of Goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

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 tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items outside the statement of profit and loss are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

## 2.6 Leases

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

### (a) Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the same is in line with inflation.

### (b) Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the same is in line with inflation. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

## 2.7 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred. The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If these amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in Other Comprehensive Income and accumulated in equity as capital reserve, provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Investments in Subsidiaries

The Group has accounted for its investment in subsidiaries, at cost less accumulated impairment as per Ind AS 27 wherein Consolidated financial statements are the financial statements of a Group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity.

## 2.8 Impairment of assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets under development is tested for impairment annually.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Goodwill is tested for impairment annually as at March 31 and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

For Investments, the Company assesses the fair value, if any, at each reporting date and recognizes the impairment loss in the event it is so required.

## 2.9 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

## 2.10 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

## 2.11 Inventories

Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and components, stores and spares and loose tools are valued at lower of cost and net realizable value. Costs are determined on weighted average basis.

Work-in-progress and finished goods are valued at the lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of work-in-progress and finished goods are determined on a weighted average basis.

Traded goods are valued at lower of the cost on a weighted average basis or net realisable value.

Scrap is valued at net realisable value.

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

## 2.12 Financial instruments

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

### (i) Financial assets

#### (a) Initial recognition and measurement

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

#### (b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 1. Financial assets at amortised cost

Financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

## 2. Financial assets at fair value through profit and loss (FVTPL)

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

## 3. Equity Investments measured at fair value through other comprehensive income (FVTOCI)

Equity investment is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Equity investments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the movements of interest income, impairment losses & reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### (c) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all equity instruments not held for trading, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

### (d) Derecognition

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 Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### (e) Impairment

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Lease receivables under Ind AS 17
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## d) Financial assets that are measured at FVTOCI

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## (ii) Financial liabilities

### (a) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an ineffective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

### (b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### **Classification**

The financial liabilities are classified in the following measurement categories:

#### **1. Financial liabilities at fair value through profit or loss**

All financial liabilities are recognised initially at fair value and are subsequently measured at amortized cost using the EIR method.

#### **2. Financial liabilities at amortized cost**

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash outflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

This is the category most relevant to the Group and generally applies to borrowings.

### (c) Derecognition

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

## (iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

## 2.13 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Capital work in progress is carried at cost, less any recognised impairment loss. Depreciation of these assets commences when the assets are substantially ready for their intended use.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the group and the cost of the asset can be measured reliably. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

## Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases higher and in some cases lower than the rates prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets.

Depreciation is provided using the straight line method (SLM) over the estimated useful lives of the assets is based on a technical evaluation and estimated by the Management is as follows:

Class of asset	Life of the asset
Leasehold Land	79 years
Factory Building	50 years
Buildings (Other than factory building)	60 years
Plant and equipment	20 years
Electric fittings	15 years
Furniture and fixtures	15 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in profit and loss account.

## 2.14 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

## Depreciation

Depreciation on investment property is calculated on a written down value basis over the estimated useful life of assets as follows:

Class of asset	Life of the asset
Buildings	60 years

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

An investment property is derecognised on disposal or on permanent withdrawal from use and no future economic benefits are expected from its disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

## 2.15 Intangible assets

### (i) Recognition and measurement

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### (ii) Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Class of asset	Life of the asset
Computer software	10 years
Patent	15 years



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 2.16 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

## 2.17 Employee Benefits

### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

### (iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

#### (a) Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### (b) Defined contribution plan

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

## 2.18 Earnings per share

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 2.19 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is considered highly probable. They are measured at the 'lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## 2.20 Exceptional items

When items of income or expense are of such nature, size or incidence that their disclosure is necessary the Group makes a disclosure of the nature and amount of such items separately under the head Exceptional Items.

## 2.21 Provision and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

## 2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Internal Management and the Board of Directors of the separate Companies who are responsible for allocating the resources, assess the financial performance and position of the Group and makes strategic decisions. 'The Group has identified one reportable segment "Pharma Packaging Research Solutions". Refer Note 37 for segment information presented.

## 2(b) Critical Estimates and Judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

### i) Provisions and contingent liabilities

The Group exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities.

Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 3. PROPERTY, PLANT AND EQUIPMENT

Year ended March 31, 2021	Freehold land	Leasehold Land	Buildings	Plant and machinery	Vehicles	Electric Fitting	Furniture and fixtures	Office equipment	Total
<b>Gross Carrying Amount</b>									
Carrying amount as at April 1, 2020	4,991.13	38.07	8,496.86	80,137.01	77.09	970.06	457.03	426.42	95,593.67
Additions	—	—	33.72	494.50	8.42	—	8.44	106.55	651.62
Disposals	(95.04)	—	(0.20)	(245.94)	—	—	(12.84)	(42.45)	(396.46)
Exchange differences	—	—	—	—	—	—	—	—	—
<b>At March 31, 2021</b>	<b>4,896.10</b>	<b>38.07</b>	<b>8,530.38</b>	<b>80,385.56</b>	<b>85.51</b>	<b>970.06</b>	<b>452.63</b>	<b>490.51</b>	<b>95,848.83</b>
<b>Accumulated depreciation and impairment, if any</b>									
As at April 1, 2020	—	12.15	1,972.94	41,120.87	73.40	826.71	364.83	384.89	44,755.79
Charge for the year	—	0.47	172.71	3,318.20	0.58	25.12	20.48	35.89	3,573.46
Disposals	—	—	(0.20)	(121.23)	—	—	(12.56)	(42.01)	(176.00)
Exchange differences	—	—	—	—	—	—	—	—	—
<b>At March 31, 2021</b>	<b>—</b>	<b>12.62</b>	<b>2,145.46</b>	<b>44,317.84</b>	<b>73.98</b>	<b>851.83</b>	<b>372.75</b>	<b>378.77</b>	<b>48,153.26</b>
<b>Net Block at March 31, 2021</b>	<b>4,896.10</b>	<b>25.45</b>	<b>6,384.92</b>	<b>36,067.72</b>	<b>11.52</b>	<b>118.24</b>	<b>79.88</b>	<b>111.74</b>	<b>47,695.58</b>
<b>Year ended March 31, 2022</b>									
<b>Gross Carrying Amount</b>									
Carrying amount as at April 1, 2021	4,896.10	38.07	8,530.38	80,385.56	85.51	970.06	452.63	490.51	95,848.83
Additions	—	—	55.26	1,040.97	—	2.35	23.31	38.46	1,160.35
Disposals	—	—	—	(73.48)	(53.43)	—	—	—	(126.91)
Exchange differences	—	—	—	—	—	—	—	—	—
<b>At March 31, 2022</b>	<b>4,896.10</b>	<b>38.07</b>	<b>8,585.63</b>	<b>81,353.05</b>	<b>32.08</b>	<b>972.41</b>	<b>475.94</b>	<b>528.98</b>	<b>96,882.27</b>
<b>Accumulated depreciation and impairment, if any</b>									
As at April 1, 2021	—	12.62	2,145.46	44,317.84	73.98	851.83	372.75	378.77	48,153.26
Charge for the year	—	0.47	176.27	3,306.23	1.00	24.38	20.00	49.60	3,577.96
Disposals	—	—	—	(1.47)	(50.76)	—	—	—	(52.23)
Exchange differences	—	—	—	—	—	—	—	—	—
<b>At March 31, 2022</b>	<b>—</b>	<b>13.09</b>	<b>2,321.73</b>	<b>47,622.60</b>	<b>24.23</b>	<b>876.21</b>	<b>392.75</b>	<b>428.37</b>	<b>51,678.98</b>
<b>Net Block at March 31, 2022</b>	<b>4,896.10</b>	<b>24.98</b>	<b>6,263.90</b>	<b>33,730.45</b>	<b>7.85</b>	<b>96.21</b>	<b>83.19</b>	<b>100.61</b>	<b>45,203.29</b>

### (i) Capital work-in-progress

The carrying value of capital work-in progress as at 31 March 2022 was ₹ 69.75 lacs (31 March 2021: ₹ 49.72 lacs)

### (ii) Assets pledged as security

Refer Note 13(a) and 13(b) for details of the assets pledged as security.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 4 INVESTMENT PROPERTY

	<b>Building</b>
<b>Year ended March 31, 2021</b>	
Gross carrying amount	
Carrying amount as at April 1, 2020	84.70
Additions	—
Disposals	—
<b>At March 31, 2021</b>	<b>84.70</b>
<b>Accumulated depreciation and impairment, if any</b>	
As at April 1, 2020	18.42
Charge for the year	3.17
Disposals	—
<b>At March 31, 2021</b>	<b>21.59</b>
<b>Net block at March 31, 2021</b>	<b>63.11</b>
<b>Year ended March 31, 2022</b>	
<b>Gross carrying amount</b>	
Carrying amount as at April 1, 2021	84.70
Additions	—
Disposals	—
<b>At March 31, 2022</b>	<b>84.70</b>
<b>Accumulated depreciation and impairment, if any</b>	
As at April 1, 2021	21.59
Charge for the year	3.02
Disposals	—
<b>At March 31, 2022</b>	<b>24.61</b>
<b>Net block at March 31, 2022</b>	<b>60.09</b>

Notes:

(i) Information regarding income and expenditure of investment property:

	<b>31 March 2022</b>	<b>31 March 2021</b>
Rental income derived from investment properties	—	—
Direct operating expenses (including repairs and maintenance) generating rental income	—	—
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(2.72)	(2.72)
<b>(Loss)/Profit arising from investment properties before depreciation and indirect expenses</b>	<b>(2.72)</b>	<b>(2.72)</b>
Less : Depreciation	(3.02)	(3.17)
<b>(Loss)/Profit arising from investment properties before indirect expenses</b>	<b>(5.74)</b>	<b>(5.89)</b>

(ii) The Company's investment property at Bandra was not leased out throughout the year.

As at 31 March 2022 and 31 March 2021, the fair values of the properties are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of investment properties.

(iii) The Company has no restrictions on the realisability of its investment properties. Further, the Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

(iv) Fair value of the investment properties are as under:

<b>Fair value</b>	<b>Building</b>
Balance as at 1 April 2020	859.20
Fair value movement for the year	18.96
Sales at fair value	—
Balance as at 31 March 2021	878.16
Fair value movement for the year	18.96
Sales at fair value	—
<b>Balance as at 31 March 2022</b>	<b>897.12</b>

## Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation techniques	Fair value hierarchy	Fair Value	
			31 March 2022	31 March 2021
Flat at Bandra (West), Mumbai	Fair market value	Level 2	897.12	878.16

## Fair value note as per valuation report of accredited valuer

The strengths and weakness of the said property, the environmental conditions, prevailing market conditions in the nearby locality and other relevant factors have been taken into account in carrying out the exercise of valuation.

## 5 INTANGIBLE ASSETS

	<b>Patents &amp; trademarks</b>	<b>Software</b>	<b>Other Intangibles assets</b>	<b>Total</b>
<b>Year ended March 31, 2021</b>				
<b>Gross Carrying Amount</b>				
Carrying amount as at April 1, 2020	1,965.73	1,243.82	7,158.91	10,368.46
Additions	—	—	30.00	30.00
Disposals	—	—	(0.26)	(0.26)
Exchange differences	—	—	189.44	189.44
<b>At March 31, 2021</b>	<b>1,965.73</b>	<b>1,243.82</b>	<b>7,378.09</b>	<b>10,587.64</b>
<b>Accumulated depreciation and impairment, if any</b>				
As at April 1, 2020	764.93	773.95	6,300.63	7,839.51
Charge for the year	136.07	108.42	729.97	974.46
Disposals	—	—	(0.26)	(0.26)
Exchange differences	—	—	166.95	166.95
<b>At March 31, 2021</b>	<b>900.99</b>	<b>882.37</b>	<b>7,197.29</b>	<b>8,980.65</b>
<b>Net Block at March 31, 2021</b>	<b>1,064.74</b>	<b>361.44</b>	<b>180.81</b>	<b>1,606.99</b>
<b>Year ended March 31, 2022</b>				
<b>Gross Carrying Amount</b>				
Carrying amount as at April 1, 2021	1,965.73	1,243.82	7,378.09	10,587.64
Additions	—	9.75	1.05	10.80
Disposals	—	—	(7,382.04)	(7,382.04)
Exchange differences	—	—	108.76	108.76
<b>At March 31, 2022</b>	<b>1,965.73</b>	<b>1,253.57</b>	<b>105.86</b>	<b>3,325.16</b>
<b>Accumulated depreciation and impairment, if any</b>				
As at April 1, 2021	900.99	882.37	7,197.29	8,980.65
Charge for the year	136.07	57.95	150.17	344.18
Disposals	—	—	(7,382.04)	(7,382.04)
Exchange differences	—	—	107.21	107.21
<b>At March 31, 2022</b>	<b>1,037.06</b>	<b>940.32</b>	<b>72.62</b>	<b>2,050.01</b>
<b>Net Block at March 31, 2022</b>	<b>928.67</b>	<b>313.24</b>	<b>33.24</b>	<b>1,275.15</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 6 FINANCIAL ASSETS

### (a) INVESTMENTS

	31 Mar 22	31 Mar 21
<b>Non-Current</b>		
<b>Investment in equity shares (unquoted) (fully paid-up)</b>		
Cosmos Bank	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
1,000 shares of Cosmos Bank having face value of ₹100 each.		
Aggregate amount of unquoted investments	1.00	1.00
Aggregate amount of impairment in the value of investments	—	—

### (b) TRADE RECEIVABLES - BILLED - CURRENT

	31 Mar 22	31 Mar 21
<b>Trade receivables - Billed</b>	22,418.86	15,556.25
Less: Allowance for doubtful trade receivables - Billed	(1,108.94)	(1,285.37)
<b>Considered good</b>	21,309.92	14,270.88
Trade receivables - which have significant increase in credit risk	124.70	196.78
Trade receivables - Credit impaired	566.15	963.03
	<b>22,000.78</b>	<b>15,430.69</b>

### Ageing for trade receivables – Billed - current outstanding as at March 31, 2022:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	12,994.04	8,133.00	524.79	724.92	40.32	1.78	22,418.86
Undisputed trade receivables – which have significant increase in credit risk	64.59	47.10	12.73	0.29	-	-	124.70
Undisputed trade receivables – credit impaired	1.40	11.29	89.90	185.57	52.16	103.50	443.81
Disputed trade receivables – considered good	—	—	—	—	—	—	—
Disputed trade receivables – which have significant increase in credit risk	—	—	—	—	—	—	—
Disputed trade receivables – credit impaired	—	—	—	—	8.13	114.21	122.34
	13,060.03	8,191.38	627.43	910.78	100.61	219.49	23,109.72
Less: Allowance for doubtful trade receivables - Billed							(1,108.94)
							<b>22,000.78</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## Ageing for trade receivables – Billed - current outstanding as at March 31, 2021:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
Undisputed trade receivables – considered good	10,193.53	5,240.85	14.78	68.52	6.46	32.10	15,556.25
Undisputed trade receivables – which have significant increase in credit risk	143.63	27.27	22.95	2.93	–	–	196.78
Undisputed trade receivables – credit impaired	1.58	86.14	151.64	85.85	84.84	55.62	465.67
Disputed trade receivables – considered good	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	10.58	486.78	497.36
	10,338.74	5,354.26	189.37	157.30	101.89	574.50	16,716.06
Less: Allowance for doubtful trade receivables - Billed							(1,285.37)
							15,430.69

## (c) CASH AND CASH EQUIVALENTS

	31 Mar 22	31 Mar 21
<b>Balances with banks</b>		
In current accounts	804.32	2,135.38
In deposit accounts (maturity less than 3 months)	579.84	1,049.86
Cash on hand	26.70	17.25
Remittances in transit	5.00	0.33
	<b>1,415.87</b>	<b>3,202.82</b>

## (d) OTHER BALANCES WITH BANKS

	31 Mar 22	31 Mar 21
Deposit accounts (maturity less than 12 months)	1,976.60	2,126.75
Earmarked deposits with banks	604.81	322.17
Earmarked balances on unclaimed dividend account	9.92	12.14
	<b>2,591.33</b>	<b>2,461.06</b>

## (e) OTHER FINANCIAL ASSETS

	Notes	31 Mar 22	31 Mar 21
<b>Non-Current</b>			
Interest receivable		1.23	1.54
Security deposits		292.44	336.07
Term deposits (with maturity more than 12 months)		50.00	48.93
Other receivable	See note (i)	248.02	250.61
		<b>591.69</b>	<b>637.16</b>
<b>Current</b>			
Interest receivable		47.78	76.65
Other receivable		9.19	9.61
		<b>56.97</b>	<b>86.26</b>

(i) includes ₹245.74 lacs of receivables of Caprihans India Limited from Kalpataru group

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 7 OTHER ASSETS

	Notes	31 Mar 22	31 Mar 21
<b>Non-current</b>			
Capital advances	See note (i)	11,326.74	11,169.66
Other receivables		91.06	90.12
		<b>11,417.80</b>	<b>11,259.78</b>
<b>Current</b>			
Advance to suppliers		1,527.50	1,713.18
Advance to employees		116.76	144.75
Balance with customs, GST and sales tax authorities		371.85	412.26
Prepaid expenses		326.88	143.37
Other receivables		9.51	9.51
		<b>2,352.50</b>	<b>2,423.06</b>

(i) Capital advances to related parties are disclosed as part of note 35 - Related party disclosures and refer note 7 of standalone financial statements.

## 8 DEFERRED TAX

	Deferred tax assets		Deferred tax liabilities		Net deferred tax asset / (liabilities)	
	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
Property, plant and equipment	—	—	(7,718.30)	(8,193.50)	(7,718.30)	(8,193.50)
Unabsorbed loss	—	—	—	—	—	—
Provisions	293.21	294.42	—	—	293.21	294.42
Investments	8,145.00	8,073.00	—	—	8,145.00	8,073.00
Receivables and advances	10,669.79	10,724.06	—	—	10,669.79	10,724.06
	<b>19,108.00</b>	<b>19,091.48</b>	<b>(7,718.30)</b>	<b>(8,193.50)</b>	<b>11,389.70</b>	<b>10,897.98</b>

### (i) Movement in temporary differences for the year ended March 31, 2021

	Recognised in				
	01-Apr-20	Profit or loss	OCI	Exchange differences / Adjustments	31 Mar 21
Property, plant and equipment	(9,363.35)	1,169.85	—	—	(8,193.50)
Unabsorbed loss	21.97	50.10	—	(72.07)	—
Provisions	225.65	60.48	1.67	6.62	294.42
Investments	7,128.00	945.00	—	—	8,073.00
Receivables and advances	10,887.01	(162.95)	—	0.01	10,724.06
	<b>8,899.28</b>	<b>2,062.48</b>	<b>1.67</b>	<b>(65.44)</b>	<b>10,897.98</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## (ii) Movement in temporary differences for the year ended March 31, 2022

	01-Apr-21	Recognised in			31 Mar 22
		Profit or loss	OCI	Exchange differences / Adjustments	
Property, plant and equipment	(8,193.50)	475.20	—	—	(7,718.30)
Unabsorbed loss	—	—	—	—	—
Provisions	294.42	15.46	(19.95)	3.28	293.21
Investments	8,073.00	72.00	—	—	8,145.00
Receivables and advances	10,724.06	(54.27)	—	—	10,669.79
	<b>10,897.98</b>	<b>508.39</b>	<b>(19.95)</b>	<b>3.28</b>	<b>11,389.70</b>

## (iii) Unrecognised deferred tax assets

	31 Mar 22	31 Mar 21
Unabsorbed loss*	99,296.73	1,02,283.45
Unabsorbed depreciation	28,610.71	26,898.72

\*Includes long term capital losses of ₹ 86,656.98 lacs

The losses can be carried forward for a period of 8 years and unabsorbed depreciation without any time limit.

## 9 INVENTORIES

	31 Mar 22	31 Mar 21
(at lower of cost or net realisable value)		
Raw materials	9,229.11	6,558.52
Stores and consumables	365.25	332.57
Work-in-progress	1,287.14	1,271.58
Finished goods	2,760.87	1,927.10
	<b>13,642.37</b>	<b>10,089.77</b>
Included in inventories goods in transit as follows:		
Finished goods	1,322.47	958.79
	<b>1,322.47</b>	<b>958.79</b>

## 10 SHARE CAPITAL

### [a] Authorised share capital

	Equity shares of ₹ 10 each (PY ₹ 10 each)		Redeemable preference shares of ₹ 10 each (PY ₹ 10 each)	
	No. of shares	Amount	No. of shares	Amount
As at 1-Apr-2020	40,000,000	4,000.00	5,000,000	500.00
Increase during the year	—	—	—	—
As at 31-Mar-2021	40,000,000	4,000.00	5,000,000	500.00
Increase during the year	—	—	—	—
As at 31-Mar-2022	40,000,000	4,000.00	5,000,000	500.00

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## [b] Issued equity share capital

	Equity shares of ₹ 10 each (PY ₹ 10 each)	
	No. of shares	Amount
<b>As at 1-Apr-2020</b>	23,545,231	2,354.52
Change during the year	–	–
<b>As at 31-Mar-2021</b>	23,545,231	2,354.52
Change during the year	–	–
<b>As at 31-Mar-2022</b>	23,545,231	2,354.52

## Terms / rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. During the year ended 31 March 2022, the amount of per share dividend recognized as distributions to equity shareholders was NIL (31 March 2021 : NIL). In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## [c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

### Equity shares of (face value: ₹10 each)

	31 Mar 22		31 Mar 21	
	No. of shares	% of total equity shares	No. of shares	% of total equity shares
Mohan H. Bhandari	5,856,489	24.9%	5,856,489	24.9%
Monument Pte. Ltd.	3,871,428	16.4%	3,871,428	16.4%
Rakesh R. Jhunjhunwala	1,735,425	7.4%	1,735,425	7.4%
Nutan M. Bhandari	1,205,122	5.1%	1,205,122	5.1%

## [d] Disclosure of Shareholding of Promoters

Name of Promoter	31 Mar 22		31 Mar 21		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
Mohan H. Bhandari	5,856,489	24.9%	5,856,489	24.9%	0.0%
Nutan M. Bhandari	1,205,122	5.1%	1,205,122	5.1%	0.0%
Ankita J. Kariya	5,000	0.0%	5,000	0.0%	0.0%
	7,066,611	30.0%	7,066,611	30.0%	0.0%

Name of Promoter	31 Mar 21		31 Mar 20		% change during the year
	No. of shares	% of shares	No. of shares	% of shares	
Mohan H. Bhandari	5,856,489	24.9%	5,856,489	24.9%	0.0%
Nutan M. Bhandari	1,205,122	5.1%	1,205,122	5.1%	0.0%
Ankita J. Kariya	5,000	0.0%	5,000	0.0%	0.0%
	7,066,611	30.0%	7,066,611	30.0%	0.0%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 11 OTHER EQUITY

	31 Mar 22	31 Mar 21
Securities premium reserve	51,034.41	51,034.41
Capital redemption reserve	271.63	271.63
Reserve on consolidation	2,585.18	6,084.89
General reserve	11,748.39	11,748.39
Exchange difference on foreign exchange translation reserve	387.68	594.13
Retained earnings	(60,867.57)	(63,457.08)
	<b>5,159.72</b>	<b>6,276.36</b>

### (i) Securities premium reserve

Security Premium Reserve has been created in earlier years on issue of shares at a premium and is utilised in accordance with the provisions of the Act.

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	51,034.41	51,034.41
Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>51,034.41</b>	<b>51,034.41</b>

### (ii) Capital redemption reserve

Capital redemption reserve has been created on account of redemption of cumulative preference shares in earlier years.

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	271.63	271.63
Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>271.63</b>	<b>271.63</b>

### (iii) Reserve on consolidation

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	6,084.89	6,084.89
Movement during the year	—	—
Transferred to retained earnings	(3,499.71)	—
<b>Balance at the end of the year</b>	<b>2,585.18</b>	<b>6,084.89</b>

### (iv) General reserve

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	11,748.39	11,748.39
Movement during the year	—	—
<b>Balance at the end of the year</b>	<b>11,748.39</b>	<b>11,748.39</b>

### (v) Exchange difference on foreign currency translation reserve

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	594.13	670.84
Movement during the year	93.88	(76.71)
Transferred to retained earnings	(300.33)	—
<b>Balance at the end of the year</b>	<b>387.68</b>	<b>594.13</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## (vi) Retained earnings

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	(63,457.08)	(61,335.76)
Net profit for the year	(1,259.08)	(2,107.77)
Other comprehensive income for the year	52.42	(13.55)
Adjustments effected in retained earnings	3,796.18	–
<b>Less: Appropriation</b>		
Transfer to general reserve	–	–
<b>Balance at the end of the year</b>	<b>(60,867.57)</b>	<b>(63,457.08)</b>

## 12 Non Controlling interest (NCI)

The Group has only one subsidiary that has NCI which is Caprihans India Limited (51%). Refer Note 36 for the financials.

## 13 FINANCIAL LIABILITIES

### (a) NON-CURRENT BORROWINGS

	31 Mar 22	31 Mar 21
<b>Secured</b>		
(i) Rupee term loans - From a bank	15,170.60	17,087.64
(ii) Rupee term loans - From financial institutions and others	26,629.95	24,605.01
<b>Unsecured</b>		
(i) Rupee Term loans - From a bank	4,475.00	4,475.00
(ii) Rupee Term loans - From others	751.97	751.97
(iii) Deferred sales tax loan	265.26	407.47
<b>Non Convertible Debentures (Zero Coupon Bonds)</b>	<b>6,392.94</b>	<b>5,661.64</b>
	<b>53,685.72</b>	<b>52,988.73</b>

Refer Note 13 (a) of standalone financial statements.

### (b) CURRENT BORROWINGS

	31 Mar 22	31 Mar 21
<b>Secured</b>		
– Working capital loans from banks	2,698.60	2,102.84
<b>Unsecured</b>		
– Fixed deposits from Public (issued in 2012)	12,608.19	12,652.86
	<b>15,306.79</b>	<b>14,755.70</b>

Refer Note 13 (b) of standalone financial statements.

### (c) OTHER FINANCIAL LIABILITIES

	31 Mar 22	31 Mar 21
<b>Non-current</b>		
Capital creditors	1,718.40	4,826.24
	<b>1,718.40</b>	<b>4,826.24</b>
<b>Current</b>		
Interest accrued on borrowings	266.56	253.82
Employees payables	381.46	433.99
Unpaid dividend	9.92	12.14
Outstanding liability for expenses	486.70	366.01
Other payables and acceptances	5,220.52	3,092.83
	<b>6,365.16</b>	<b>4,158.79</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## (d) TRADE PAYABLES

	Notes	31 Mar 22	31 Mar 21
<b>Current</b>			
Trade Payables		16,511.54	10,036.16
Trade Payables to Micro, Small and Medium Enterprises	See note 34	299.04	375.94
		<b>16,810.58</b>	<b>10,412.10</b>

### Ageing for trade payables outstanding as at March 31, 2022:

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
<b>Trade payables</b>						
MSME	83.89	105.61	–	–	0.05	189.54
Others	6,973.69	8,743.33	455.23	18.02	321.27	16,511.54
Disputed dues - MSME	29.78	78.65	0.16	–	0.91	109.50
Disputed dues - Others	–	–	–	–	–	–
	<b>7,087.36</b>	<b>8,927.59</b>	<b>455.39</b>	<b>18.02</b>	<b>322.23</b>	<b>16,810.58</b>

### Ageing for trade payables outstanding as at March 31, 2021:

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
<b>Trade payables</b>						
MSME	197.24	39.19	0.12	0.04	–	236.58
Others	2,709.80	5,464.41	1,194.30	17.96	649.70	10,036.16
Disputed dues - MSME	42.06	95.94	1.13	–	0.23	139.36
Disputed dues - Others	–	–	–	–	–	–
	<b>2,949.09</b>	<b>5,599.53</b>	<b>1,195.55</b>	<b>18.00</b>	<b>649.93</b>	<b>10,412.10</b>

## 14 PROVISIONS

	31 Mar 22	31 Mar 21
<b>Non-current</b>		
Provision for employee benefits	882.32	828.54
	<b>882.32</b>	<b>828.54</b>
<b>Current</b>		
Provision for employee benefits	220.20	201.66
Other provisions	54.10	43.27
	<b>274.30</b>	<b>244.93</b>

## 15 OTHER LIABILITIES

	31 Mar 22	31 Mar 21
<b>Current</b>		
Advance from customers	324.19	494.14
Statutory & others liabilities	600.73	721.97
	<b>924.92</b>	<b>1,216.10</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 16 REVENUE FROM OPERATIONS

	For the year ended on	
	31 Mar 22	31 Mar 21
<b>Revenue from sale of products</b>		
Sale of products	81,474.41	59,738.50
	<b>81,474.41</b>	<b>59,738.50</b>
<b>Revenue from rendering services</b>		
Sale of services	1,823.91	1,706.22
	<b>1,823.91</b>	<b>1,706.22</b>
<b>Other operating income</b>		
Sale of scrap and others	1,171.98	827.54
	<b>1,171.98</b>	<b>827.54</b>
	<b>84,470.30</b>	<b>62,272.26</b>

## 17 OTHER INCOME

	For the year ended on	
	31 Mar 22	31 Mar 21
Interest on deposits and others	142.68	616.87
Dividend income	0.16	0.51
Profit on Assets Sold / Discarded	650.69	219.96
Rental Income	84.05	84.05
Exchange differences (net)	130.90	325.98
Duty drawback	12.31	136.95
Liabilities written back	407.10	454.43
Miscellaneous income	30.02	0.39
	<b>1,457.91</b>	<b>1,839.14</b>

## 18 COST OF CONSUMPTION AND TRADED GOODS SOLD

	For the year ended on	
	31 Mar 22	31 Mar 21
Inventory at the beginning of the year	6,558.52	4,966.18
Add: Purchases	63,408.05	43,236.59
Less: Inventory at the end of the year	(9,229.11)	(6,558.52)
<b>Cost of raw materials consumed</b>	<b>60,737.46</b>	<b>41,644.25</b>

## 19 CHANGE IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended on	
	31 Mar 22	31 Mar 21
<b>Inventory at the end of the year</b>		
– Finished goods	2,760.87	1,927.10
– Work-in-progress	1,287.14	1,271.58
	<b>4,048.01</b>	<b>3,198.68</b>
<b>Inventory at the beginning of the year</b>		
– Finished goods	1,927.10	1,861.09
– Work-in-progress	1,271.58	588.23
	<b>3,198.68</b>	<b>2,449.32</b>
<b>Net (increase) / decrease in inventories</b>	<b>(849.34)</b>	<b>(749.36)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 20 EMPLOYEE BENEFITS EXPENSE

	For the year ended on	
	31 Mar 22	31 Mar 21
Salaries, wages and bonus	5,103.07	4,872.79
Contribution to provident and other funds	452.51	358.67
Staff welfare expenses	371.23	298.86
	<b>5,926.81</b>	<b>5,530.32</b>

## 21 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended on	
	31 Mar 22	31 Mar 21
Depreciation on property, plant and equipment	3,577.96	3,573.46
Amortisation of intangible assets	344.18	974.46
Depreciation on investment property	3.02	3.17
	<b>3,925.16</b>	<b>4,551.09</b>

## 22 OTHER EXPENSES

	Notes	For the year ended on	
		31 Mar 22	31 Mar 21
<b>Manufacturing Expenses</b>			
Consumables, spares and loose tools		560.87	515.51
Power and fuel		3,435.25	2,980.14
Freight & forwarding charges		2,905.15	2,643.77
Sub-contracting expenses		747.02	447.27
Factory expenses		226.28	254.65
Job work charges		827.61	731.45
		8,702.18	7,572.79
<b>Selling and Distribution Expenses</b>			
Sales commission		1,033.62	667.74
Advertising and sales promotion		94.17	24.90
Allowances for doubtful debts and advances		10.41	153.38
Bad debts / advances written off		1.16	308.76
		1,139.36	1,154.78
<b>Other Expenses</b>			
Rent		172.44	150.14
Rates and taxes		19.46	29.48
Repairs & Maintenance			
– Building		62.68	75.78
– Plant and machinery		355.24	338.43
– Others		71.82	67.68
Insurance		178.92	142.82
Communication expenses		50.26	49.55
Travelling and conveyance		168.92	150.48
Printing and stationery		42.45	38.77
Legal and professional expenses		924.86	673.82
Payment to Auditors	See note (i)	55.25	51.71
License & Registration expenses		61.14	67.05

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

Donations	1.00	1.25
Miscellaneous expenses	606.90	182.89
Net Loss on disposal of Assets	–	5.14
Loss on Settlement of Liability	–	0.00
	2,771.33	2,024.98
	<b>12,612.87</b>	<b>10,752.55</b>

(i) Includes ₹40.36 lacs (31 March 2021: ₹36.41 lacs) paid to subsidiary auditors.

## 23 FINANCE COSTS

	For the year ended on	
	31 Mar 22	31 Mar 21
Interest	2,463.18	2,976.73
Unwinding of present value and effect of changes in discount rate	4,252.85	4,392.05
Bank charges and commission	177.22	189.76
	<b>6,893.25</b>	<b>7,558.54</b>

## 24 EXCEPTIONAL ITEMS GAIN / (LOSS)

	For the year ended on	
	31 Mar 22	31 Mar 21
Settlement gain on restructuring of loans	–	2,844.16
Present value gain / (loss) on restructured loans	–	(458.86)
Gain on settlement with capital creditors	3,252.08	–
Liabilities for advances and others written back / (written off)	(356.78)	294.28
	<b>2,895.30</b>	<b>2,679.58</b>

Refer Note 24 of standalone financial statements

## 25 INCOME TAX

[a] Income tax expense is as follows:

	For the year ended on	
	31 Mar 22	31 Mar 21
<b>Statement of profit and loss</b>		
<b>Current tax:</b>		
Current tax on profits for the year	539.68	746.13
<b>Total current tax expense</b>	<b>539.68</b>	<b>746.13</b>
<b>Adjustment in tax relating to earlier years</b>	<b>(17.88)</b>	<b>(63.30)</b>
<b>Deferred tax:</b>		
Deferred tax expense / (income)	(508.39)	(2,062.48)
<b>Total deferred tax expense / (benefit)</b>	<b>(508.39)</b>	<b>(2,062.48)</b>
<b>Income tax expense</b>	<b>13.41</b>	<b>(1,379.66)</b>
<b>Other comprehensive income</b>		
<b>Deferred tax related to OCI items:</b>		
– On loss / (gain) on remeasurements of defined benefit plans	(19.95)	1.67
	<b>(19.95)</b>	<b>1.67</b>
<b>Total Tax expense / (benefit)</b>	<b>33.36</b>	<b>(1,381.33)</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## [b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

	For the year ended on	
	31 Mar 22	31 Mar 21
Profit/(loss) before exceptional items and tax	(3,318.02)	(5,175.99)
Other comprehensive income before tax	77.14	(5.57)
<b>Total comprehensive income before tax</b>	<b>(3,240.88)</b>	<b>(5,181.57)</b>
Tax rate in India (%)	26.00%	26.00%
Expected Income Tax expense	(842.63)	(1,347.21)
<b>Tax effect of adjustments in calculating taxable income:</b>		
Timing difference for effect of tax considered in earlier year	(169.09)	–
Adjustment relating to earlier years	(0.28)	(63.30)
Expenses not deductible	1,867.96	1,668.74
Loss in respect of Deferred tax assets not recognised for the year	(383.46)	150.24
Effect of tax rate difference	(564.42)	153.72
Reversal of deferred tax on account of change in earlier year temporary differences	(72.00)	(1,963.00)
Other adjustments	198.92	27.36
Other tax allowances	15.03	(16.16)
Effect of income tax on OCI	(16.67)	8.29
<b>Income tax expense</b>	<b>33.36</b>	<b>(1,381.33)</b>

## 26 EARNING PER SHARE

	For the year ended on	
	31 Mar 22	31 Mar 21
<b>Basic earning per share (face value of ₹10 each)</b>	<b>(5.35)</b>	<b>(8.95)</b>
<b>Diluted earning per share (face value of ₹10 each)</b>	<b>(5.35)</b>	<b>(8.95)</b>
– Profit attributable to the equity share holders of the Company used in calculating basic earning per share	(1,259.08)	(2,107.77)
– Weighted average number of shares used as denominator in calculating basic earning per share (in Nos.)	23,545,231	23,545,231

## 27 FINANCIAL RISK MANAGEMENT

The Group is exposed primarily to fluctuations in foreign currency exchange rates, credit, liquidity and interest rate risks, which may adversely impact the fair value of its financial instruments. The Group has a risk policy which covers the risks associated with financial assets and liabilities. The Group assesses the unpredictability of the financial environment and focuses to mitigate potential adverse effects on the financial performance of the Group.

### Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk.

### – Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹4,656.86 lacs and ₹6,388.30 lacs as at March 31, 2022 and 2021, respectively, being the total of the carrying amount of balances with banks, bank deposits, investments excluding trade receivables.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

The Group's exposure to customers is diversified and no single customer contributes to more than 10% of outstanding trade receivable as at March 31, 2022 and March 31, 2021.

The allowance for lifetime expected credit loss on trade receivables for the years ended March 31, 2022 and 2021 was ₹(164.86) lacs and ₹1,004.55 lacs, respectively. The reconciliation of allowance for doubtful trade receivables is as follows:

	31 Mar 22	31 Mar 21
Balance at the beginning of the year	1,285.37	742.96
Change during the year	(164.86)	1,004.55
Allowances for doubtful debts and advances	(10.41)	(153.38)
Bad debts / advances written off	(1.16)	(308.76)
<b>Balance at the end of the year</b>	<b>1,108.94</b>	<b>1,285.37</b>

## Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group is under liquidity stress and is not able to meet its obligations in a timely manner. The Group regularly monitors the rolling forecasts to assess its cash flow requirements to meet operational needs.

The tables below provide details regarding the contractual maturities of significant financial liabilities as at:

	Due in 1 year	Due in 1 to 5 years	Due after 5 years	Total
<b>31 Mar 22</b>				
Non-derivative financial liabilities				
Borrowings	53,162.87	18,363.67	–	71,526.54
Trade payables	16,838.50	–	–	16,838.50
Capital creditors	1,718.40	–	–	1,718.40
<b>Total</b>	<b>71,719.77</b>	<b>18,363.67</b>	<b>–</b>	<b>90,083.44</b>
<b>31 Mar 21</b>				
Non-derivative financial liabilities				
Borrowings	39,941.06	40,230.85	–	80,171.91
Trade payables	10,423.45	–	–	10,423.45
Capital creditors	4,294.51	531.73	–	4,826.24
<b>Total</b>	<b>54,659.01</b>	<b>40,762.58</b>	<b>–</b>	<b>95,421.59</b>

*Borrowings do not include the effect of PV unwinding*

## Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, price and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

### – Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income 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 Group.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries.

The Group has a natural hedge as it imports raw material and exports goods. Further, any movement in the functional currency of the various operations of the Group against major foreign currencies may impact the Group's revenue in international business.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 10% against the functional currency of the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

The following table sets forth information relating to unhedged foreign currency exposure in ₹Lacs as at March 31, 2022:

	SGD	USD	EUR	GBP	Others
Financial Assets - Trade and other receivables	–	3,938.53	277.55	39.30	24.78
Financial Liabilities - Trade and other payables	1,718.40	5,631.24	1,003.06	11.49	640.25

10% appreciation / depreciation of the functional currency of the Group with respect to various foreign currencies would result in increase / decrease in the Group's profit before taxes by approximately ₹472.43 lacs for the year ended March 31, 2022.

The following table sets forth information relating to unhedged foreign currency exposure in ₹ Lacs as at March 31, 2021 :

	SGD	USD	EUR	GBP	Others
Financial Assets - Trade and other receivables	8.19	4,310.84	56.20	33.49	–
Financial Liabilities - Trade and other payables	4,832.26	4,365.27	342.64	8.84	605.05

10% appreciation / depreciation of the functional currency of the Group with respect to various foreign currencies would result in increase / decrease in the Group's profit before taxes by approximately ₹574.53 lacs for the year ended March 31, 2021.

## – Interest rate risk

The Group's borrowings are primarily fixed rate / nil rate borrowings except to the extent of change in the discount rate for the present value. Hence, the Group is not significantly exposed to interest rate risk.

## 28 FAIR VALUE MEASUREMENTS

### (1) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVTOCI)	Amortised Cost	Total carrying value
<b>Financial assets</b>				
Investments (other than in subsidiary)	1.00	–	–	1.00
Other financial assets - Security deposit	–	–	292.44	292.44
Term deposits (with maturity more than 12 months)	–	–	50.00	50.00
Interest and other receivable	–	–	306.22	306.22
Trade receivables - billed	–	–	22,000.78	22,000.78
Cash and cash equivalents	–	–	1,415.87	1,415.87
Bank balances	–	–	2,591.33	2,591.33
	<b>1.00</b>	<b>–</b>	<b>26,656.64</b>	<b>26,657.64</b>
<b>Financial liabilities</b>				
Borrowings	–	–	68,992.51	68,992.51
Trade payables	–	–	16,810.58	16,810.58
Other financial liabilities	–	–	8,083.56	8,083.56
	<b>–</b>	<b>–</b>	<b>93,886.65</b>	<b>93,886.65</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

	Fair value through profit or loss (FVTPL)	Fair value through other comprehensive income (FVTOCI)	Amortised Cost	Total carrying value
<b>Financial assets</b>				
Investments (other than in subsidiary)	1.00	–	–	1.00
Other financial assets - Security deposit	–	–	336.07	336.07
Term deposits (with maturity more than 12 months)	–	–	48.93	48.93
Interest and other receivable	–	–	338.42	338.42
Trade receivables - billed	–	–	15,430.69	15,430.69
Cash and cash equivalents	–	–	3,202.82	3,202.82
Bank balances	–	–	2,461.06	2,461.06
	<b>1.00</b>	<b>–</b>	<b>21,817.99</b>	<b>21,818.99</b>
<b>Financial liabilities</b>				
Borrowings	–	–	67,744.43	67,744.43
Trade payables	–	–	10,412.10	10,412.10
Other financial liabilities	–	–	8,985.03	8,985.03
	<b>–</b>	<b>–</b>	<b>87,141.55</b>	<b>87,141.55</b>

The carrying value of financial assets other than investments is approximate the fair value due to their nature and carrying value of financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented.

## (2) Fair Value Hierarchy

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

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

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

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

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required):

		31 Mar 22	31 Mar 21
<b>Financial assets</b>			
Investments (other than in subsidiary)	Level 1	–	–
	Level 2	1.00	1.00
	Level 3	–	–

## 29 EMPLOYEE BENEFIT OBLIGATIONS

### Defined Contribution plans

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits, such as provident fund. Out of the total expenses recognised ₹98.72 lacs pertains to contribution to PF and ESIC which have been expense under employee benefit expenses.

### Defined Benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring costs or termination benefits.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

The Company provides gratuity benefit to its employees which is treated as defined benefit plans.

## Compensated absences

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date.

Employee benefit plans consist of the following:

## Gratuity

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 to 30 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The Company manages the plan through a trust and the fair value of the plan assets is deducted from the gross obligation.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

	31 Mar 22	31 Mar 21
<b>Change in benefit obligations</b>		
Present value of obligation as at the beginning of the year	1,420.44	1,242.15
Interest expense	91.12	82.11
Contributions	—	—
Current service cost	115.03	97.26
Benefits paid	(125.75)	(52.75)
Gain/loss from change in demographic assumption	0.40	—
Gain/loss from change in financial assumption	(5.32)	37.38
Experience gain/loss	(1.05)	(17.55)
Remeasurements on obligation - (Gain) / Loss	(64.05)	31.83
Present value of obligation as at the end of the year	1,430.81	1,420.44
<b>Change in plan assets</b>		
Fair value of plan assets at the beginning of the year	848.77	742.48
Interest income	52.56	47.98
Contributions	11.52	64.80
Mortality charges and taxes	(5.02)	(2.97)
Benefits paid	(118.40)	(49.60)
Return on plan assets, excluding amount recognized in interest income - Gain / (Loss)	7.12	46.09
Fair value of plan assets at the end of the year	796.55	848.77
Actual return on plan assets	59.68	94.07
<b>Funded status</b>		
Deficit of plan assets over obligations	(634.26)	(571.67)
Surplus of plan assets over obligations	—	—
<b>Category of assets</b>		
Government bonds and securities	—	—
Insurer managed funds	796.55	848.77
Others	—	—
	796.55	848.77

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

	31 Mar 22	31 Mar 21
<b>Net periodic gratuity cost, included in employee cost consists of the following components:</b>		
Service Cost	115.03	97.26
Net interest (Income) / Expense	38.57	34.13
Net periodic benefit cost recognised in the statement of profit & loss at the end of year	153.59	131.39
<b>Remeasurement of the net defined benefit (asset) / liability:</b>		
Actuarial (gains) and losses arising from changes in demographic assumptions	0.40	–
Actuarial (gains) and losses arising from changes in financial assumptions	(23.37)	48.97
Actuarial (gains) and losses arising from changes in experience adjustments	(47.05)	2.69
<b>Remeasurement of the net defined benefit liability</b>	<b>(70.02)</b>	<b>51.66</b>
Remeasurement - return on plan assets	7.12	46.09
	(77.15)	5.57

## The assumptions used in accounting for the defined benefit plan are set out below:

	Bilcare Limited - Standalone		Caprihans India Limited	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Discount rate	7.10%	6.80%	6.90%	6.30%
Rate of increase in compensation levels of covered employees	10.00%	10.00%	10% p.a. for first two years, 6.5% p.a. thereafter	10% p.a. for first two years, 6.5% p.a. thereafter
Withdrawal rate	5.00%	5.00%	Upto 44 years 5%, above 44 years 7%	5%
Expected rate of return on plan assets	6.80%	7.00%	–	–
Weighted average duration of defined benefit obligations	9-10 years	9-10 years	5 years	6 years

Future mortality assumptions are taken in accordance with the Indian Assured Lives Mortality (2012-14) ultimate (IALM ult).

## Sensitivity Analysis

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.

If the discount rate increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

	Bilcare Limited - Standalone		Caprihans India Limited	
	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Increase by 1%	702.18	701.86	639.13	626.98
Decrease by 1%	820.66	819.67	710.84	704.25

If the expected salary growth increases / decreases by 1%, the defined benefit obligations would increase / (decrease) as follows:

	31 Mar 2022	31 Mar 2021	31 Mar 2022	31 Mar 2021
Increase by 1%	803.31	801.93	710.23	703.40
Decrease by 1%	714.46	714.50	639.05	627.05

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

If the withdrawal rate increases / decreases by 1%/50%, the defined benefit obligations would increase / (decrease) as follows:

Increase by 1%	751.33	749.56	–	–
Decrease by 1%	764.60	765.06	–	–
Increase by 50%	–	–	673.92	661.74
Decrease by 50%	–	–	672.00	665.58

If the mortality rate increases / decreases by 10%, the defined benefit obligations would increase / (decrease) as follows:

Increase by 10%	–	–	673.21	663.49
Decrease by 10%	–	–	673.18	663.55

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.

## Expected future benefits payments

The expected benefits are based on the same assumptions as are used to measure the Company's defined benefit plan obligations as at March 31, 2022. The Company's expected contributions to post-employment benefit plans for the year ending 31 March 2023 is ₹66.17 lacs.

The defined benefit obligations shall mature after the year ended March 31, 2022 as follows:

Year ending March 31,	Defined benefit obligations
Within the next 12 months	225.53
2-5 years	609.50
More than 5 years	1,218.42

## 30 BUSINESS COMBINATIONS

### Subsidiaries:

The Group's subsidiaries at 31 March 2022 are set out below. Unless otherwise stated, they have share capital that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by Group. The country of incorporation or registration is also their principal place of business.

Name of the Subsidiaries	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by the non-controlling interest	
		31 Mar 22	31 Mar 21	31 Mar 22	31 Mar 21
		%	%	%	%
Bilcare GCS Limited	United Kingdom	100.00	100.00	–	–
Bilcare Mauritius Limited	Mauritius	100.00	100.00	–	–
Bilcare GCS Inc.	United States of America	100.00	100.00	–	–
Bilcare GCS Ireland Limited	Ireland	100.00	100.00	–	–
Bilcare Inc. *	United States of America	100.00	–	–	–
Caprihans India Limited	India	51.00	51.00	49.00	49.00
Bilcare Technologies Singapore Pte. Limited#	Singapore	100.00	100.00	–	–
Bilcare Technologies Italia Srl.#	Italy	100.00	100.00	–	–

\*incorporated during the year under Bilcare Mauritius Limited

#closed during the year

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 31 CONTINGENT LIABILITIES

Particulars	31 Mar 22	31 Mar 21
(a) Claims against the Company not acknowledged as debts:		
– Disputed Income Tax matters in Appeal	670.32	672.50
– Penal interest on delayed payment of TDS	651.78	587.81
– Excise Duty & Service Tax matters	188.52	286.65
– Rental legal disputed cases	436.23	416.78
– Liabilities written back on account of pending legal cases	3,287.67	3,834.79
– Interest on unclaimed cumulative Fixed Deposits (after maturity date)	1,571.81	1,571.81
b) In view of the terms of settlement, the Company is showing the remission amount as a contingent liability till the final repayment of the outstanding settlement amounts. In the event of a default in payment of the settlement amounts as per the agreed schedule, the Company will be liable to pay the entire original amount of the said outstanding, which is inclusive of interest due there upon for the following:		
– Long term borrowings	53,428.21	53,428.21
– Capital creditor	3,387.86	–
– Trade creditor	1,454.66	–
c) In case of all the present as well as the restructured/settled loans there may be a penal interest charge, which is currently contingent and undeterminable.		

## 32 COMMITMENTS

Capital commitments	31 Mar 22	31 Mar 21
Estimated amount of contracts remaining to be executed (net of advances)	1,258.06	1,447.99

## 33 RESEARCH AND DEVELOPMENT EXPENDITURE

	31 Mar 22	31 Mar 21
Capital expenditure	3.02	14.91
Revenue expenditure	299.21	242.17

## 34 MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

	31 Mar 22	31 Mar 21
a) (i) Principal amount remaining unpaid	299.04	375.94
a) (ii) Interest amount remaining unpaid*	16.51	14.20
b) 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	–	–
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006*	15.52	3.61
d) Interest accrued and remaining unpaid	–	–
e) 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*	15.52	3.61

\*As per the terms of the commercial agreements with micro, small and medium enterprises there is no interest amount to be paid / payable by the Group.

Note: Identification of micro and small enterprises is on the basis of intimation received from vendors



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 35 RELATED PARTY DISCLOSURES

<b>Ultimate holding Company</b>	Bilcare Limited
<b>Key Management Personnel</b>	Mohan H. Bhandari (Chairman & Managing Director) Nilesh Tiwari (Chief Financial Officer) Prabhavi Mungee (Company Secretary)
Relatives of Key Management Personnel	Ankita J. Kariya Nutan M. Bhandari Kiran H. Bhandari Prakash H. Bhandari Shreyans M. Bhandari
<b>Other related parties</b>	Juniper Health LLP

Disclosure of transactions between the Company and Related Parties and the status of outstanding balances as at 31st March, 2022:

		<b>31 Mar 22</b>	<b>31 Mar 21</b>
Other related parties	Sale of Goods	407.54	147.20
	Purchase of Goods	14.99	0.78
	Commission paid	217.85	–
	Sales bill discounting availed	5,307.84	–
	Sales bill discounting repaid	3,003.69	–
	Outstanding as at the year end:		
	Trade payables	–	0.79
	Trade receivables	172.04	3.33
	Sales bill discounting payable	2,304.15	-
Key management personnel	Remuneration	86.77	43.39
	Sitting Fees	8.40	6.40
	Capital advances	294.00	180.00
	Outstanding as at the year end:		
	Capital advances	11,094.66	10,800.66

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

### 36 SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES/ ASSOCIATES/JOINT VENTURES AS PER COMPANIES ACT, 2013

Statement pursuant to Section 129 (3) of the Companies Act, 2013

#### Part "A": Subsidiaries

Sr. No.	Name of the Subsidiary	Date of becoming subsidiary	Reporting Currency	Country	Equity Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Profit before Taxation	Provision for Taxation	Profit after Taxation	Other Comprehensive Income	Total Comprehensive Income	% of Share holding
1	Bilcare GCS Limited UK	2015	GBP	UK	0.95	221.51	276.31	53.85	–	46.15	8.77	37.38	(0.97)	36.41	100%
2	Bilcare Technologies Singapore Pte. Limited (part of the year)	2005	SGD	Singapore	–	–	–	–	–	147.09	–	147.09	(1.59)	145.50	100%
3	Bilcare Mauritius Limited	2010	USD	Mauritius	2,686.30	2,547.96	5,398.16	163.90	4,524.35	(18.20)	(17.60)	(0.60)	241.56	240.96	100%
4	Bilcare GCS Inc	2021	USD	USA	0.15	210.52	1,180.83	970.17	–	63.30	13.29	50.00	8.02	58.03	100%
5	Caprihans India Limited	2019	INR	India	1,313.40	16,271.42	26,486.79	8,901.97	–	2,264.11	584.62	1,679.49	9.74	1,689.23	51%
6	Bilcare GCS Ireland Limited	2020	EURO	Ireland	0.00	(5.31)	100.06	105.37	–	3.86	–	3.86	(0.02)	3.84	100%
7	Bilcare Inc	2022	USD	USA	0.76	(0.01)	0.76	(0.00)	–	–	–	–	(0.01)	(0.01)	100%

#### Notes:

- 1 Bilcare Technologies Singapore Pte. Ltd. was closed during the year
- 2 Bilcare Technologies Italia Srl., Italy is not considered for consolidation as it was closed during the year
- 3 Exchange rates considered:

Currency	SGD	EURO	GBP	USD
Average rate	55.1834	86.5824	101.8335	74.5415
Closing Rate	56.0606	84.6599	99.5524	75.8071

#### Part "B": Associates and Joint Ventures - None

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

(All amount in ₹ lacs, unless otherwise stated)

## 37 SEGMENT INFORMATION

The Group is engaged mainly in Pharma Packaging Research Solutions & its products are covered under a one business segment as the primary segment hence, segment wise disclosure requirements of Ind AS 108 on Operating Segment is not applicable. However, in compliance to the said standard the geographical information is as under :

Particulars	31 Mar 22	31 Mar 21
<b>a) Revenue from operations*</b>		
Sale of products / services		
Within India	68,547.69	49,064.63
Outside India	15,922.61	13,207.63
	<b>84,470.30</b>	<b>62,272.26</b>
<b>b) Non-current assets #</b>		
Within India	58,636.74	61,025.61
Outside India	—	114.17
	<b>58,636.74</b>	<b>61,139.79</b>

\*The Group did not have any revenue from a particular customer which exceeded 10% of total revenue for the year ended March 31, 2022 and 2021.

# Non current assets excludes financial assets, deferred tax assets and post employment benefit assets.

In terms of the divestment as on 8 November 2019, the Group had agreed not to compete for two years in the PVC/PVDC segment in the markets other than India, Saudi Arabia, Iran & Bangladesh ("Non-compete markets") without any consideration. The said period of 2 years ended on 7 November 2021.

## 38 COVID-19

The Group has taken into account all the possible impacts of COVID-19 in preparation of the consolidated financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts and investments. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of the consolidated financial statements and believes that the impact of COVID-19 is not material to the consolidated financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of the consolidated financial statements owing to the nature and duration of COVID-19.

## 39

A. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- (c) With struck off companies
- (d) Registration of charges or satisfaction with Registrar of Companies
- (e) Relating to borrowed funds:
  - (i) Wilful defaulter
  - (ii) Utilisation of borrowed funds & share premium
  - (iii) Borrowings obtained on the basis of security of current assets
  - (iv) Discrepancy in utilisation of borrowings

B. Following disclosures are not applicable for consolidated financial statements as per Schedule III:

- (a) Title deeds of immoveable properties
- (b) Accounting ratios

40 Previous year figures have been regrouped / reclassified wherever necessary.

# Bilcare Research

## Bilcare Limited

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Email: [cs@bilcare.com](mailto:cs@bilcare.com)

CIN: L28939PN1987PLC043953

## Notice

Notice is hereby given that the 35th Annual General Meeting of the Members of Bilcare Limited will be held on Wednesday, 3 August 2022, at 11.30 a.m. Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2022 including Consolidated Audited Financial Statements on that date together with the Reports of the Board of Directors and Auditors thereon.

### SPECIAL BUSINESS

#### 2. Appointment of Ms. Diksha Tomar (DIN 08477426) as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors Ms. Diksha Tomar (DIN 08477426), who was appointed as an Additional Director of the Company with effect from 30th December 2021, and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for a term of 2 years from 30th December 2021 to 29th December 2023."

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

#### 3. Appointment of Mr. Vijesh Mehra (DIN 08547764) as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors Vijesh Mehra (DIN 08547764), who was appointed as an Additional Director of the Company with effect from 30th December 2021, and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation, for a term of 2 years from 30th December 2021 to 29th December 2023."

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution "

#### **4. Appointment of Mr. Shreyans Bhandari [DIN 07737337] as Chairman & Managing Director of the Company.**

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197, 203 and 188 and other applicable provisions, if any, of the Act read with Schedule V to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company, and such other approvals, consents and permission as may be necessary and subject to such modifications, variations, as may be approved and acceptable to the appointee and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Shreyans Bhandari [DIN 07737337], who was appointed as an Additional Director of the Company with effect from 1st July 2022, and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, consent of the members be and is hereby accorded for the Appointment of Mr. Shreyans Bhandari [DIN: 07737337] as Chairman & Managing Director of the Company, not liable to retire by rotation, for a period of five years with effect from 01st July, 2022 to 30th June 2027 and that he shall not be paid any remuneration until the Board of Directors and Shareholders approve the same.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

#### **5. Approval of remuneration of Cost Auditors of the Company**

To consider and, if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. Parkhi Limaye & Co., Cost Accountants (Firm Registration No: 000191), who were appointed by the Board of Directors as Cost Auditors, based on the recommendation of the Audit Committee, to audit the cost records of the Company for the financial year ending 31st March, 2023, amounting to Rs. 200,000/- (Rupees Two Lacs only) plus taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters concerned or incidental thereto”.

**By Order of the Board of Directors**

**Mohan H. Bhandari**  
**Chairman & Managing Director**

Pune: 27<sup>th</sup> June 2022

#### **Notes:**

1. The relevant Explanatory Statement pursuant to Section 102(1) of the Act, setting out material facts relating to the special business to be transacted at the Annual General Meeting (“Meeting”) under item nos. 2-5 of the Notice as set out above is annexed hereto.
2. Pursuant to the General Circulars no. 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI, Companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [shekhar\\_fcs1659@yahoo.com](mailto:shekhar_fcs1659@yahoo.com) with copies marked to the Company at [cs@bilcare.com](mailto:cs@bilcare.com) and to its RTA at [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in).
5. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Act.
6. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories In compliance with the aforesaid MCA circulars and SEBI circular dated 12 May, 2020, further extended the relaxation vide Circular dated 15 January, 2021 and 13 May, 2022. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company's website [www.bilcare.com](http://www.bilcare.com); website of the Stock Exchange BSE Limited [www.bseindia.com](http://www.bseindia.com). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
7. At the 31st Annual General Meeting of the Company, the Members approved appointment of M/s. K. R. Miniyar & Associates, Chartered Accountants (FRN 124806W), as the Statutory Auditors of the Company to hold office from the conclusion of 31st Annual General Meeting till the conclusion of the 36th Annual General Meeting of the Company, subject to ratification of their appointment at every Annual General Meeting. However, pursuant to the provisions of the Companies (Amendment) Act, 2017, effective from 7th May, 2018, the requirement of seeking approval for ratification of appointment of Statutory Auditors by Members of the Company at every Annual General Meeting is omitted. Therefore, the Company is not seeking any ratification of appointment of M/s. K. R. Miniyar & Associates, Chartered Accountants (FRN 124806W), as the Statutory Auditors of the Company, by the Members at the 35th Annual General Meeting of the Company.
8. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
9. The Company's Share Transfer Books and the Register of Members will remain closed from Friday, 29 July 2022 to Wednesday, 3 August 2022 (both days inclusive).
10. Members holding shares in dematerialised form are requested to intimate any change in their address, bank details, ECS details etc. to their respective Depositories Participants and those holding shares in physical form are requested to intimate the above mentioned changes to the Secretarial Department at the Registered Office of the Company/Registrar and Transfer Agent of the Company.
11. Those Members who have not dematerialised their shareholding are advised to dematerialise their shareholding to avoid any inconvenience in future.
12. Non-Resident Indian Members are requested to inform the Company/Depository Participant, immediately of:
  - (i) Change in their residential status on return to India for permanent settlement.
  - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, MICR number, account number and address of the bank with pin code number, if not furnished earlier.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
14. Securities of listed companies would be transferred in dematerialised form only, as notified by SEBI. In view of the same members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard.
15. Pursuant to the provisions of Section 101 and Section 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 36 of the SEBI (LODR) Regulations, 2015, as amended, and as per the MCA General Circular

dated 05 May 2022 electronic copy of the Notice and Annual Report for the Financial Year 2021-22 is being sent to the Members whose e-mail IDs are registered with the Company/ Depository Participant(s) (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form).

16. Shareholders who have not got their e-mail address registered or wish to update a fresh e-mail address may do so by submitting the attached E-mail Registration-Cum Consent Form duly filled and signed along with a self-attested scanned copy of their PAN Card and AADHAAR Card at the company's e-mail address [cs@bilcare.com](mailto:cs@bilcare.com) consenting to send the Annual Report and other documents in electronic form and to Link Intime India Private Limited, Registrar and Share Transfer Agent of the Company at [pune@linkintime.co.in](mailto:pune@linkintime.co.in).
17. Since the AGM will be held through VC/OAVM, the Route map of the Venue of the AGM is not annexed to this Notice.

**Unclaimed Dividends:**

18. Members are hereby informed that under the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ("the Fund") established by the Central Government.
19. Further attention of the members is drawn to the provisions of Section 124(6) of the Act which require a Company to transfer all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of transfer to Unpaid Dividend Account of the Company, in the name of IEPF Authority.
20. In accordance with the aforesaid provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, the Company has already transferred all shares in respect of which dividend declared for the financial year 2011-12 or earlier financial years has not been paid or claimed by the members for 7 (seven) consecutive years or more. Members are advised to visit the website of the Company to ascertain details of shares transferred to IEPF Authority.
21. The Company has transferred the unpaid or unclaimed dividends declared upto financial years 2011-12, from time to time, to the Fund.
22. Members/Claimants whose shares, unclaimed dividend, sales proceeds of fractional shares etc. have been transferred to the IEPF Authority or the Fund, as the case maybe, may claim the shares or apply for the refund by making an application to the IEPF Authority in Form IEPF-5 (available on [iepf.gov.in](http://iepf.gov.in)).

## **Instructions**

### **Process and manner for members opting for E-voting through electronics means:**

- a) In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and as per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by LIPL, on all the resolutions set forth in this Notice.
- b) Members are provided with the facility for e-Voting at AGM during the VC / OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM through electronic means.
- c) Members who have already cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC / OAVM but shall not be entitled to cast their vote again on such resolution(s).
- d) M/s. Ghatpande & Ghatpande Associates (having Firm Registration No. P2019MH077200 and Peer Review No.: 1503/2021) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
<b>Sunday, 31 July 2022, 9.00 A.M. IST</b>	<b>Tuesday, 02 August 2022, 5.00 P.M. IST</b>

- f) Members of the Company holding shares either in physical form or electronic form as on the cut-off date of Thursday, 28 July 2022, may cast their vote by e-Voting.
- g) Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only.
- h) Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.



i) Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
<b>1. Individual Shareholders holding securities in demat mode with NSDL</b>	<ul style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password.</li> <li>After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>
<b>2. Individual Shareholders holding securities in demat mode with CDSL</b>	<ul style="list-style-type: none"> <li>Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ul>
<b>3. Individual Shareholders (holding securities in demat mode) &amp; login through their depository participants</b>	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ul>

<p><b>4. Individual Shareholders holding securities in Physical mode &amp; evoting service Provider is LINKINTIME.</b></p>	<ol style="list-style-type: none"> <li>1. Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ol style="list-style-type: none"> <li>A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company.</li> <li>B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li>C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li>D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> <ul style="list-style-type: none"> <li>• Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</li> </ul> </li> <li>Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>1. Click "confirm" (Your password is now generated)</li> <li>2. Click on 'Login' under 'SHARE HOLDER' tab.</li> <li>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.</li> <li>4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.</li> <li>5. E-voting page will appear.</li> <li>6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</li> <li>7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</li> </ol>
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#### 5. Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

#### 6. Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'

Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.

The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.

#### 7. Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- b. For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- c. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**\*Helpdesk for Individual Shareholders holding securities in demat mode:**

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

**\*Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.**

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 –4918 6000. InstaVote Support Desk, Link Intime India Private Limited

**Process and manner for attending the Annual General Meeting through InstaMeet**

- (i) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- (ii) Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minute prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 (One Thousand Only) members only.
- (iii) Shareholders/Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
- (iv) Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and Select the **"Company"** and **'Event Date'** and register with your following details:
  1. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
    - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
    - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
    - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
  2. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
  3. **Mobile No.:** Enter your mobile number.
  4. **Email ID:** Enter your email id, as recorded with your DP/Company.
    - ▶ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).
  5. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
  6. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
  7. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to **instameet@linkintime.co.in** or **Call us: - Tel: (022-49186175)** InstaMeet Support Desk, Link Intime India Private Limited.

**Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:**

- (i) Members who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/ folio number, e-mail id, mobile number at [cs@bilcare.com](mailto:cs@bilcare.com) from 14 July 2022 (9:00 a.m. IST) to 15 July 2022 (5:00 p.m. IST).
- (ii) Members who would like to ask questions, may send their questions in advance mentioning their name, demat account number/ folio number, e-mail id, mobile number at [cs@bilcare.com](mailto:cs@bilcare.com). The same will be replied by the Company suitably.
- (iii) Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.
- (iv) Members should allow themselves to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the Meeting.
- (v) Members are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
- (vi) For a smooth experience of viewing the AGM proceedings Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

**Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:**

- i. Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:
- ii. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
- iii. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
- iv. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- v. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- vi. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- vii. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- viii. Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.
- ix. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- x. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel: (022-49186175) InstaMeet Support Desk, Link Intime India Private Limited.

Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting. Notice of the Annual General Meeting and the Annual Report are available on the website of the Company at [www.bilcare.com](http://www.bilcare.com)

**Address of the Registrar and Transfer Agents:****Link Intime India Pvt. Ltd.**

(Unit: Bilcare Limited)  
Block No. 202, 2nd Floor, Akshay Complex  
Off Dhole Patil Road, Pune-411 001, India  
Telefax: +91-20-26163503  
E-mail: [pune@linkintime.co.in](mailto:pune@linkintime.co.in)

## EXPLANATORY STATEMENT

As required by Section 102 of the Act, the following Explanatory Statement sets out material facts relating to the business under items 2-5 of the accompanying Notice dated 27th June 2022

### Item No. 2

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed:

Ms. Diksha Tomar (DIN 08477426) as an Additional Director of the Company not liable to retire by rotation, for a term of 2 years i.e. from 30th December 2021 to 29th December 2023, subject to approval of the Members of the Company.

Pursuant to the provisions of Section 161(1) of the Act, Director shall hold office up to the date of ensuing Annual General Meeting ("AGM") and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from Member, proposing her candidature for the office of Director.

The Company has received declarations from Ms. Diksha Tomar to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1) (b) of the SEBI (LODR) 2015. In terms of Regulation 25(8) of SEBI (LODR) 2015, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties.

In the opinion of the Board, the Director fulfills the conditions specified in the Act, Rules and SEBI (LODR) 2015, for appointment as Independent Director and she is independent of the management of the Company. The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday).

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 2 of this Notice. The Board recommends the passing of the Resolution as set out under Item No. 2 of the Notice for approval by the members of the Company.

### Item No. 3

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed:

Mr. Vijesh Mehra (DIN 08547764) as an Additional Director of the Company, not liable to retire by rotation, for a term of 2 years i.e. from 30th December 2021 to 29th December 2023, subject to approval of the Members of the Company.

Pursuant to the provisions of Section 161(1) of the Act, Director shall hold office up to the date of ensuing Annual General Meeting ("AGM") and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing notice from Member, proposing his candidature for the office of Director.

The Company has received declarations from Mr. Vijesh Mehra to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI (LODR) 2015. In terms of Regulation 25(8) of SEBI (LODR) 2015, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties.

In the opinion of the Board, the Director fulfills the conditions specified in the Act, Rules and SEBI (LODR) 2015, for appointment as Independent Director and he is independent of the management of the Company. The terms and conditions of her appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday).

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 3 of this Notice. The Board recommends the passing of the Resolution as set out under Item No. 3 of the Notice for approval by the members of the Company.

### Item No. 4

As the members are aware that the term of Mr. Mohan Bhandari as the Chairman and Managing Director of the Company is ending w.e.f. 30th June, 2022.

Therefore, in order to comply with the provisions of Act and SEBI (LODR) 2015, and on Recommendation of Audit and Nomination and remuneration committee, Board took a conscious decision to appoint Mr. Shreyans Bhandari as Chairman & Managing Director (Son of Mr. Mohan Bhandari).

He holds Master's degree in Industrial & Product Design from Rhode Island School of Design, USA and a Bachelor of Science in Electrical Engineering & Environmental Studies from Jacobs University Germany. He brings knowledge & technology insights for healthcare innovation, product development and marketing to Pharma companies globally.

The Company has received a notice in writing from a member under section 160 of the Act, proposing his candidature for the office of Chairman and Managing Director of the Company. Mr. Shreyans Bhandari satisfies all the eligibility conditions set out in Section 196(3) and in Part I of Schedule V to the Act for being eligible for appointment.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out under Item No. 4 of the Notice for Appointment of Mr. Shreyans Bhandari as Chairman & Managing Director

Except Mr. Mohan Bhandari, Chairman & Managing Director & Mrs. Ankita Kariya, President-Global Business of the Company, none of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of this Notice. The Board recommends the passing of the Resolution as set out under Item No. 4 of the Notice for approval by the members of the Company.

**Item No. 5**

The Board of Directors, on the recommendation of the Audit Committee, has approved at their Meeting held on 27th June, 2022, the appointment and remuneration of M/s. Parkhi Limaye & Co., Cost Accountants (Firm Registration No: 000191), as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2023 at a remuneration of Rs. 200,000/- plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out under Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2023.

None of the Directors, Key Managerial Personnel, and their relative is concerned or interested, financially or otherwise, in the aforesaid Resolution. The Board recommends the passing of the Resolution as set out under Item No. 5 of the Notice for approval by the members of the Company.

(To be read with Item No. 2, 3 & 4 of the Notice)

**DETAILS OF DIRECTOR SEEKING APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING**

[Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings]

Name of the Director	Diksha Tomar	Vijesh Mehra	Shreyans Bhandari
Director Identification No.(DIN)	08477426	08547764	07737337
Date of Birth	18-03-1993	11-07-1987	03/12/1992
Age	28	36	29
Date of first appointment	30th December 2021	30th December 2021	01st July 2022
Terms & conditions of re-appointment/ continuation of Directorship	As mentioned in the respective resolutions and explanatory statement.	As mentioned in the respective resolutions and explanatory statement.	As mentioned in the respective resolutions and explanatory statement.
Qualification	Bachelor of Commerce	<ul style="list-style-type: none"> <li>Master Degree in Commerce</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Science in Electrical Engineering, Rhode Island School of Design, USA</li> <li>Master's degree in Industrial &amp; Product Design, Jacobs University Germany</li> </ul>
Experience / Expertise in functional field and brief resume	She is a commerce graduate, she has more than 5 years of working experience in the field of accounting and administration on different projects in various organizations.	He has more than 10 years of rich experience in the field of accounting, computers and administration.	He brings knowledge & technology insights for healthcare innovation, product development and marketing to Pharma companies globally.
No. of Shares held in the Company	NA	NA	NA
No. of Board Meetings attended during the financial year 2021-22	2	2	NA
Remuneration sought to be paid / last drawn, if any	Independent Directors are entitled to receive sitting fees only.	Independent Directors are entitled to receive sitting fees only.	NA
Other Directorships in listed Companies	NA	NA	NA
Chairmanship / Membership of Committees of other Companies	NA	NA	NA
Relationship with other Directors, Manager and Key Managerial Personnel	NA		Son of Mr. Mohan Bhandari (Promoter & Director of the Company)



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